February 28, 2019

City Clerk's Office
City Hall
100 Queen Street West
Toronto, ON
M5H 2H2

RE: City of Toronto 2019 Budget Review – Proposed Lane Occupancy Fee Increases

Dear Members of the Executive Committee,

As per the 2019 City of Toronto Budget process that is currently underway, the Building Industry and Land Development Association (BILD) wishes to express the following concerns surrounding the proposed changes to lane occupancy fees in advance of City Council's consideration of the final Budget on March 7th.

By way of background, this policy is designed to charge a fee for development projects that have to occupy a laneway in order to have a safe place for construction workers and the public, with the associated overhead protection. Through the 2019 Budgetary process, Transportation Services and the TTC are proposing a significant 25-50% increase to these fees, as well as a new TTC-vehicle charge, for lane occupancy in the amount of $97 per hour, per additional surface vehicle required.

Since BILD received notice of these changes in November 2018, concerted efforts, alongside the Residential Construction Council of Ontario (RESCON), have been made to understand the rationale for the fee proposals – particularly that associated to the proposed TTC component.

In December 2018, BILD and RESCON met with Transportation Services and TTC staff to discuss the merits of the proposed changes and requested additional information on the basis for the new TTC charge. At this time, our information request remains outstanding, and it is incredibly concerning that this portion of the budget is to be approved in the absence of this pertinent information.

In the discussions noted above, BILD identified the following concerns:

- **Significant Increase:** Lane occupancy fee increases were extremely high in 2015, being over 1700%. Additional TPA increases currently introduced at a 25-50% level are unsustainable.

- **Confusion and Lack of Clarity on Costs:** BILD members have experienced confusion and inconsistent information on how the new charges will be calculated. This makes it difficult to understand and plan for accurate costs and potential impact to an ongoing project.

- **Lack of Consultation:** BILD and its' members are concerned with the lack of stakeholder consultation for the TPA parking rate increase that were introduced in 2018. That report did not state changes to the lane occupancy fees as a result of the parking fees going up, so it was not assumed that the development industry would be affected, especially since heavily increases had just been implemented. Only BIA's were seemingly affected and thus consulted.

- **Lack of Justification for the Proposed TTC Charge:** To date, there has been no information from staff regarding the legal right to impose these TTC costs. TTC has not provide a sufficient

rationale for the ability to charge the $97 per hour, per surface vehicle nor have they provided sufficient direction on the criteria that will be applied for adding TTC surface vehicles and the approach that will be used.

Members also informed BILD that little clarity has been provided on how the proposed fees are to be calculated, ultimately creating uncertainty around expected changes in costs for their projects.
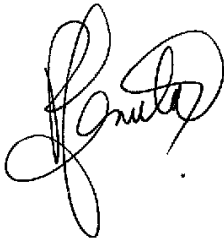

RECOMMENDATION:

In the interest of transparency and certainty, BILD Toronto Chapter members request that City Council not proceed in adopting the lane occupancy proposed changes as part of the budgetary process.

We further recommend that City staff and TTC representatives be directed to provide additional information and consultation with our industry on the proposed fees, as per the list of outstanding concerns identified herein.

Please do not hesitate to contact me if you have any questions or require additional information. Thank you and we look forward to continuing this conversation.

Sincerely,

Paula J. Tenuta, MCIP, RPP
Senior Vice President, Policy & Government Relations, BILD

CC: Gary Switzer, BILD Peel Chapter Chair
*   BILD Toronto Chapter Members*