



January 22, 2023

Budget Committee
City of Toronto

Sent via email: buc@toronto.ca

RE: 2023 City Budget, January 24 Meeting, BU3.1 – 2023, Capital and Operating Budgets

To the Members of the Budget Committee:

I am writing to you regarding the draft 2023 City Budget on behalf of the Pocket Change Project, a committee of the Pocket Community Association in East Toronto/Danforth (Ward 14). We urge you to include the operating and capital funding and staff required to meet Toronto's TransformTO Net-Zero 2030 goals, taking into account funding available from other levels of government, and reasonable assumptions about the contributions of the private sector. We support raising additional revenues to cover these crucial expenses. Please see p. 2 of this letter for a specific list of some of our concerns in terms of the draft Budget 2023.

Our neighbourhood, The Pocket, comprises about 3500 residents in 1360 households. Formed in 2017, the Pocket Change Project is a group of neighbours working together to reduce our individual and collective carbon footprints, with the goal of becoming a net-zero community as soon as possible. We work in the areas of residential retrofits, transportation, community greening, and community building and education around climate topics. We also collaborate with the City of Toronto and other stakeholders on the Pocket Change Plus Neighbourhood Climate Action Plan, a neighbourhood scale implementation of TransformTO.

We know the City faces significant budgetary challenges in the current fiscal context for a variety of reasons. We fully support the City's efforts in seeking funding from other levels of government and in introducing new rate increases, including to residential property taxes. Raising these revenues is a start, but we are deeply concerned that the City has not made it a priority to sufficiently fund the efforts needed *now* to reduce Toronto's greenhouse gas emissions to the extent that the [2019 Council-declared climate emergency](#) and the City's TransformTO 2030 Net Zero Strategy requires.

When reviewing the recording of the January 12 Budget Committee meeting, we were concerned to learn that the Director of the Environment and Climate division, while noting that good work is already underway, says that "more needs to be done," in response to a question about the City's success in meeting its climate targets to date. During this line of questioning we also learned that many of the unfunded capital projects in this year's budget are climate initiatives, for example the Net Zero Carbon Plan for 2023 and beyond and the EV premium for medium/heavy vehicles.

The City is falling behind in climate investments at a time when, instead of continuing on a downward trajectory as we need them to be, emissions in Toronto are staying steady. This is concerning given that a significant portion of Toronto's past emissions reductions resulted from the provincial phasing out of coal-generated electricity; City action will need to drive future emissions reductions.

Each year that the necessary expenditures are deferred increases the funding challenge for future years and reduces the City's ability to meet TransformTO targets. The City's own research shows that the more that is invested earlier in climate measures, the lower the overall cost of the required investments.

If the City fails to invest adequately now, Toronto residents can expect many future health, economic, and other crises from this climate inaction. This is particularly disconcerting when the future impacts of climate change will disproportionately affect many Torontonians who already face other significant barriers, such as income inequality, systemic racism, and lack of affordable housing.

We urge you to introduce additional revenue tools as soon as possible to fully fund the City's TransformTO strategy. These tools could include a commercial parking levy, as many others deputed on the Budget have noted, a municipal share of the income tax, a congestion charge, or additional tax increases.

With the above in mind, the Pocket Change Project would like to see this year's budget include:

In the area of Buildings (58% of the City's greenhouse gas [GHG] emissions):

- New incentives for home retrofits, particularly in support of low-income homeowners and for retrofit coordination services, which City reports have identified as important and helpful strategies to addressing the many barriers that individual homeowners face.
- An increase in the capital subsidy for the Holistic Building Retrofit Program for TCHC buildings, with greater focus on fuel switching in the next ten years. Also, more funding for building envelope and roofing work on TCHC buildings, so that this work can be accelerated.
- Additional incentives for deep retrofits of small commercial buildings.
- The return to the budget of the Net Zero Carbon Plan (for 2023 and future years).

In the area of Transportation (33% of the City's GHG emissions):

- No increases to transit fees or service cuts. The proposed fee increase and 9% service decrease would be the beginning of a spiral of decline, making transit less attractive to everyone at a time when we need to be encouraging its use to meet the City's Net-Zero 2030 goals. The fare increase is a regressive measure that hurts lower and lower-medium income Torontonians the most.
- Additional funds for the purchase of eBuses and the necessary charging systems, to accelerate the electrification of the TTC bus fleet (only 3% of which is currently electric). With each eBus reducing approximately 1,200 tonnes of CO₂ over its lifespan according to a Budget briefing note, this is a quick win to reduce emissions in the transportation sector. We would like to see 100% electrification of the bus fleet happen much sooner than 2040 (the current target).
- The return to the budget of the EV premium for medium/heavy vehicles.
- Fully funding the City's cycling expansion plan. We note that the Bike Share program will be expanded this year – we are glad to see this.

In the area of carbon sequestration and climate adaptation via City greening programs:

- We note that the budget allocations are being reduced this year for the Ravine Strategy and tree maintenance, and that fewer trees will be planted this year – these weaken important climate mitigation and adaptation measures at a time when they need to be strengthened.

Thank you for the opportunity to contribute our thoughts towards the development of this year's budget.

Sincerely,

David Langille
Chair, Pocket Change Committee
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cc:

Mayor John Tory
Councillor Paula Fletcher