Paul J. Bedford FCIP, RPP
Urban Mentor

August 21, 2023

Catherine Regan, Committee Administrator

exec@toronto.ca

Executive Committee

Dear Mayor Chow and Councillors,

I am writing to offer my general support for the new revenue generating measures contained in the City Manager's report and encourage you to carefully evaluate all the possible options. **The choices you make will determine if we manage our future or manage our decline.**

These are my thoughts.

The Reality of Big City Financial Needs

Toronto's current financial situation is a direct result of amalgamation in 1998 and downloading the costs of the TTC, Social Housing and Gardiner Expressway, among other services, on to the city of Toronto property taxpayers. This is unique among Canadian municipalities and is clearly not sustainable. The revenue tools you are debating are not radical but are the norm in several U.S. and European big cities.

As the largest city in the U.S. the revenue tools available to New York City are useful to reflect upon. In addition to property taxes, user fees and transit fares, the revenue menu includes a municipal sales and use tax, a municipal income tax, a parking garage tax, a commuter transportation surcharge and bridge and tunnel tolls. In addition, New York State has recently given the city the authority to bring in a Congestion Charge of $8 in the spring of 2024 for all vehicles travelling below 60th Street in Manhattan between 6am-6pm.

First Steps for Toronto

Toronto must first utilize existing revenue tools delegated in the City of Toronto Act to demonstrate that it is prepared to make tough decisions before seeking new powers. These should include a moderate property tax increase, a vehicle registration tax and a billboard tax. Other measures under consideration include raising the land transfer tax and vacant home tax. These will all help but will not be sufficient to meet our needs.

New Revenue Tools for Toronto

It is essential that the tools adopted must all grow with the economy. A municipal sales tax, income tax and congestion pricing all would generate the revenue Toronto needs as it continues to grow over the next 25 years towards a population of 3.5+ million. There is a sound basis for adopting such bold decisions.

Paul J. Bedford FCIP, RPP
Urban Mentor

All commuters who use city of Toronto services daily should contribute to the cost of maintaining our physical and social infrastructure. Here are two prime examples where existing disparities need to be addressed. At present, commuters using the GO train network and those using the TTC all pay a fare while all commuters who drive pay nothing towards the cost of road maintenance.

Shoppers on our main streets all pay a parking fee yet shoppers who patronize our many malls and plazas pay nothing. Even with a daily parking charge of $1 per space would generate substantial revenue stream. The rationale for a commercial parking levy exists but it should not be applied to on street parking that serves small merchants on our main streets.

I urge you to ensure that the adoption of new revenue tools minimize the negative impact on lower income Torontonians while ensuring that they must be sufficient to meet Toronto's existing and future physical and social infrastructure needs. This is not a time to simply tinker with minor revenue tools. You need to face Toronto's structural financial problem head on with big, bold strategies. These decisions will be hard but you have no choice unless you are prepared to let Toronto deteriorate. I wish you all much strength and courage.

Recommendations

1. Be bold and be creative by adopting revenue tools that enable Toronto to take responsibility for its own future.
2. Embrace strategies that minimize the impact on small merchants located on our main streets and on lower income Torontonians with appropriate sales tax exemptions for food, clothing and daily living necessities.
3. Ensure that residents, commuters, employers and visitors who uses city services all make an appropriate financial contribution.

Yours truly,

Paul Bedford

Paul Bedford, RPP, FCIP

Former Toronto Chief Planner