
2024 BUDGET BRIEFING NOTE

Equity Impacts in the Prepared Budget

Issue/Background:

Equity Responsive Budgeting (ERB) at the City of Toronto embeds equity¹ impact analyses within the budget process. The purpose of this briefing note is to:

- Provide an overview of ERB.
- Outline the process City and Agency staff used to identify the potential equity impacts inclusive of changes and existing 2024 Base Operating Budget.
- Highlight the refreshed supports and resources provided to ERB Leads and people leaders.
- Consider the current fiscal environment and the impact to the City of Toronto's staff prepared budget.
- Highlight ongoing effort City Divisions and Agencies are taking to advance equity and Reconciliation opportunities to drive continuous improvement.

Through the ERB process, staff review and report on how the 2024 Staff Prepared Operating Budget, which includes service level changes, revenue changes, reductions, investments and base budget spending impact Indigenous, Black and equity-deserving communities.²

For each proposal in the Staff Prepared Operating Budget, staff assess whether it has positive, negative, or no equity impacts on Indigenous, Black and equity-deserving communities, including any intersectional impacts. The 2024 Staff Prepared Operating Budget includes 25 proposals with positive equity impacts and three, generally fee-based changes with negative equity impacts. This year also included, for the first time, a qualitative self-assessment inclusive of existing 2024 Base Operating Budget items that contribute to positive equity outcomes.

1. Equity Responsive Budgeting at the City of Toronto

ERB is a key piece of the City's equity and Reconciliation commitments and activities. The implementation of ERB is a collaborative process between the People and Equity

¹ Equity is understanding, acknowledging, and removing barriers that prevent the participation of any individual or group, making fair treatment, access, opportunity, advancement and outcomes possible for all individuals.

² Equity-deserving communities refers to communities that face significant collective challenges in participating in society because of institutional and societal barriers to equal access, opportunities and resources due to disadvantage and discrimination. This term replaces 'equity-seeking' groups.

Division, the Social Development, Finance and Administration Division, and the Financial Planning Division. All City Divisions and Agencies are required to apply an equity impact analysis to changes in their Operating Budgets and have one to two Equity Leads identified in their own teams to support the work.

The 2024 Staff Prepared Operating Budget was prepared in the context of a challenging fiscal environment yet underpinned by the objective of maintaining the same levels of services for Toronto residents. Where adjustments were identified, the City aims to limit and minimize impacts on residents, particularly for Indigenous, Black and equity-deserving communities. Indeed, where possible, the 2024 Operating Budget seeks to strengthen delivery of services to Indigenous, Black and equity-deserving communities, based on the understanding of increased pressures placed on these populations during times of economic constraint.

2. Modifications to the 2024 Process

ERB at the City has progressed significantly since it began in 2016. Initially, a panel of subject matter experts and representatives from organizations serving Indigenous, Black and equity-deserving communities analyzed the equity impacts in the Operating Budget.

Prior to the 2024 Budget submission, key components of the ERB process were refreshed and improved to better equip City leadership and Divisional ERB contributors to complete analyses with a critical equity lens that is specific to the Indigenous, Black and equity-deserving communities that the Division or Agency serves. Changes included:

- **Engagement:**

- The Equity Unit conducted two meetings with each Deputy City Manager (DCM) and with Agency Heads from Toronto Police Service and Toronto Public Library to build capacity for leadership to support the ERB process.
- A newly designed qualitative ERB template was introduced to provide an insight of equity impacts from the operating base and capital budget spending. This template encouraged City staff to take a systemic lens and demonstrate how Divisional Operating, Base and Capital Budget investments are working together towards the City's equity and Reconciliation goals.
- Externally, as a part of the broader budget process, public budget consultations were held both virtually and in-person and were open to all residents in November 2023 to gather feedback as to which budget areas were most important to them. In total there were 661 people that participated at in-person and virtual meetings.
- There were 17 additional discussions led by grassroots and community organizations that engaged 314 residents from Black and equity-deserving communities and a survey of Indigenous residents led by the Toronto Aboriginal Support Services Council.
- Additionally, an online consultation survey was posted and the public was encouraged to participate and share their feedback about how the budget is

and could be allocated. In total, 10,802 surveys were completed and more than 11,600 ideas were submitted in 28 languages with 311,000 ratings.

- Public awareness of the consultations and survey were supported through a variety of mechanisms including: advertising in language- and cultural-specialist media (to reach diverse populations), advertising (paid and organic) on social media channels, and organic marketing for Councillors to share with their constituents.

- **Strategic Alignment:**

- Collaboration with strategy leads for the Reconciliation Action Plan, the Gender Equity Strategy, the Poverty Reduction Strategy, and the Toronto Action Plan to Confront Anti-Black Racism ensured and identified alignments towards supporting Indigenous, Black and equity-deserving communities.

- **Knowledge and Capacity Building:**

- Refreshed webinars on the ERB process were provided to account for newly introduced elements of ERB.
- Increased ERB Lead participation, with two ERB Leads per Division/Agency.
- Targeted Equity Lens training sessions were provided with new content to support staff to build capacity and apply the corporate Tool to their analysis.
- One-on-one consultations were conducted with Leads and two drop-in sessions were held for group and independent Divisional consultations to provide specific submission feedback.

3. Equity Impacts of Changes to the 2024 Operating Budget

The 2024 Staff Prepared Operating Budget includes **25** proposals with positive equity impacts and three proposals with minor negative equity impacts, that predominantly involved fee changes. This budget is focused on maximizing impact for Toronto residents and communities within the current fiscal and social contexts, including investments in services, such as emergency services, transit, housing and shelters, as well as new revenue streams to mitigate against the current fiscal environment. The 2024 Operating Budget focuses on ensuring that the City can continue providing essential services while minimizing any negative impacts the budget proposals could have on residents.

Summary of Equity Impacts

Below is a summary of investments with positive and negative equity impacts. For a full list of budget proposals with equity impacts, see Attachment A.

- **Investments in Public Safety, Emergency Services and Community Supports**

The 2024 Staff Prepared Operating Budget includes an additional \$12.8 million investment in the Toronto Community Crisis Service (TCCS), bringing the TCCS 2024 total budget to \$26.8 million. The TCCS program responds to recommendation 18 in the

Toronto Action Plan to Confront-Anti-Black Racism. By investing in the expansion of TCCS to be city-wide, more residents will have access to a community-based solution that connects people in crisis to much needed mental health and addiction services and programs, leading to positive health and safety outcomes and increased confidence in public safety. Client feedback of the TCCS year-one evaluation indicated 95 per cent were satisfied or very satisfied with the service they received and 90 per cent of clients indicated that the service positively impacted their perception of community safety and wellbeing. The TCCS has a demonstrated positive equity impact on Indigenous, Black, racialized, and 2SLGBTQ+ communities.

The 2024 Staff Prepared Operating Budget includes a \$2.6 million investment for 63 additional Paramedic Services staff and community paramedicine services. These investments will help improve Paramedic response times and expand access to Community Paramedicine, which enables seniors, people living with disabilities, and other residents to receive medical care at home.

The 2024 Staff Prepared Operating Budget includes new investments to access key City community services such as \$2.4 million in library services through an increase in open hours and with a focus on branches serving Indigenous, Black and equity-deserving people. It is meant to address the need for improved and equitable access to branch service across the city. Having increased access to essential City social services such as libraries, which deliver many supports to communities, including digital access, educational resources and meeting spaces, will positively impact Indigenous, Black and equity-deserving residents of Toronto who frequently face barriers to accessing these services, thus impacting their access to opportunities and outcomes.

Toronto Transit Commission (TTC)'s 2024 Staff Prepared Operating Budget includes a total of \$31.7 million for anticipated costs associated with the sustainment of the TTC's Community Safety, Security and Well-Being Program. This consists of \$5.5 million to fund the annualized cost of 2023 approved initiatives and \$26.2 million in new investment to support the continuation of actions commenced under CEO delegated authority in 2023.

- **Investments in Housing, Shelter and Homelessness Services**

The 2024 Staff Prepared Operating Budget includes investments of \$35.4 million in refugee-specific shelter services to meet the major increase in demand for this community over the recent years in Toronto. This increases the total investment for dedicated refugee claimant response services to \$136.2 million (including admin costs). When estimated base shelter beds occupied by refugees are included, total spending is forecasted to be \$250 million. An additional \$30.7 million will be invested in the 2024 winter response and warming centers for the homeless population.

The 2024 Staff Prepared Operating Budget includes investments of approximately \$17.5 million to support the HousingTO Action Plan. These enhancements include \$3.5 million to increase the number of Rent-Geared-to-Income units, \$2.0 million for Community Housing Anchor Agency Supports in three to five high-needs buildings, \$2.0 million for the Multi-Tenant Homes Renovation and Retrofit Program, among other

enhancements. These investments will accompany the \$48 million secured in funding from the Province to support the City's Homelessness Prevention Program.

These investments will have positive impacts on systemically and structurally vulnerable intersecting communities with low-income levels, who are disproportionately affected by the affordable housing crisis, including Indigenous and People of African Descent, refugees and asylum seekers, youth, 2SLGBTQ+ people, people with disabilities, seniors, women and gender diverse people, among others. Additionally, the City will continue offering specialized programs to help relieve costs for seniors with low-incomes and persons living with disabilities with low-incomes who own a home in Toronto through the [Property Tax Relief Program](#). With 2023 final numbers still pending, this program has provided over \$35.7 million between 2015-2023 in relief funding of Property Taxes, Water and Solid Waste fees. In 2023, this impacted over 8,660 households.

- **Investments in Transit**

A cornerstone of the TTC's current Corporate Plan is accessibility. In addition to the \$163.3 million gross City funding in the 2024 Operating Base Budget towards Wheel-Trans service, an investment of \$0.198 million is also included the 2024 Operating Budget to fund three Travel Trainer positions that will Travel Trainers program with the addition of three travel trainers. These resources are intended to eliminate barriers for Wheel-Trans customers using the Conventional transit system.

To further support the accessibility of transit, and in recognition of current economic conditions, TTC fares will not increase in 2024. In addition, through the City's Social Development, Finance and Administration Division, eligible customers, including Ontario Works, Ontario Disability Support Program, Child Care Fee Subsidy, Rent Geared to Income clients whose income is below a threshold set below 75 per cent of the Low Income Measure, are eligible for the Fair Pass Program. This program entitles eligible customers to a discount of approximately one-third on single adult fares for single rides or 21 per cent off adult monthly passes.

The 2024-2033 Capital Budget and Plan provide full funding of \$525.07 million to complete the TTC's Easier Access Program, which is underway to make all subway stations accessible with elevators, wide faregates and automatic sliding doors. The 2024-2033 Capital Budget and Plan it also provides funding for several improvements elsewhere across the transit system, including Warden and Islington stations, to accommodate low-floor streetcars, buses and the new Wheel-Trans fleet, as well as making an additional 322 bus and streetcar stops accessible. For more information, please refer directly to the Toronto Transit Commission 2024 Budget Note.

- **User Fee Adjustments**

The 2024 Staff Prepared Operating Budget includes several new and enhanced revenue streams for the City as it looks to maintain as many services as possible for residents within current constraining financial environments. These new and enhanced

revenue streams will primarily be through increased and new user fees for City services. To review all user fee changes for 2024, please see the 2024 Budget Briefing Note – Summary of User Fee Adjustments in the Prepared Budget.

New and increased user fees for City services from several Divisions may have minor negative equity impacts for low-income Indigenous, Black and equity-deserving community members who continue to face affordability barriers to services. The proposal to adjust the charged rate of permits and registered programs at City Museums and Arts Centres above inflationary increase, while maintaining the current cost of permits and registered programs charged to not-for-profit organizations is an example.

In other words, the City will ensure that not-for-profit organizations, many of which are operated by and provide services to Indigenous, Black and equity-deserving communities, have continued access to permits and registered programs at the City Museum and Art Centres.

In addition, the City will attempt to minimize and mitigate these risks as best as possible through specialized initiatives. This includes the [Toronto Zoo's Dynamic Pricing](#) program which reduces entrance fees during off-peak times for all customers and offers discounts for Indigenous Peoples; Toronto Animal Service's subsidized and waived fee spay and neuter initiative for low-income individuals and families; and Children's Services Childcare Fee Subsidy program.

Parks, Forestry, and Recreation also offers financial assistance through the Welcome Policy for memberships and registered recreation programs for low-income individuals and families. Seniors discounts for anyone over 65 years of age and no cost drop-in programming and leisure swim for children and youth are also offered at recreation centres across the city. Parks, Forestry and Recreation also operates 39 Free Centres (centres where programs are free) in lower income communities.

Finally, the Fair Pass program overseen by SDFA offers discounted transit for eligible residents. In 2023, investment in Fair Pass is projected at approximately \$10.3 million. The 2024 Staff Prepared Operating Budget for the Fair Pass program is approximately \$14.3 million. The higher investment in 2024 is due to an expansion in the program's scope, driven by the annualization of Phase 3 and expected increase in ridership. This expanded scope is in line with Council direction ([item 2021.EX24.8](#)) to improve access to Fair Pass, ensuring that recipients of Ontario Works, Ontario Disability Support Program, Child Care Fee Subsidy, Rent Geared to Income, and clients whose income is below a threshold set at 75 per cent of the Low Income Measure are all eligible for the program.

Toronto Public Service Overview: Strengths and Opportunities

Current context

The City of Toronto is the largest municipality in the Greater Toronto and Hamilton Area (GTHA) region, with one quarter of the country's population located within 160 km of the

city. Toronto is also the economic engine of Canada, comprising of 11 per cent of its total gross domestic product (GDP). With a population of nearly three million, Toronto's Public Service is tasked with providing services, programs, and facilities for one of the largest and most diverse cities in North America.

Under the Ontario-Toronto New Deal, the financial supports from the Province will help the City address near-term financial sustainability and will result in improvement to the City's financial position. The risks and challenges identified in the City's Long Term Financial Plan are outside of the City's control and could impact the City's ability to afford the inputs needed to execute key equity and reconciliation initiatives and address residents' declining social and economic well-being.

The City continues to identify opportunities for collaboration and engagement with other levels of government to address, strengthen and build Toronto's long-term financial sustainability, and ensure responsiveness to the experiences of communities, particularly, Indigenous, Black and equity-deserving communities.

Overview

This section is a summary of the compiled new qualitative equity and reconciliation impact overviews provided by City Divisions' and Agencies' 2024 Operating and optionally, Capital Budgets. More information on this new ERB component, is available in the "Modifications to the 2024 Process" section.

This new analysis provides insights into the equity and reconciliation work that is being undertaken. In previous years, the focus of the ERB process has been on one component of the budget— changes in Operating Budget dollars.

This year, including a qualitative summary analysis of the City's Operating Base Budget and the Capital Budget is a first step to expand the scope of analysis. It also provides a more holistic and broader view of new, enhanced components of the budget as well as ongoing equity and reconciliation priorities at the City and supports a more systemic understanding of the various services, programs, policies that are underway to support Indigenous, Black and equity-deserving communities. It is meant to demonstrate and acknowledge key activities, policies, and programs that the City is undertaking to advance equity and reconciliation.

Highlights

The 2024 Operating Base Budget equity impact analyses uncovered that the Toronto Public Service is finding creative solutions to maximize its abilities to address inequities and continue executing several City equity and Reconciliation Strategies and Plans using the existing resources.

For instance, City Divisions and Agencies identified that their work was aligning with key City strategies related to equity and Reconciliation, while there are other activities and alignments across City Divisions, for the purposes of the qualitative analysis, these were some of the examples that were shared by Divisions and Agencies.

The following themes have been identified as key areas of focus to drive equity and Reconciliation through existing Operating and Base Budget funds.

- **Addressing Affordable Housing & Shelter Needs**

The demand for affordable housing options and shelters and shelter beds is rapidly increasing to unprecedented levels. Shelter and overnight service use for single individuals has increased by 7.48 per cent since last year and for families has increased by 16.93 per cent.

In response to this, City Divisions and Agencies are working to use new and existing resources to address the community needs by improving internal processes and by adapting service offerings, and the City of Toronto has created several Strategies and Plans to improve access to quality shelter and affordable housing options.

For example, the Housing Secretariat Division's budget will significantly progress the City's work to address systemic inequities and further Reconciliation with Indigenous Peoples through providing housing supports, preventing evictions, supporting renters, and by working closely with Indigenous, Black, and other equity-deserving communities to ensure that an equity lens is embedded within housing and homelessness policies and programs.

The City Planning Division's Operating Base Budget includes investments in initiatives that are advancing the creation of conditions for the delivery of new housing (both market and affordable) as an integrated part of mixed-use, complete communities, including requirements for safe and affordable housing, which will impact newcomers, young people, and Black, Indigenous and equity-deserving community members who are disproportionately affected by the housing affordability crisis.

These activities aim to advance the HousingTO 2020-2030 Action Plan, one Toronto Action Plan to Confront Anti-Black Racism Recommendation (Improve shelter and housing conditions to better support Black Torontonians) and three Toronto Poverty Reduction Strategy Recommendations (Improve the quality of affordable housing, Increase the supply of affordable housing, and Increase service access and availability).

- **Indigenous & Community Engagement**

The residents of Toronto are keenly aware of the needs of their communities as well as the barriers they face to achieving those needs. Conducting enhanced and improved engagement activities is one key way that several City Divisions and Agencies are maximizing their resources and leveraging the vast body of knowledge that is held within the community in a meaningful and respectful way.

There were four community engagement spending themes identified through the budget submissions received:

- Increased and improved general community engagement (providing knowledge and Feedback on specific City projects/services/programs, etc.).
- Increased and improved Indigenous community engagement.
- Increased and improved civic engagement (public participation in Boards, elections, Community and Council Advisory Bodies, etc.).

- Increased and improved inclusive outreach and communication methods.

For example, the Engineering and Construction Services Division is planning to maximize existing base budget resources to implement community engagement in Neighborhood Improvement Areas when delivering the capital program to ensure that fulsome communication about the construction work is shared with historically underserved communities in Toronto.

The Solid Waste Management Services (SWMS) Division, through its Base Budget, will provide funds to three First Nations communities in close proximity to Green Lane Landfill to be used for community benefit projects and will continue to work to foster and strengthen relationships with the communities through meaningful engagement. Toronto Shelter and Support Services (TSSS) will continue to strengthen partnerships with Indigenous organizations in the homelessness sector in 2024, advancing commitments and actions in the "Meeting in the Middle" Action Plan and Engagement Strategy. This includes allocating 25 per cent of all new housing opportunities through the PATHS program to Indigenous people experiencing homelessness. TSSS will also continue collaborating closely with Indigenous partners and other communities with lived experience of homelessness to co-create a new Interdepartmental Protocol for the City's encampment response.

The City Clerks Office's Public Appointments team continues to use Base Budget funds to ensure a fair and equitable recruitment process to appoint members of the public to City and agencies boards and advisory bodies (such as the 2SLGBTQ+ Council Advisory Body), and reaches out to Indigenous, Black and equity-deserving communities.

These activities aim to advance **six** actions from the Reconciliation Action Plan (Improve Relationships with Treaty Partners, Improve Relationships with Indigenous Organizations, Enhance Indigenous Civic Engagement, Increase Indigenous Community Engagement, Enhance Communication Between Indigenous Communities and City Divisions, and Implement Accountability Processes) and **one** recommendation from the Toronto Action Plan to Confront Anti-Black Racism (Increase opportunities for Black Torontonians to participate in City decision-making).

- **Access to Employment & Training**

Toronto employs a large percentage of the Canadian population. Despite Toronto's employment rate and participation rate being higher than the national averages, its unemployment rate continues to increase annually and is above the national average. For some communities, the unemployment rate is especially concerning. Black Youth in Toronto for example, have an unemployment rate of 28 per cent, which is double the national average.

To provide equitable employment opportunities, City Divisions and Agencies are creating employment opportunities and programs specifically for underemployed communities. For instance, the People and Equity Division continues to use its Base Budget to implement the Indigenous Youth Research Associate program – for Indigenous Peoples between 18 and 35 years of age – and the Youth Career

Development Program – for Black, Trans, non-binary and youth with disabilities. The Social Development, Finance and Administration Division also implements a number of programs targeting youth employment, including for youth from equity-deserving groups:

- ArtWorksTO - a workforce development program consisting of paid creative contract work opportunities, industry-specific mentorship and skills training and supports for Indigenous, Black, and 2SLGBTQ+ youth who aspire to careers as creative industry professionals.
- Youth Employment Partnerships (YEP) - connects youth to local agencies and provides one-on-one support and mentorship to help youth prepare for employment.
- Toronto Youth Job Corps (TYJC) – a full-time paid employment program designed to connect youth to the workforce.
- Toronto Youth Partnerships & Employment (TYPE) – an intensive case management program with a mobile team of Youth Outreach Counsellors that help youth towards employability and life stabilization.

The City not only focuses on offering employment, but also training and development opportunities as well. For example, the City Clerk's Office partners with the Social Development, Finance and Administration Division to support Council members in implementing the Diversity Youth Fellowship Program which provides youth (particularly Black, Filipino, Muslim and Tamil youth) facing systemic barriers and discrimination access to meaningful training and employment as well as opportunities to build leadership skills.

Several other Divisions and Agencies such as the Environment and Climate Division, Toronto Zoo, Toronto Public Library, Solid Waste Management Services, Toronto Employment Services, the Waterfront Revitalization Initiative, Exhibition Place, TTC and more continue to fund specific employment opportunities in their areas for Indigenous, Black and equity-deserving communities.

These employment and training initiatives are aligned with **two** actions from the Reconciliation Action Plan (Improve Indigenous Economic Development and Enhance Indigenous Recruitment and Retention within TPS), **four** recommendations from the Toronto Action Plan to Confront Anti-Black Racism (Increase employment and training opportunities for Black Torontonians at the City of Toronto, Improve access to high-quality training and employment programs for Black youth, Improve job quality and income supports for precariously employed Black Torontonians, and Increase opportunities for Black Torontonians to participate in City decision-making), and **three** Toronto Poverty Reduction Strategy recommendations (Create employment opportunities for low-income groups with high unemployment rates, Improve the quality of jobs, Leverage the economic power of the City to stimulate job growth, support local businesses, and drive inclusive economic growth).

- **Improving Service Access and Delivery**

As financial constraints and inequities increase, so does the demand for City services. With this increased demand, it has become more important to use existing resources to make improvements to service delivery methods and increase access to City services for Indigenous, Black and equity-deserving community members. There are several ways Divisions and Agencies have identified this will be addressed in 2024:

- Reviewing and improving internal processes and policies, for example:
 - The creation of a Corporate Smudging Policy, led by People & Equity and Corporate Real Estate Management in collaboration with other Divisions who are creating their own policies specific to their facilities.
 - Decolonizing honoraria practices, led by the Chief Financial Officer and the Office of the Chief of Staff.
 - Re-imagining a more accessible, equitable and omnichannel complaints capability, including human rights complaints, for the City, led by the Customer Experience Division.
 - Dedication of resources by Toronto Police Service towards priorities such as race-based data collection, analysis and public reporting; creating a healthy and respectful workplace; delivering training specific to equity, inclusion and human rights; and building a diverse workforce that reflects the city.
 - Maintenance of current community-centric programming and relationship building efforts led by the Service's Community Partnerships and Engagement Unit by Toronto Police Service, and continuation of exploring non-police response models including integration and call diversion to the Toronto Community Crisis Service and leadership with Safe.T.O. initiatives.
- Training and capacity building for City staff in equity, diversity, inclusion, accessibility and Reconciliation, for example:
 - Maintaining and developing new corporate-wide educational opportunities relevant to equity and reconciliation for all staff, led by the People and Equity Division.
 - Delivering Gender Diversity and Trans Inclusion Initiative training, led by Toronto Police Service.
 - Delivering training and educating staff on the Transportation Equity Opportunity Zone (TEOZ) tool to prioritize delivery of programs to achieve more equitable outcomes for transportation and mobility access for all City residents, led by Transportation Services.
 - The TTC's Human Rights Office and the Diversity Department are working with the TTC's Operations Training Centre, Revenue Protection team and City partners to incorporate human rights, diversity, equity and inclusion, anti-racism, and unconscious bias training as part of mandatory training to better serve all users of the system.
- Creating and updating City Strategies and Action Plans to create organizational service goals, for example:

- Senior Services and Long-Term Care Division fostering partnerships with the Indigenous community and support joint redevelopment and advance dedicated LTC beds for Indigenous residents.
 - Social Development, Finance and Administration continuing to update and implement strategies such as the Poverty Reduction Strategy, the Toronto Action Plan to Confront Anti-Black Racism, and the Black-mandated Funding Framework.
 - TTC's "Embrace Diversity: 10-Point Action Plan".
- Reinforcing the crucial role of transit for mobility and access to opportunity:
 - TTC continues to protect and expand service coverage across the city. Recent and planned service increases and expansion will continue to be prioritized and implemented with an equity lens, with a greater focus on the customers who are using the service and not solely based on the neighbourhood a route serves. The 2024 Base Budget includes the following investments to address service demand and implement transit expansion:
 - TTC continues to plan based on the principles of its Board-approved Service Standards against observed ridership demand. Through 2022 and 2023, protecting service coverage and span of service remained a core principle. TTC continues to work with the City of Toronto's Transportation Services Department as a key stakeholder in the development of an equity framework and tool for mobility. TTC is operating 95 per cent of pre-pandemic service hours at the end of 2023. The proportion of service hours on bus routes is higher than before the pandemic, reflecting higher ridership retention and growth while adjusting to increasing congestion. By fall 2024, service hours will increase by a further 2 per cent to 97 per cent of pre-COVID levels to respond to ridership growth and improve reliability. Most of this investment is projected to improve capacity and reliability in off-peak periods on bus services where customers are more likely to be from equity-deserving groups and/or live, work, or travel in Neighbourhood Improvement Areas. \$49.1 million gross and \$46.4 million net is included in the 2024 Operating Budget to fund anticipated service demand increases for both TTC Conventional and Wheel-Trans services.
 - \$77.7 million net to fund anticipated operating costs of Transit Expansion and Conversion. This accounts for funding of \$72.2 million approved in 2023 for the initial mobilization and readiness costs for Line 5 and Line 6. The 2024 Operating Budget provides new funding of \$5.5 million net, reflecting an adjustment in the 2024 incremental operating and maintenance costs for Lines 5 and 6 adjusted to align with a September 2024 Revenue Service date, established for planning purposes but subject to Metrolinx's confirmation, and \$10 million to annualize service costs for Line 3 SRT bus replacement service.
 - The TTC's 2024 Staff Prepared Operating Base Budget includes expenditures required to meet the TTC's accessibility and equity service requirements— \$163.3 million gross and \$155.4 million net City funding

to support the Wheel-Trans service and accommodate the anticipated 3.3 million rides in 2024.

These initiatives aim to advance **seven** Reconciliation Action Plan actions (Conduct City-wide Reconciliation Audits, Enhance Indigenous Education, Address racism, Improve Community Safety and Well-Being, Decolonize Honoraria Practices; Support Capacity within the Toronto Public Service, and Implement Accountability Processes), **two** Toronto Action Plan to Confront Anti-Black Racism recommendations (Implement measures to stop racial profiling and over-policing of Black Torontonians and Make City spaces more accessible and welcoming to Black Torontonians), and **one** Poverty Reduction Strategy recommendation (Coordinate and evaluate the implementation of the strategy).

Additional Investments

The 2024 Staff Prepared Operating Budget includes initiatives from the Toronto Police Service (TPS) to prevent the degradation of current service levels. These initiatives include the increase in staffing for Priority Response function (attending 911 calls) and investigative areas such as the Hate Crime Unit, Provincial Carjacking Task Force, the Centralized Fraud Intake Office (C.F.I.O.), and Video and Digital Evidence Disclosure function. The TPS notes that this allocation for investigative areas will have a positive impact and support all communities of the City, including those facing increase hate crimes, home invasion, assault, stolen cars, or are witnesses or victims of crime. The TPS request is \$1,186.5 million (\$1,361.5 million gross), a \$20 million increase over the 2023 approved budget. While there may be some positive impacts identified in the proposed changes to the Staff Prepared 2024 Operating Base Budget, the TPS recognizes challenges that the organization continues to grapple with and that existing services/programs continue to have systemic and direct impacts to Indigenous, Black and equity-deserving communities.

TPS acknowledges that, in light of the Race Based Data Collection Strategy findings in Phase 2, additional Priority Response officers may have negative impacts for some groups. This may be especially true for Indigenous, Black and Racialized People, with Indigenous people experiencing higher than average time in custody after accounting for repeat offence. Intersections of gender also impact this experience, as Indigenous women have been found to be overrepresented in arrests relative to their presence in enforcement actions. TPS highlighted that an initial action plan was identified to address the results to eliminate disparities and move TPS towards the goal of providing fair and equitable policing for all. TPS is expecting to continue to work with communities, members, and partners to further community trust and unpack what is behind the patterns revealed in the latest release. For more information, please refer directly to the Toronto Police Service 2024 Budget Note.

Opportunities

The City's equity and reconciliation activities have significantly expanded in the last few years. Despite the strides the City has made to address barriers experienced by

Indigenous, Black and equity-deserving residents, opportunities exist, inclusive of and beyond ERB, to better leverage practices and approaches year-round to positively impact communities and to support evidence-based decision-making, both at budget and throughout the year. This includes:

- **Increasing Measurement of Service Impacts**

There are further opportunities to gather and use sociodemographic data in accordance with the City's Data for Equity Strategy to identify gaps and barriers in all aspects of the City's work – including its services, programs, policies, processes, and communications. It has also been identified that increasing efforts to monitor and evaluate City programs, services, policies and processes can generate more effective and responsive offerings for Indigenous, Black and equity-deserving communities and foster a more inclusive city.

These activities will allow City staff and members of the public to have access to further transparency and accountability on City offerings. It will also allow the City to provide evidence to decision-makers in budget requests going forward, as well as actionable insights.

- **Improving Collaboration and Strategic Alignments**

Opportunities exist to further align efforts to maximize budget resources and impact by breaking down silos and creating conditions for collaboration. Having more internally and externally aligned approaches to work can support the articulation of a shared equity and reconciliation vision and enable cross-Divisional collaboration and compounding of impacts.

For example, utilizing avenues to engage inter-divisionally, sharing consultation and engagement results, identifying opportunities to streamline impactful services and programs help maximize budget resources. Additionally, more intentional alignment between new and existing services and programs with City equity and reconciliation strategies will improve outcomes for residents, as these strategies are directly informed by the impacted communities' expressed needs.

- **Amplifying Community Experiences**

Building on successes with community engagement efforts and further building on those that are informing this year's budget, the City can continue to utilize existing and new feedback from community. This is particularly with relation to engaging Indigenous, Black and equity-deserving communities, and those that have historically not been consulted by government, across services and programs to inform decision-making at all levels of the organization.

By further embedding the experiences and the knowledge that is maintained by the residents of Toronto across all Divisions and corporate initiatives, the City can make decisions that reflect these experiences and amplify the efforts being made by Indigenous, Black and equity-deserving communities.

- **Enhancing Toronto Public Service Capacity**

As noted, there are currently several efforts being made by City Divisions and Agencies to build the equity and reconciliation capacity of the Toronto Public Service workforce so they can better understand the needs of the Indigenous, Black and equity-deserving communities. Learning is an ongoing activity and community needs continue to emerge and evolve. As a result, opportunities will remain to build the organization's understanding of Indigenous, Black and equity-deserving contexts.

Continuing to develop and deliver new trainings and educational opportunities (such as events and resources) can further strengthen and develop the City's capacity and knowledge, leading to more inclusive culture and better understanding of the differential impacts that services have on Indigenous, Black and equity-deserving communities.

Next Steps

ERB is not only important to forecast potential equity and reconciliation impacts for 2024, but also to engage with City Divisions and Agencies all year round. Continuous collaboration and engagement will build knowledge capacity and exercise analytical skills to proactively assess equity and reconciliation impacts, associated risks and mitigations, and practice the embedding of equity by design across service areas.

Though the City continues making strides towards its commitments to equity and reconciliation in 2024 and beyond, the City will remain attuned to community experiences and continue exploring new ways to address existing and emerging inequities. The City will also continue to build organizational capacity to conduct quality equity analysis, and leverage those generated insights to inform decision-making, and drive better outcomes for Indigenous, Black and equity-deserving communities.

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