

TORONTO: LOOKING FORWARD 2014-2018

INVESTING FOR THE FUTURE

INSTITUTE ON MUNICIPAL FINANCE & GOVERNANCE

JOSEPH P. PENNACHETTI, TORONTO CITY MANAGER



OUTLINE

1. Toronto in Context

2. Toronto: 1998-2014

3. Looking Ahead: 2014-2018

4. Concluding Thoughts

1. TORONTO IN CONTEXT



QUICK FACTS ABOUT TORONTO...

Largest city in Canada

4th largest city in North America

2.8 million residents,

89,861 businesses

6 million residents in Greater Toronto Area

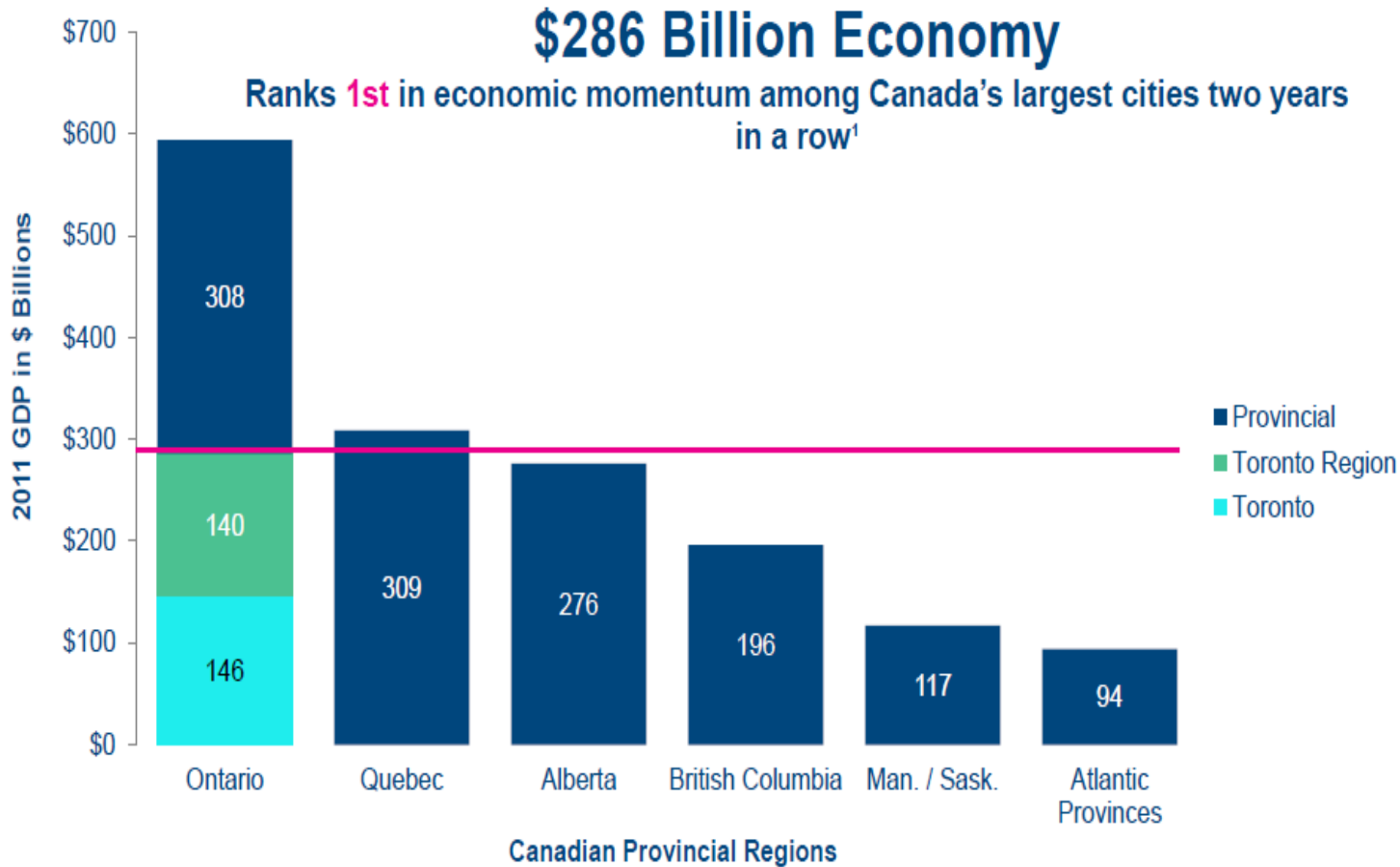
1/3 of Canada's population is located within 160 km radius of Toronto

DIVERSE POPULATION

- **46% born outside of Canada**
- **more than 200 distinct ethnic origins**
- **Over 140 languages and dialects spoken**



TORONTO REGION IS THE ECONOMIC ENGINE OF CANADA



Toronto is Canada's largest metropolitan area

Greater TORONTO GENERATES

45%
OF ONTARIO'S GDP

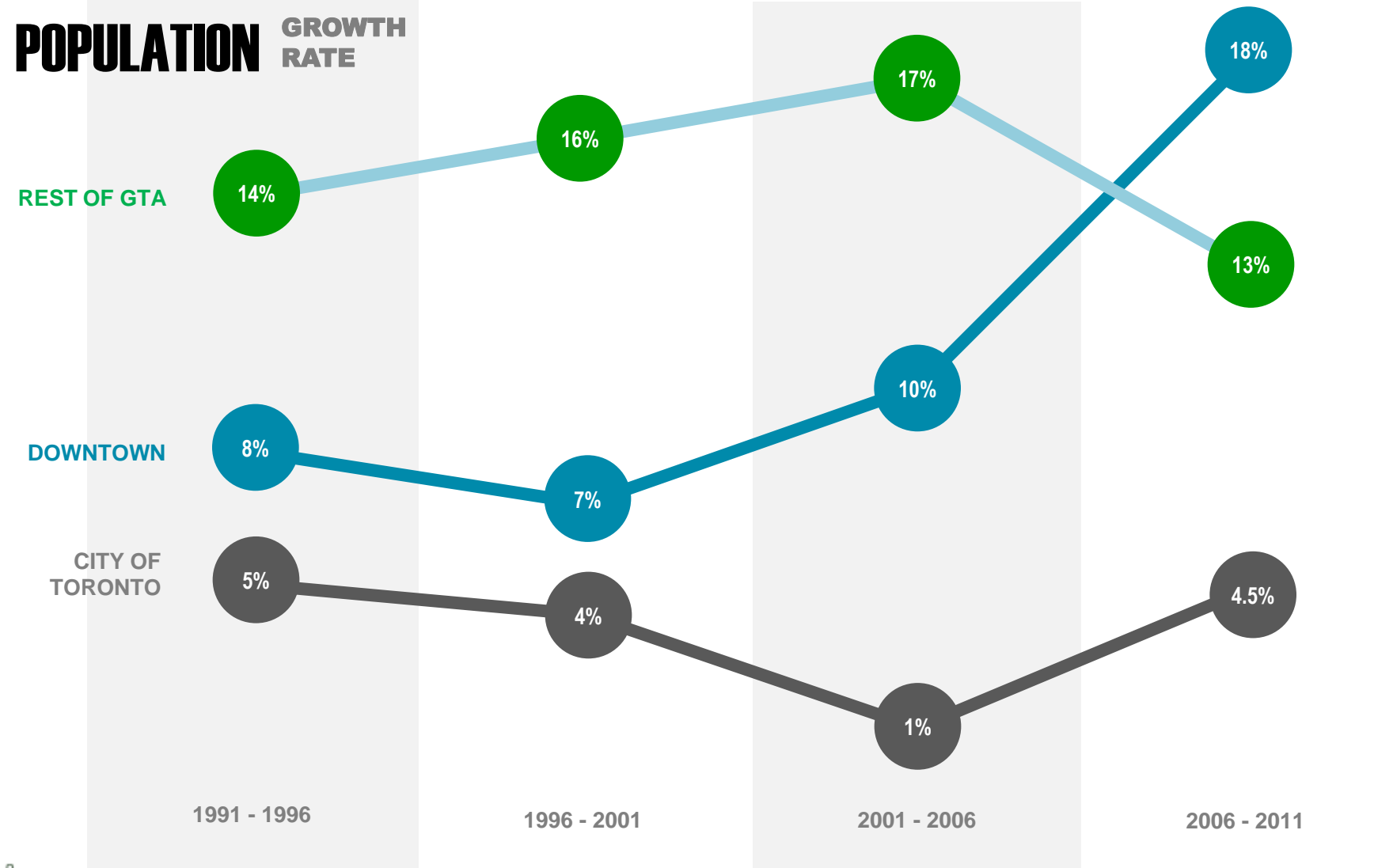
18%
OF CANADA'S GDP

Source: Statistics Canada, 2012 and City of Toronto, 2012

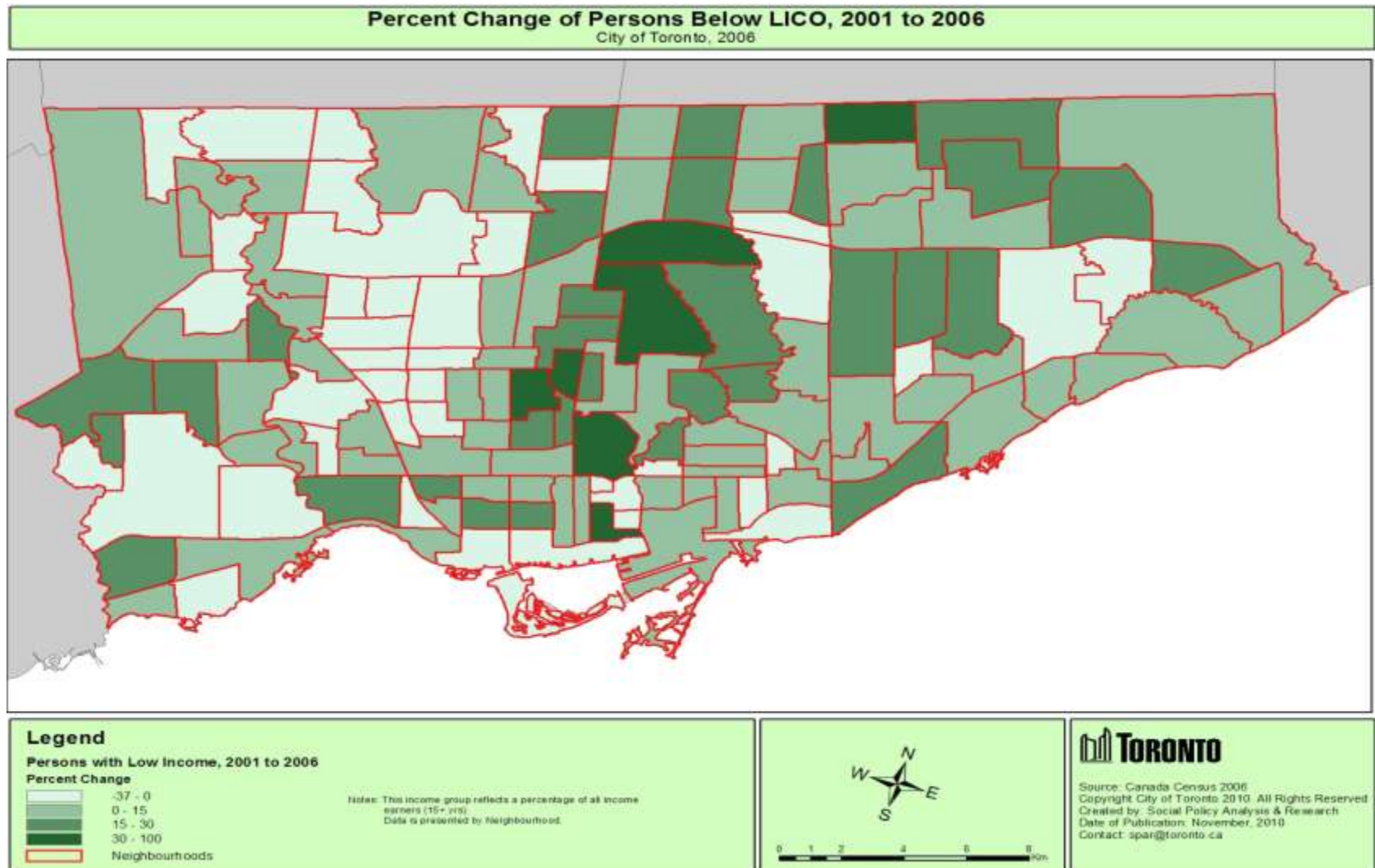
¹ CIBC World Markets' Metropolitan Economic Activity Index, 2011 & 2012



RATE OF POPULATION GROWTH- DOWNTOWN, CITY, REGION

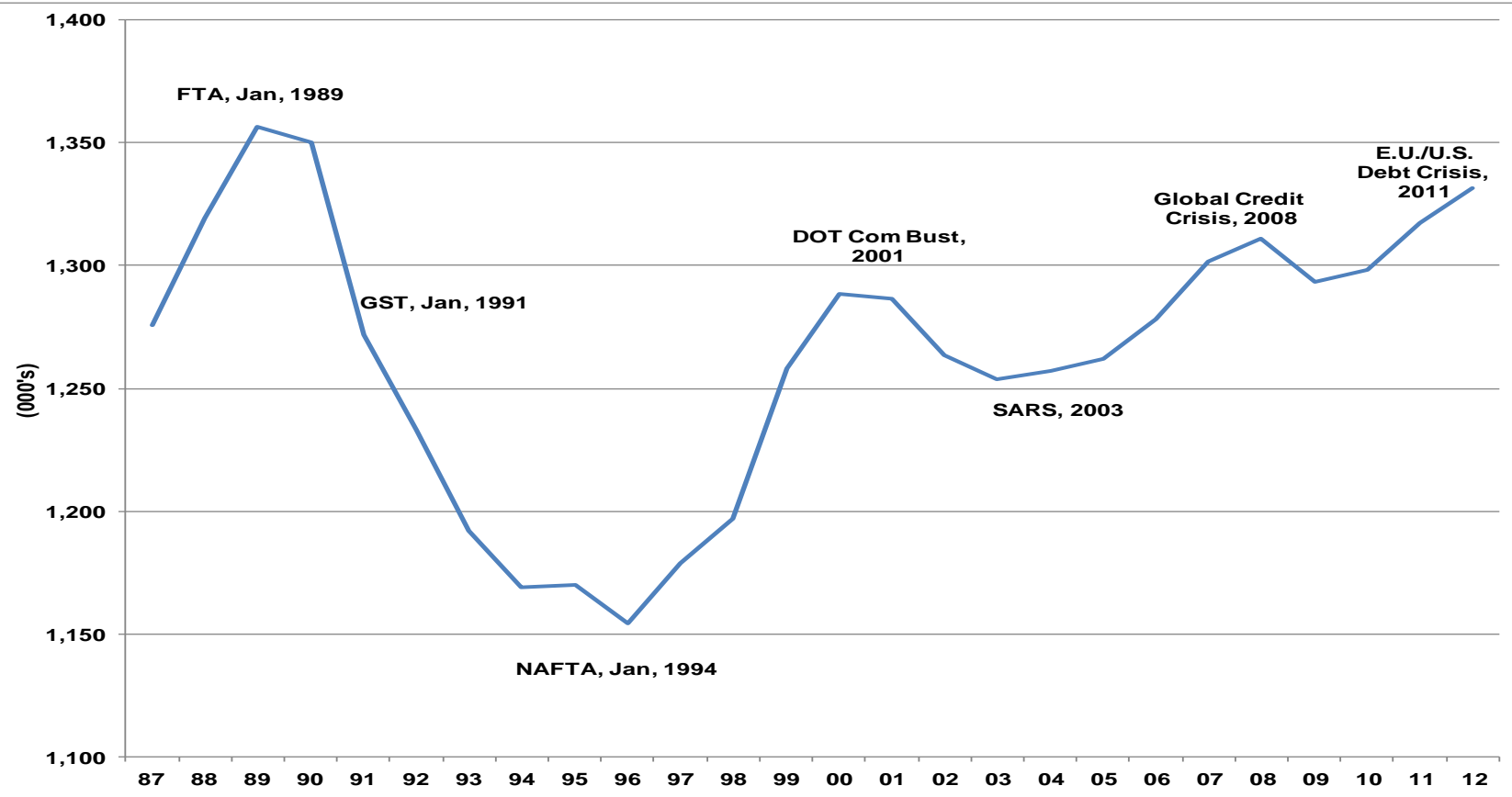


GROWING INCOME GAP IN TORONTO'S NEIGHBOURHOODS



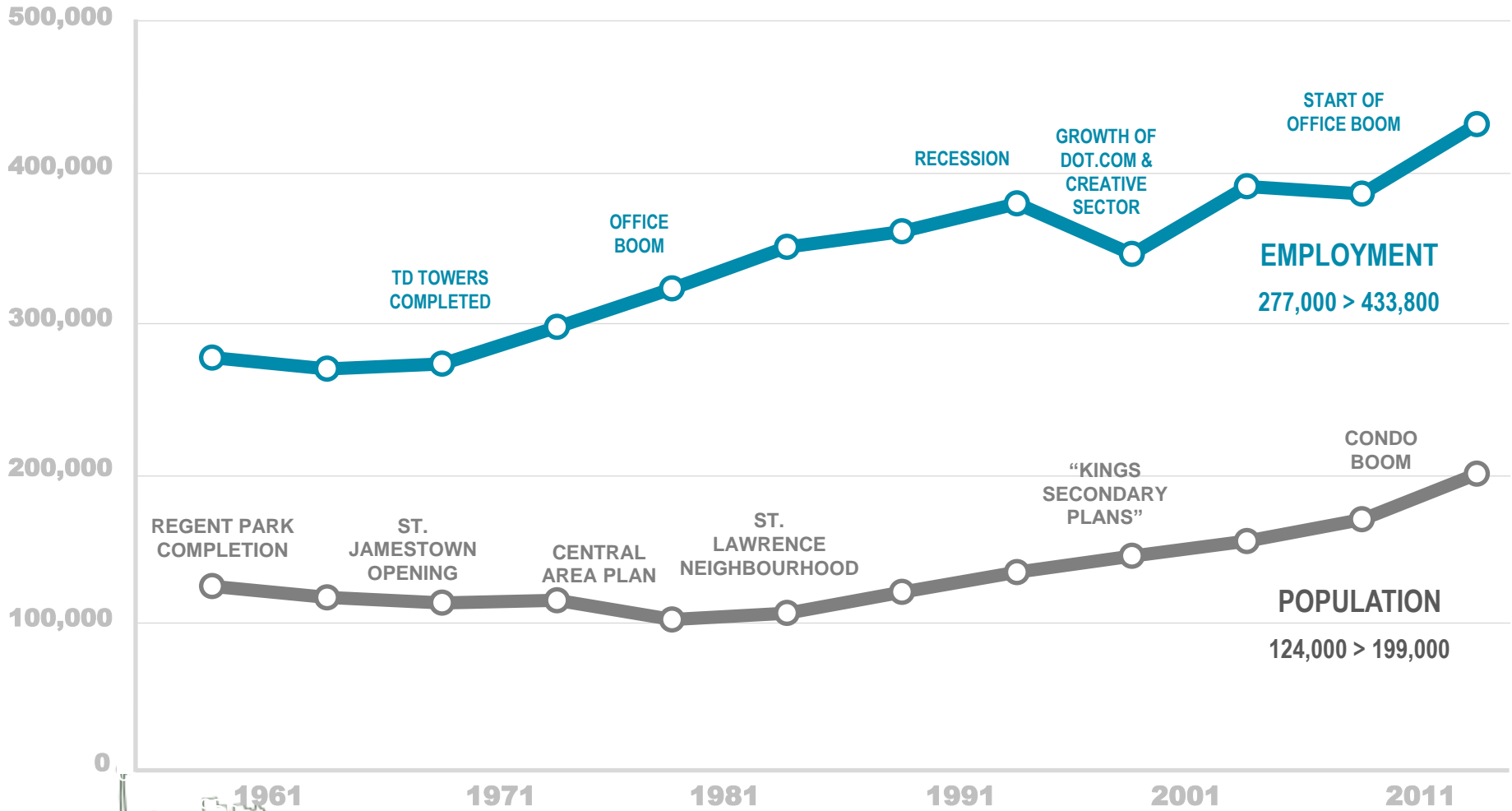
EMPLOYMENT IN THE CITY OF TORONTO: 1987 - PRESENT

EMPLOYMENT NUMBER OF ESTABLISHMENTS



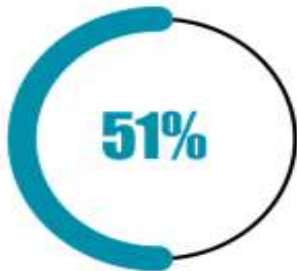
STABLE EMPLOYMENT GROWTH DOWNTOWN

DOWNTOWN GROWTH 1956 TO 2011

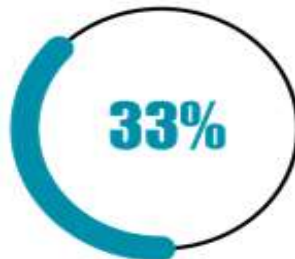


DOWNTOWN CORE: DRIVES TORONTO'S ECONOMY

DOWNTOWN PERCENTAGE OF CITY OF TORONTO



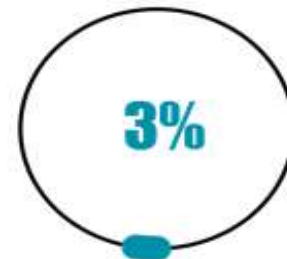
GDP



JOBS



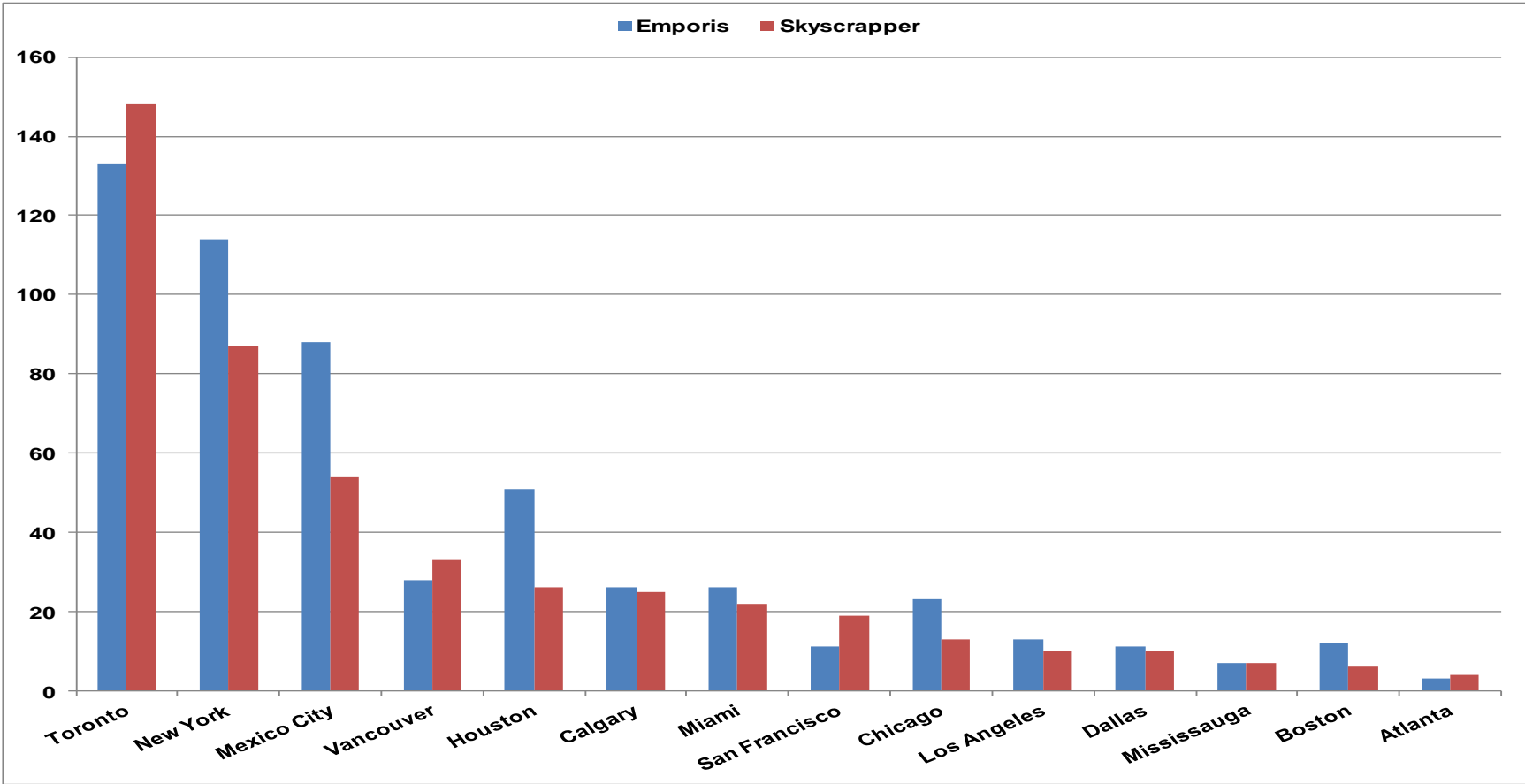
TAX BASE



LAND AREA

TORONTO: MOST HIGH RISE CONSTRUCTION IN NORTH AMERICA

HIGH RISE BUILDINGS UNDER CONSTRUCTION



As at March 3, 2014
Sources: Emporis.com and Skyscraperpage.com



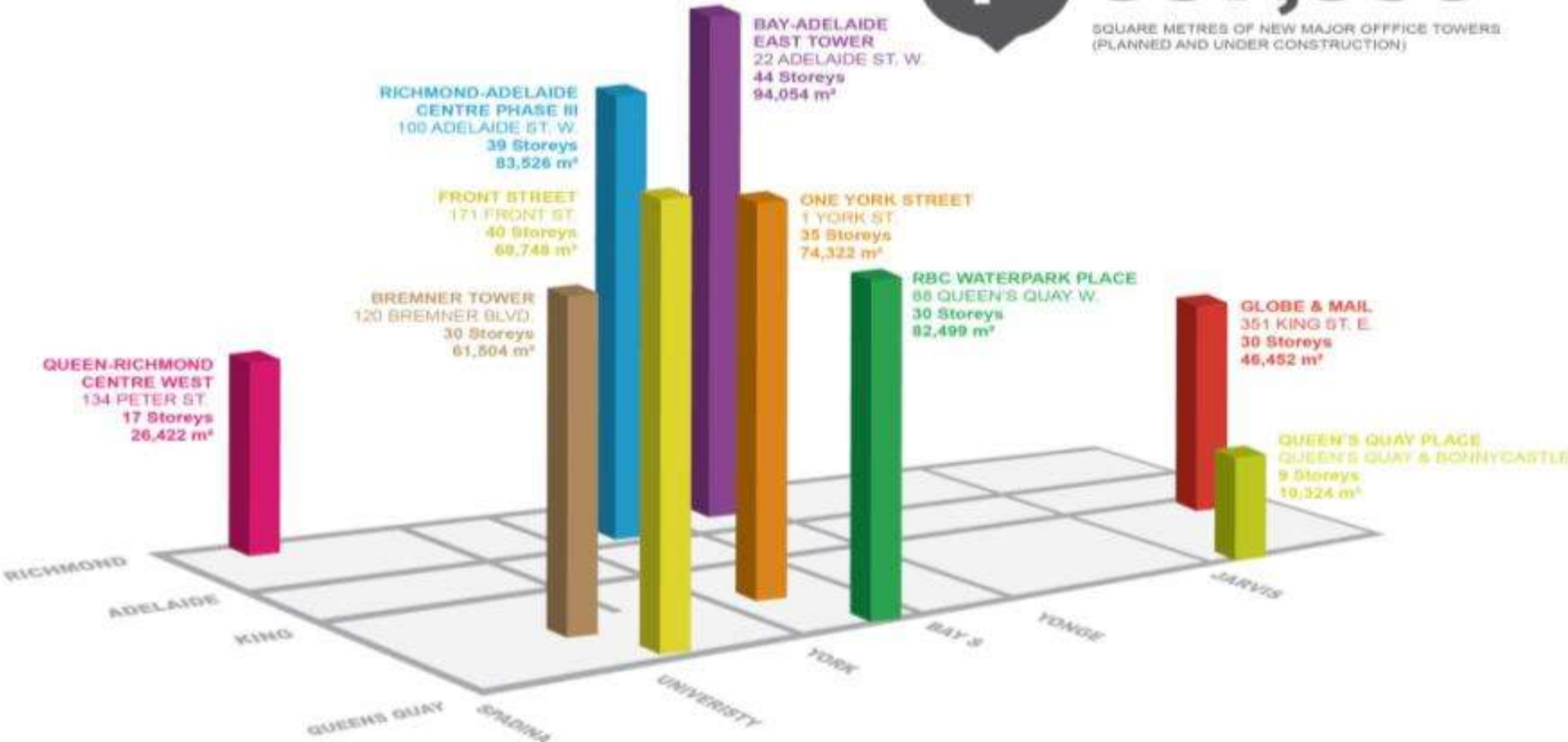
NEW DOWNTOWN OFFICE TOWERS

OFFICE TOWERS NEW OFFICE TOWERS DOWNTOWN



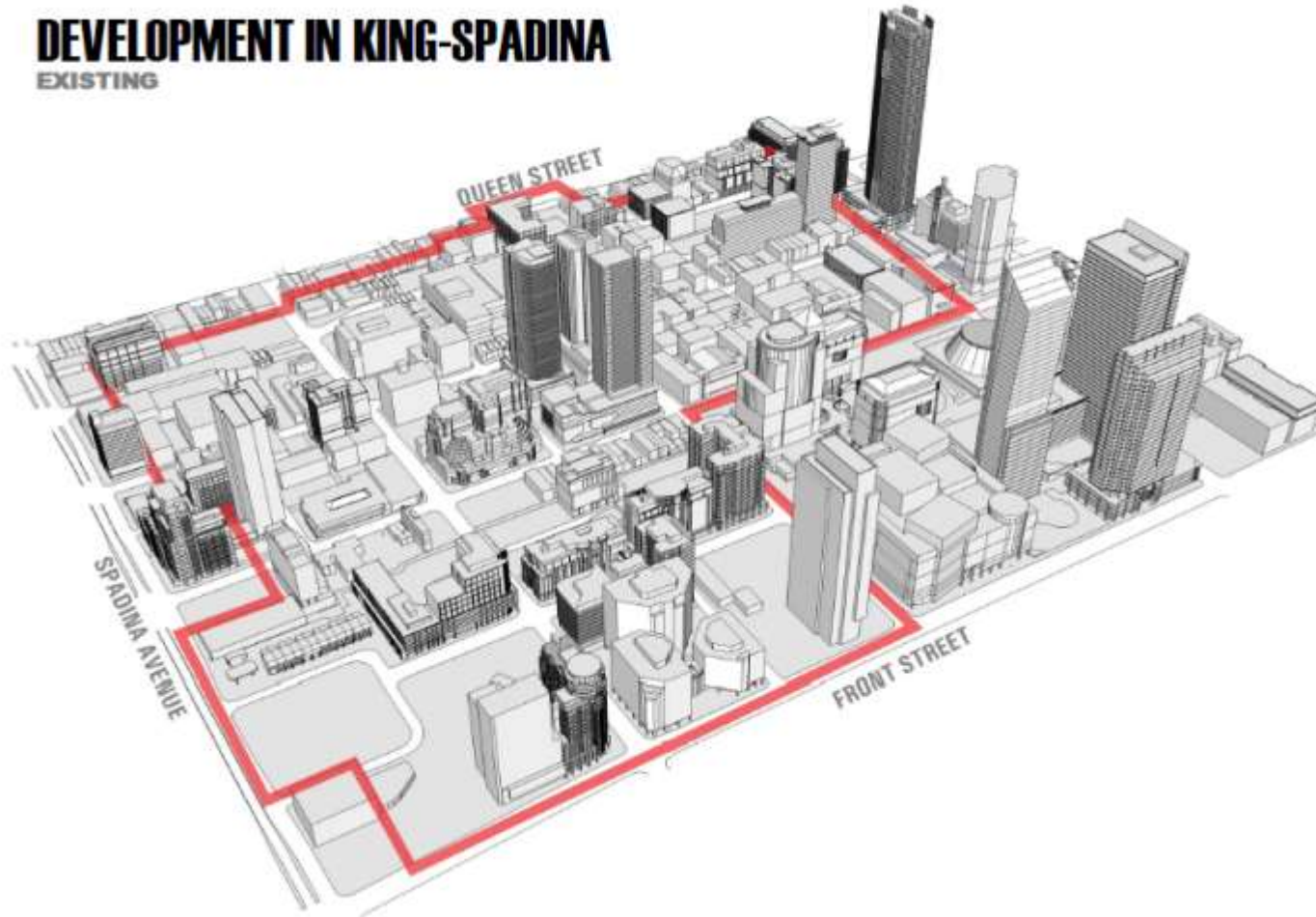
557,000

SQUARE METRES OF NEW MAJOR OFFICE TOWERS (PLANNED AND UNDER CONSTRUCTION)



INTENSIFICATION OF THE DOWNTOWN CORE

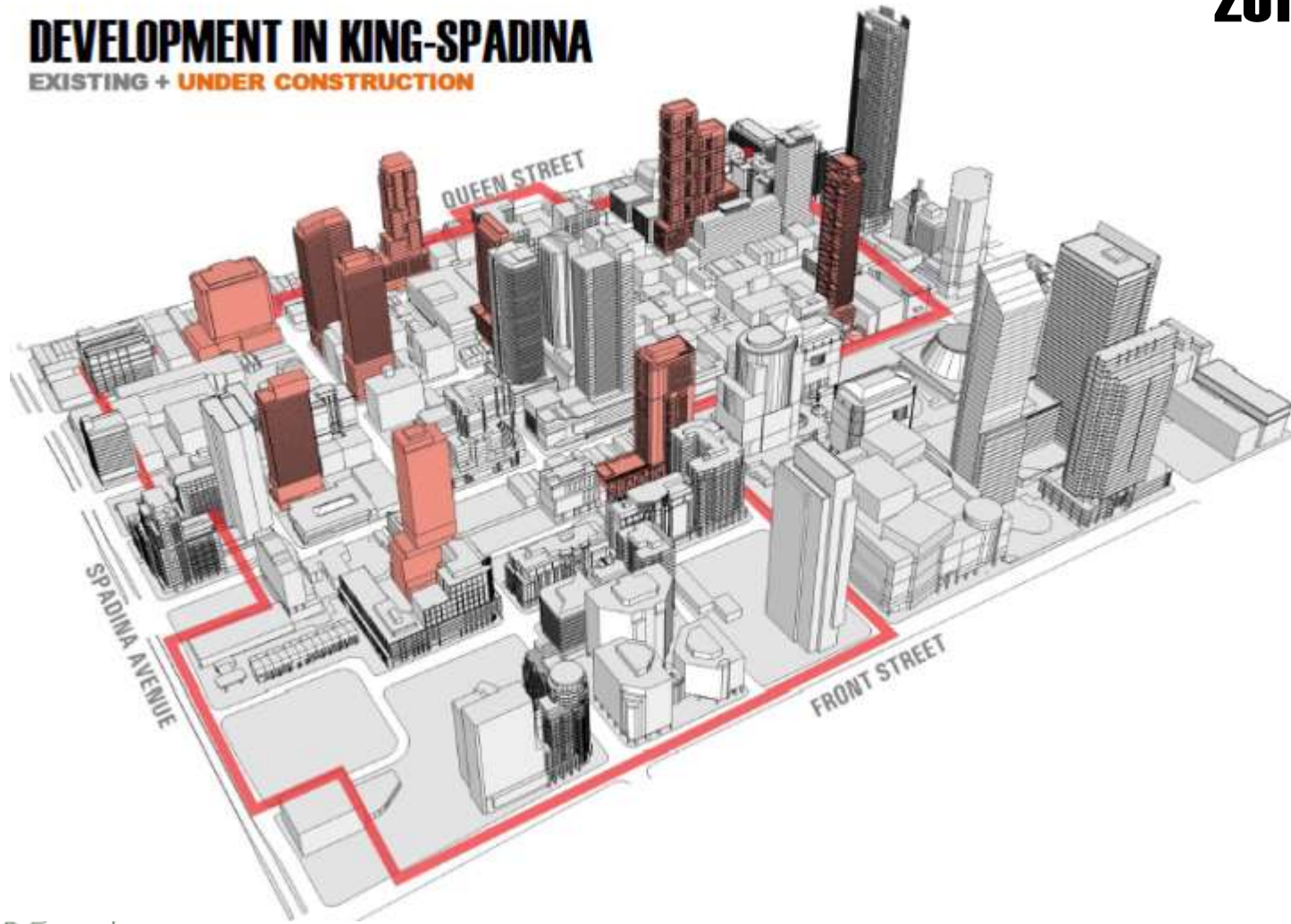
DEVELOPMENT IN KING-SPADINA EXISTING



INTENSIFICATION OF THE DOWNTOWN CORE

2017-18

DEVELOPMENT IN KING-SPADINA EXISTING + UNDER CONSTRUCTION



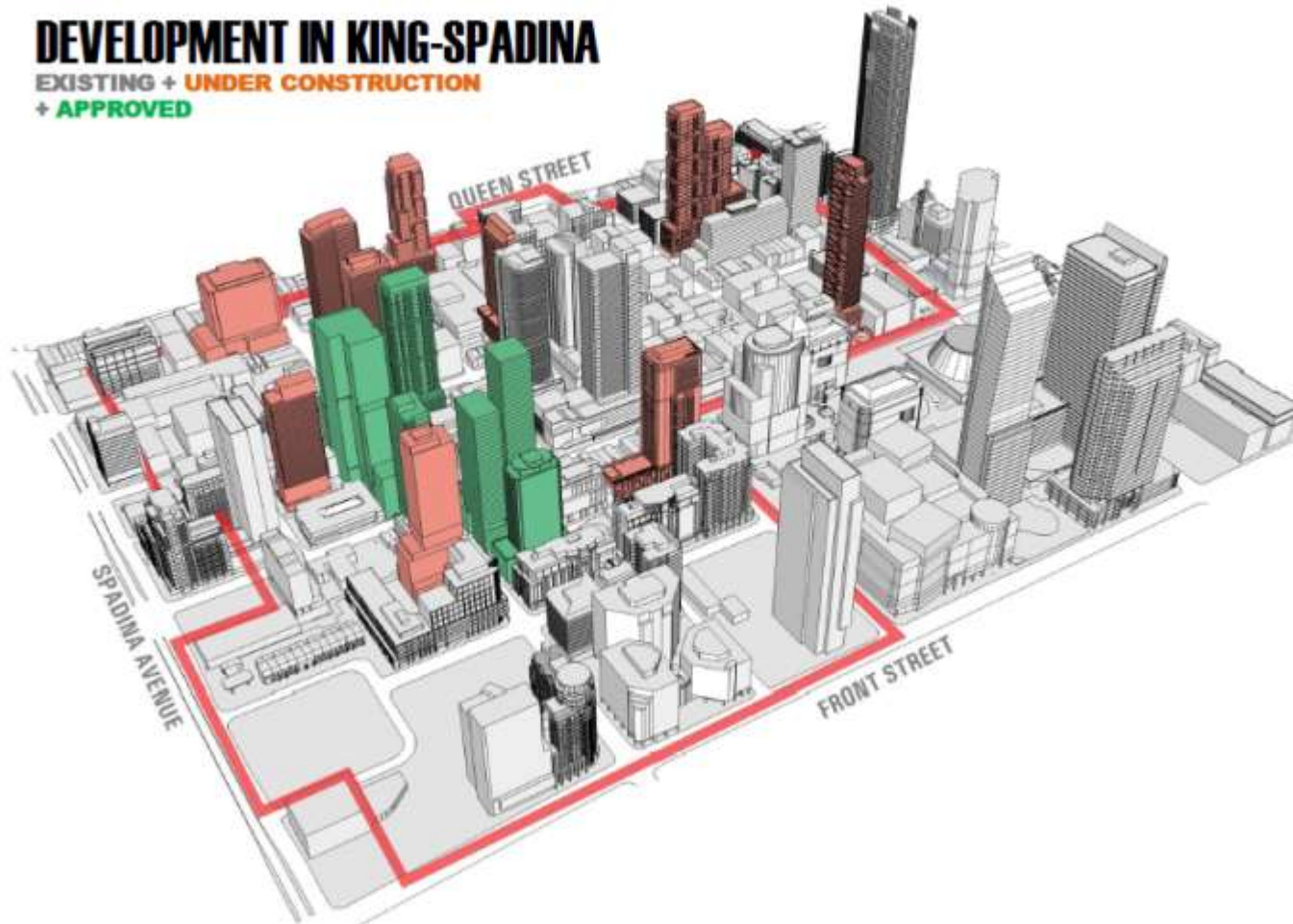
INTENSIFICATION OF THE DOWNTOWN CORE

2024

DEVELOPMENT IN KING-SPADINA

EXISTING + UNDER CONSTRUCTION

+ APPROVED

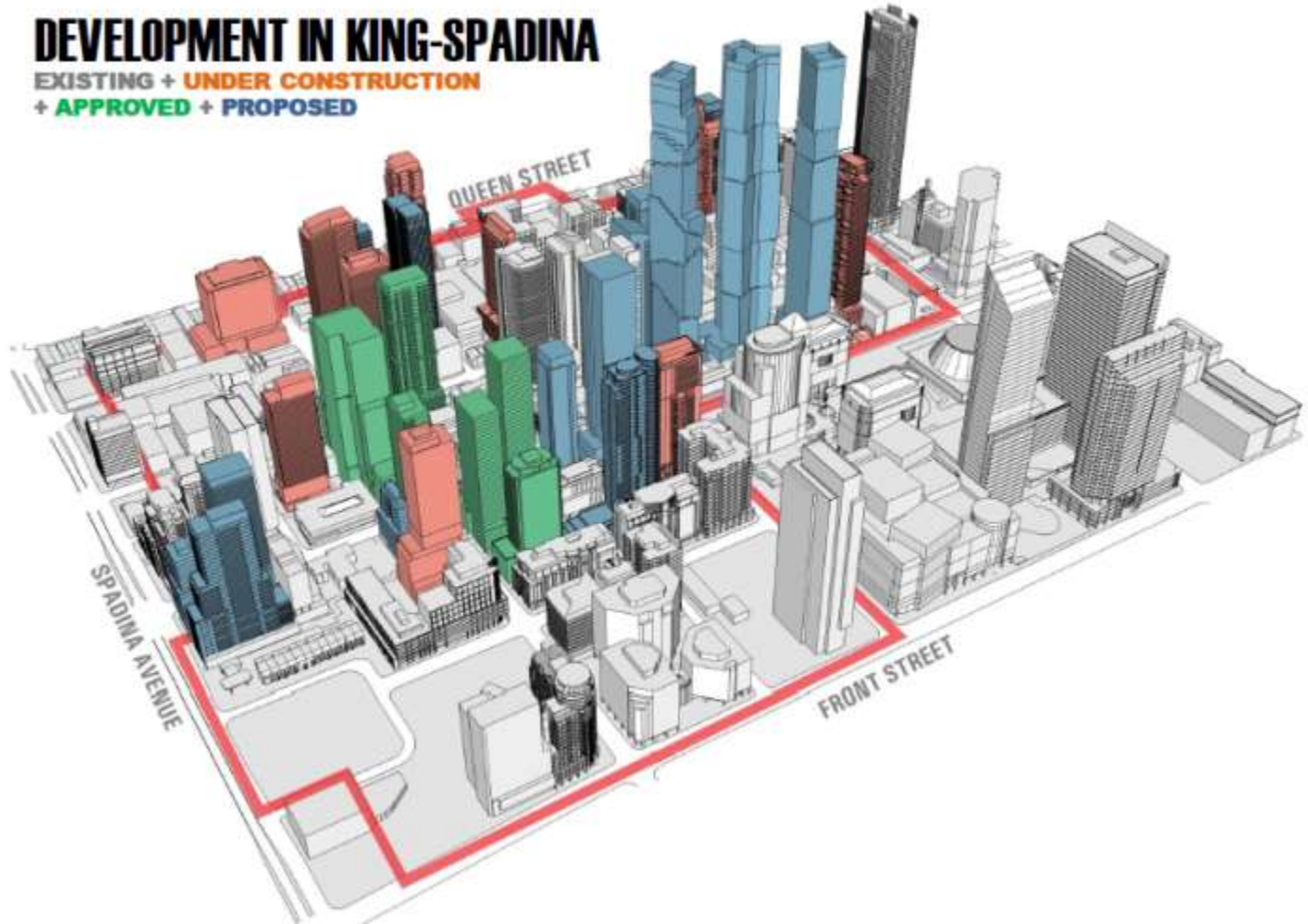


INTENSIFICATION OF THE DOWNTOWN CORE

2031

DEVELOPMENT IN KING-SPADINA

EXISTING + UNDER CONSTRUCTION
+ APPROVED + PROPOSED



DEVELOPMENT APPLICATIONS: DOWNTOWN CORE

2003-2013



RESIDENTIAL PIPELINE



NON-RESIDENTIAL PIPELINE

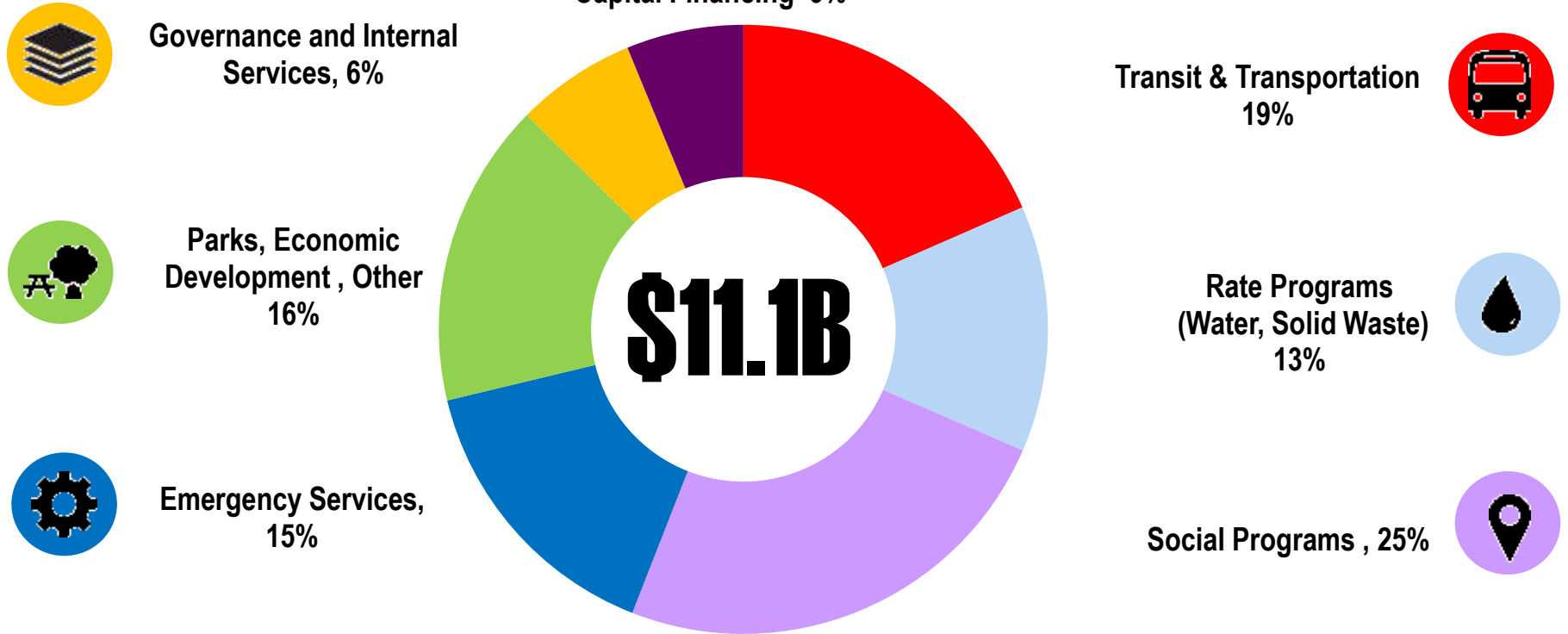


SERVICES DELIVERED AND HOW THEY ARE FUNDED



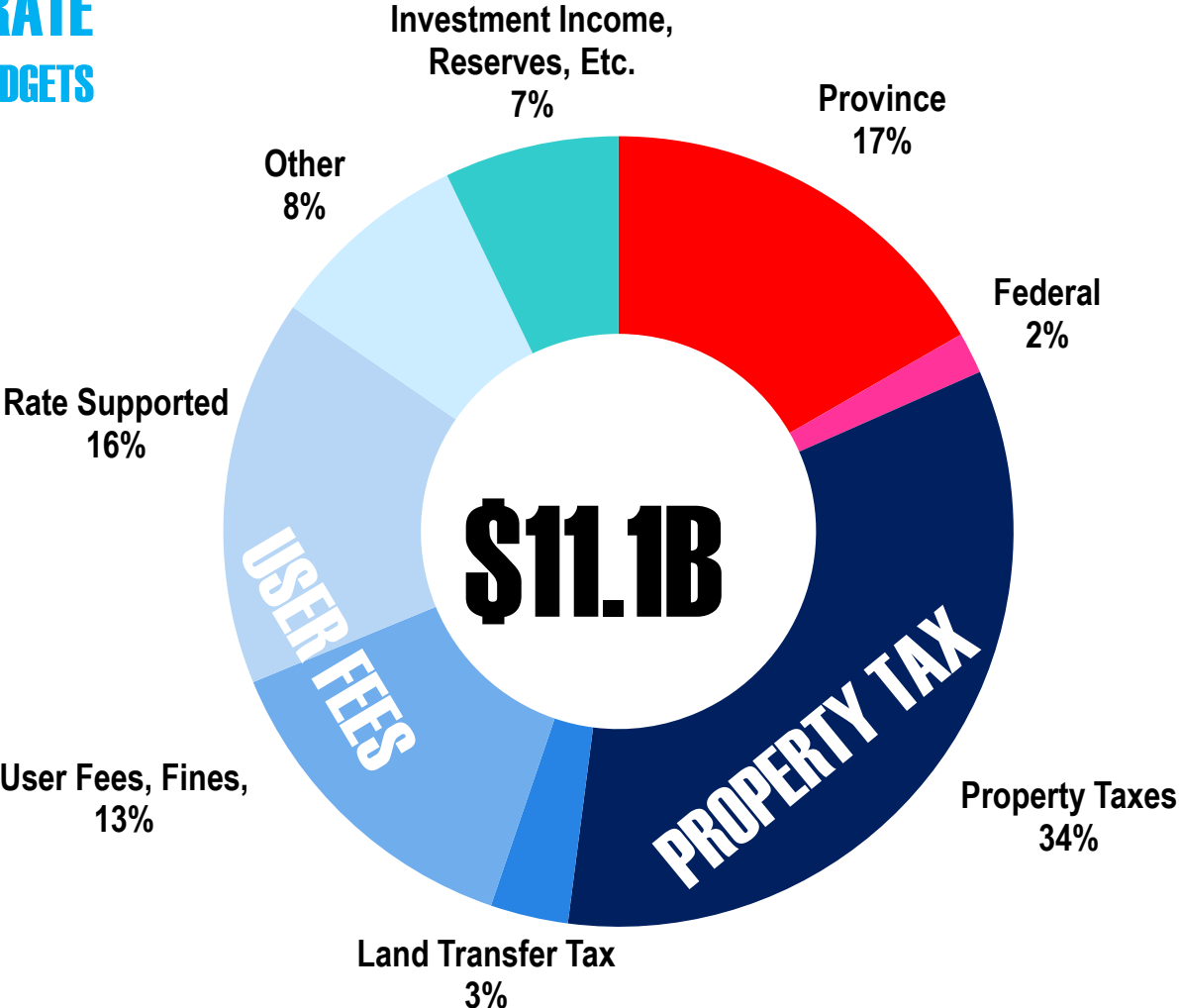
SERVICES DELIVERED: 2014 OPERATING BUDGET

TAX AND RATE SUPPORTED BUDGETS



WHERE THE MONEY COMES FROM: 2014 OPERATING BUDGET

TAX AND RATE SUPPORTED BUDGETS



INVESTING IN INFRASTRUCTURE: 2014-2023 CAPITAL PLAN

TAX AND RATE SUPPORTED BUDGETS



Parks, Recreation,
Facilities, Libraries,
Etc.
17%



Transit &
Transportation
48%



Water, Parking,
Waste
(Rate Supported)
35%



TRANSPORTATION & TRANSIT- 48% OF 10 YEAR CAPITAL PLAN



EXPRESSWAYS



TRANSIT ROLLING STOCK



Transit Tunnels & Bridges



Pedestrians & Cyclists



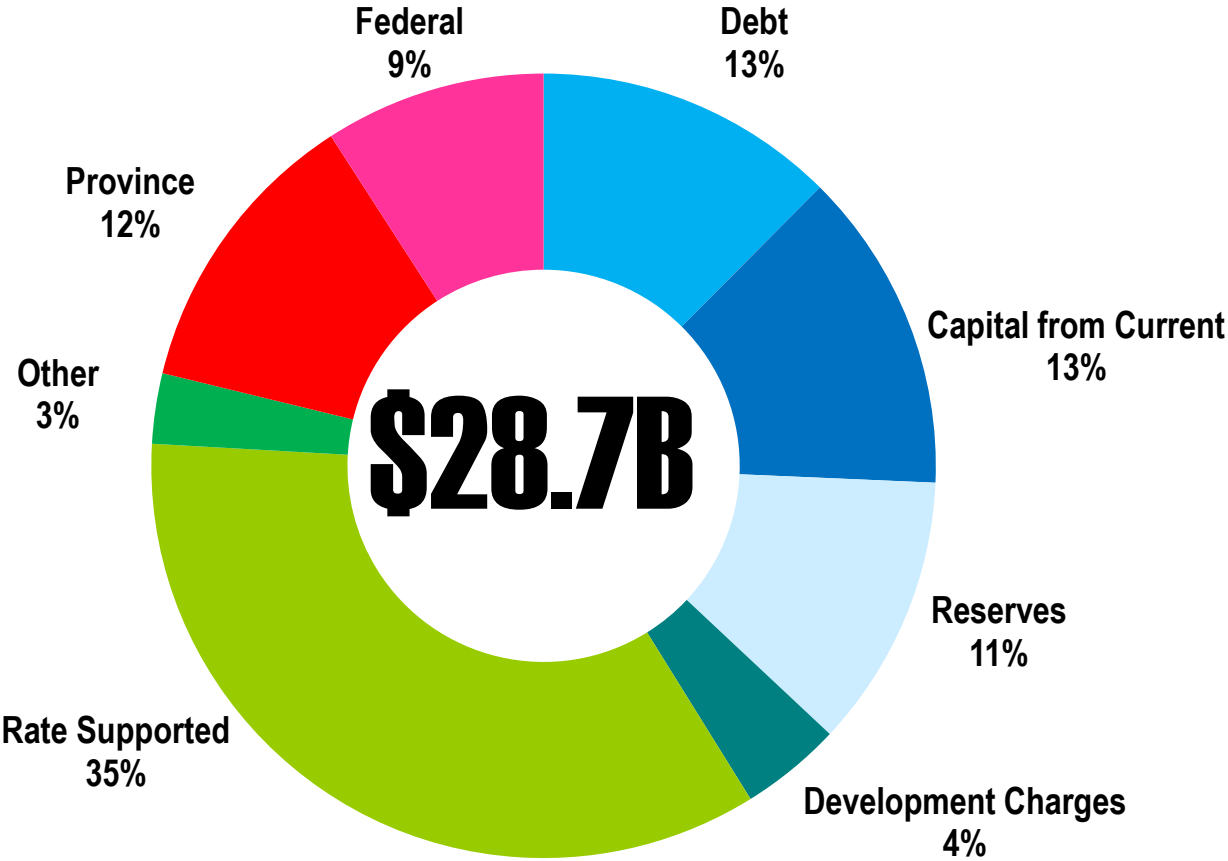
Major & Local Roads



BRIDGES

WHERE THE MONEY COMES FROM: 2014-2023 CAPITAL PLAN

TAX AND RATE SUPPORTED BUDGETS



2. TORONTO'S FISCAL HEALTH: 1998-2013



AMALGAMATION



Transition Challenges:

- 7 organizations into 1
- No service interruption to citizens
- Manage downloading from Province
- Implement Market Value Assessment & Tax policy decisions
- Campaign commitment from new Mayor of '0' tax increase for first 3 years
- Service level harmonization
- Labour relations
 - (56 collective agreements & 2,000 job categories)
 - Wage harmonization

DRIVERS OF TORONTO'S STRUCTURAL FUNDING CHALLENGE

Downloading/Local Service Realignment (1998)

- Social housing
- Social services-OW, ODSP
- Transit operating & capital
- Court services

Amalgamation (1998)

- Upward cost pressure to meet highest service level
- Collective bargaining produced upward cost pressures on employee salary and benefits
- Amalgamated services represented a relatively small percentage of overall costs producing modest savings

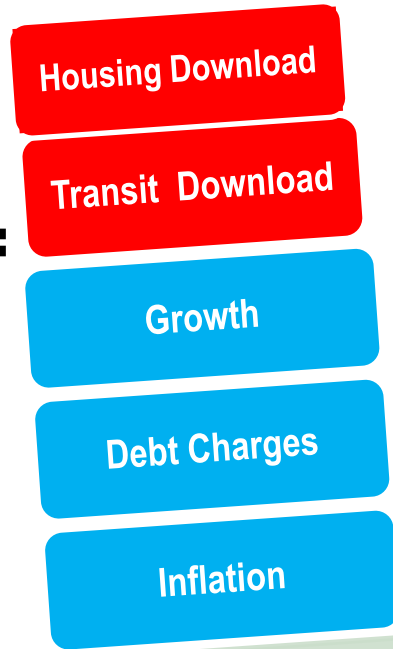
Other Challenges

- Higher Cost Structure Typical of Large Cities/Core of Region
- Aging Infrastructure
- Growth Demands
- Limited Tax Revenues

OPERATING BUDGET- ANNUAL STRUCTURAL DEFICIT, 1998-2013

\$200M+ Structural Deficit

Expenditures:
\$300M+



Revenues:
\$100M



SOCIAL ASSISTANCE
UPLOAD ONGOING-
PHASED IN.

COUNCIL'S STRATEGIC PLAN, 2002



2002

COUNCIL ADOPTED COMPONENTS THAT FORMED COUNCIL'S STRATEGIC PLAN

- **VISION AND MISSION STATEMENT**
- **20 GOALS FOR CITY QUALITY OF LIFE**
- **19 CITY DIRECTIONS AND SUGGESTED ACTIONS**
- **FISCAL PRINCIPLES**

19 STRATEGIC DIRECTIONS, 2002-2013

1. Enhance city liveability and appeal. ✓
2. Monitor quality of life in the city. ✓
3. Invest in people and job creation. ✓
4. Ensure the city is a desirable place for business location. ✓
5. Promote strong and healthy neighbourhoods and communities. ✓
6. Maximize use of infrastructure and facilitate reinvestment in the city. ✓
7. Make prevention the cornerstone for environmental and health protection. ✓
8. Pursue a “green” Toronto. ✓
9. Improve civic literacy and create pride in civic participation. ✓
10. Build community capacity and actively involve the public in civic life. ✓
12. Advocate on behalf of the people of Toronto, particularly our most vulnerable populations. ✓
13. Provide accessible City services that improve community well-being. ✓
14. Improve social and economic inclusion within our communities. ✓
15. Deliver high quality public services. ✓
16. Provide stewardship of City resources and assets through sound financial planning. ✓
17. Work with other governments to improve the City’s governance capacity. ✓
18. Provide intergovernmental leadership on matters of local importance. ✓
19. Establish sustainable financing mechanisms and sources. ✓



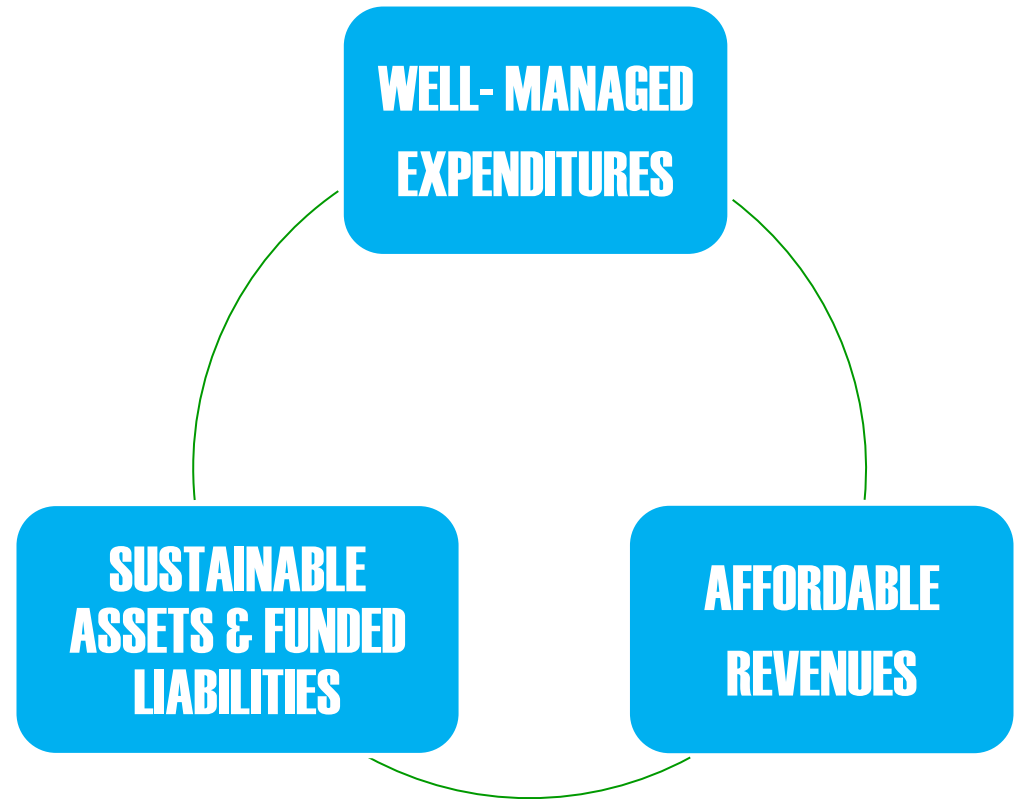
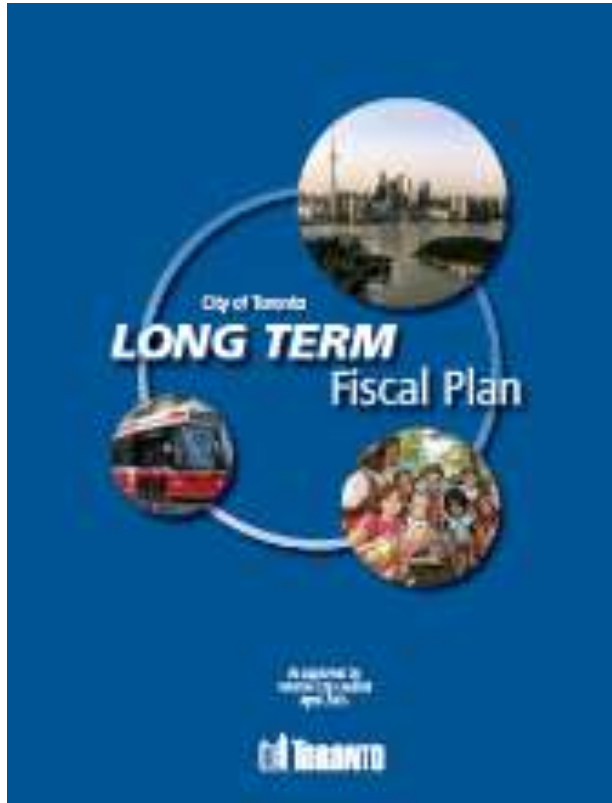
COUNCIL STRATEGIC PLAN, 2002-2013

PRINCIPLES FOR LONG-TERM FISCAL SUSTAINABILITY

Fiscal Sustainability is the ability to maintain services and infrastructure while at the same time maintain other aspects of a healthy 'balance sheet'. This includes:

- Maintain or improve international competitiveness of the City ✓
- Maintain credit rating at the current level or higher ✓
- Stabilize or reduce the debt level ✓
- **Properly fund liabilities**
- Properly maintain and fund the State-of-Good-Repair of physical assets ✓
- Maintain or improve returns on financial assets ✓
- Maintain competitive property tax rates and user fees ✓
- Stabilize or control program costs ✓
- Deliver services in a cost-effective manner ✓
- **Provide competitive compensation for City staff**
- Implement proper procedures to maintain fiscal sustainability ✓

LONG TERM FISCAL PLAN, 2005: STRATEGIES TO STABILIZE THE CITY'S FINANCES

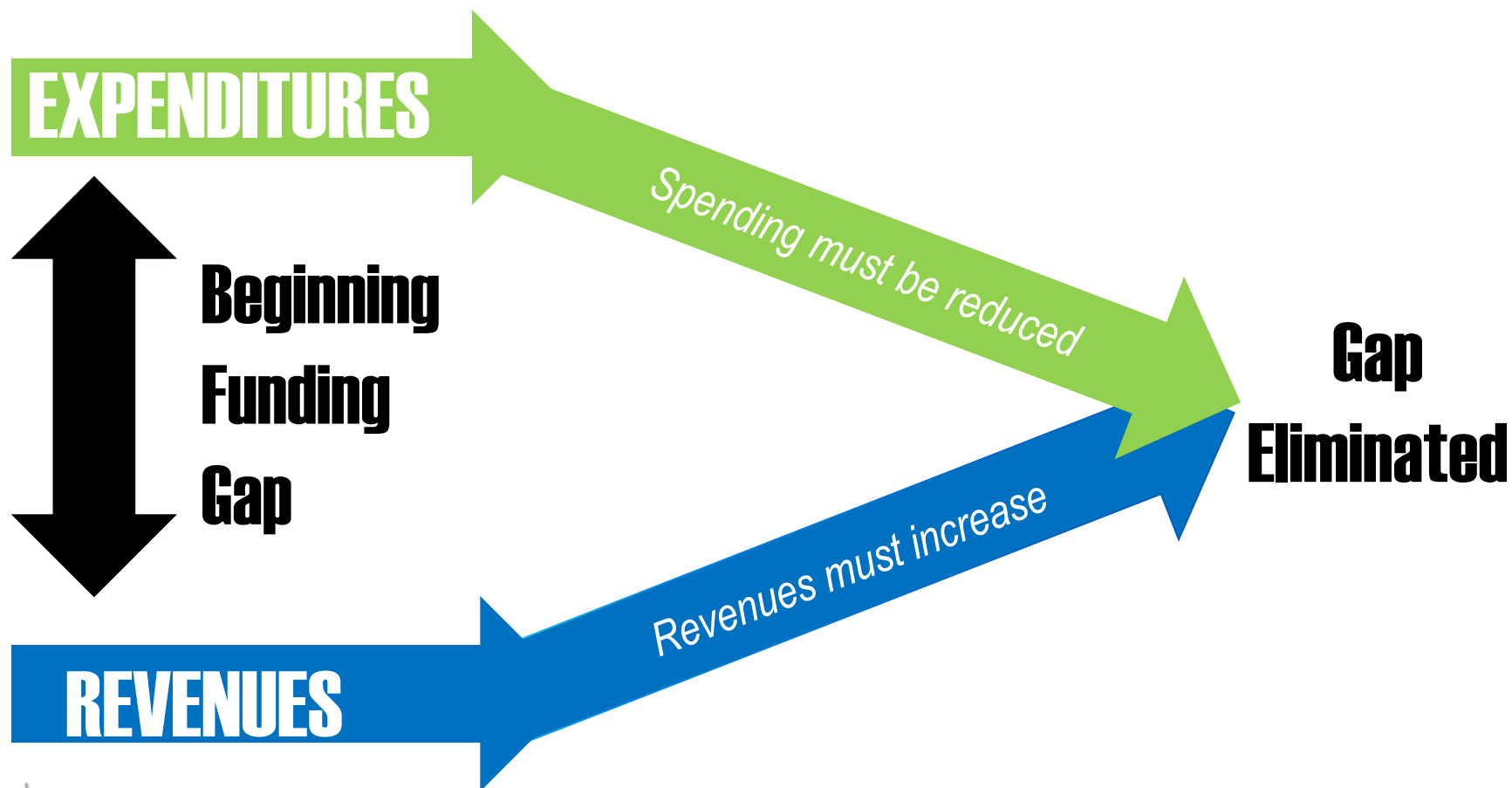


FISCAL HEALTH SCORECARD, 2005

| Identified in the Long Term Fiscal Plan (2005) | Current Status | Score |
|--|--|-------|
| Well- Managed (Expenditures) | | |
| <ul style="list-style-type: none"> City has higher costs than other municipalities Demands for growth need to be adequately funded Upload of social services and transit partnership | <ul style="list-style-type: none"> Costs reduced | |
| | <ul style="list-style-type: none"> Expenditures growth slowed-but still growing | |
| | <ul style="list-style-type: none"> Social Services & Court Security upload. Restore 50% funding on OW admin costs | |
| | <ul style="list-style-type: none"> Upload of Social Housing costs | |
| | <ul style="list-style-type: none"> Restore 50% provincial funding for transit operating costs | |
| Affordable (Revenues) | | |
| <ul style="list-style-type: none"> Business taxes need to be more competitive Revenue growth need to match responsibilities/growth Province needs to properly fund income support programs New revenues for City building and growth | <ul style="list-style-type: none"> Improving business competitiveness | |
| | <ul style="list-style-type: none"> Revenues diversified- Provincial upload on schedule; user fees enhanced | |
| | <ul style="list-style-type: none"> Secured permanent share of Fed/Prov Gas Tax | |
| | <ul style="list-style-type: none"> Share of Harmonized Sales Tax | |
| Sustainable (Assets & Liabilities) | | |
| <ul style="list-style-type: none"> Aging infrastructure must be replaced while minimizing debt Employee benefits and other liabilities need to be adequately funded | <ul style="list-style-type: none"> 10 Year Capital Plan- More than 70% to be spent on State of Good Repair (SOGR) | |
| | <ul style="list-style-type: none"> Debt increase mitigated | |
| | <ul style="list-style-type: none"> Sick Pay liability partially capped, but some liabilities still growing | |

LONG TERM FISCAL PLAN, 2005

ADDRESSING THE CITY'S STRUCTURAL DEFICIT



LONG TERM FISCAL PLAN: EXPENDITURES

2005-2014

Actions taken (2007-2010):

- \$545 M Total Expenditure Savings
- Continuous Improvements and expenditure control-\$371 M (2007-2010)
- 2009 Collective Agreement- Reduced sick pay liability- savings of \$174M

Actions taken (2011-2014):

- \$893M Total Expenditure Savings (Tax Supported Budget)
- Toronto Service Review Program (2011)- Core Service Review + Service Efficiency Studies
- Service Efficiency Savings and Base Budget Reductions-\$753M (2011-2014)
- 2012 Labour Settlement- \$138 M in savings (2012-2014)
- Contract Out Garbage Collection Savings- \$45M (4yrs) (Rate Supported Budget)

Outstanding:

- **Restore Provincial 50/50 TTC operating subsidy**
- **Upload of Social Housing Costs**

LONG TERM FISCAL PLAN: REVENUES

2005-2014

Actions Taken (2007-2010)

- City of Toronto Act: Municipal Land Transfer Tax (Growth), Personal Vehicle Tax, Billboard Tax
- Enhancing Toronto's Business Climate- Tax Ratio Reduction Initiative
- Secured Provincial uploading of Social Services through PMFSDR-\$158M
- Provincial one time- funding secured for transit operating \$417M

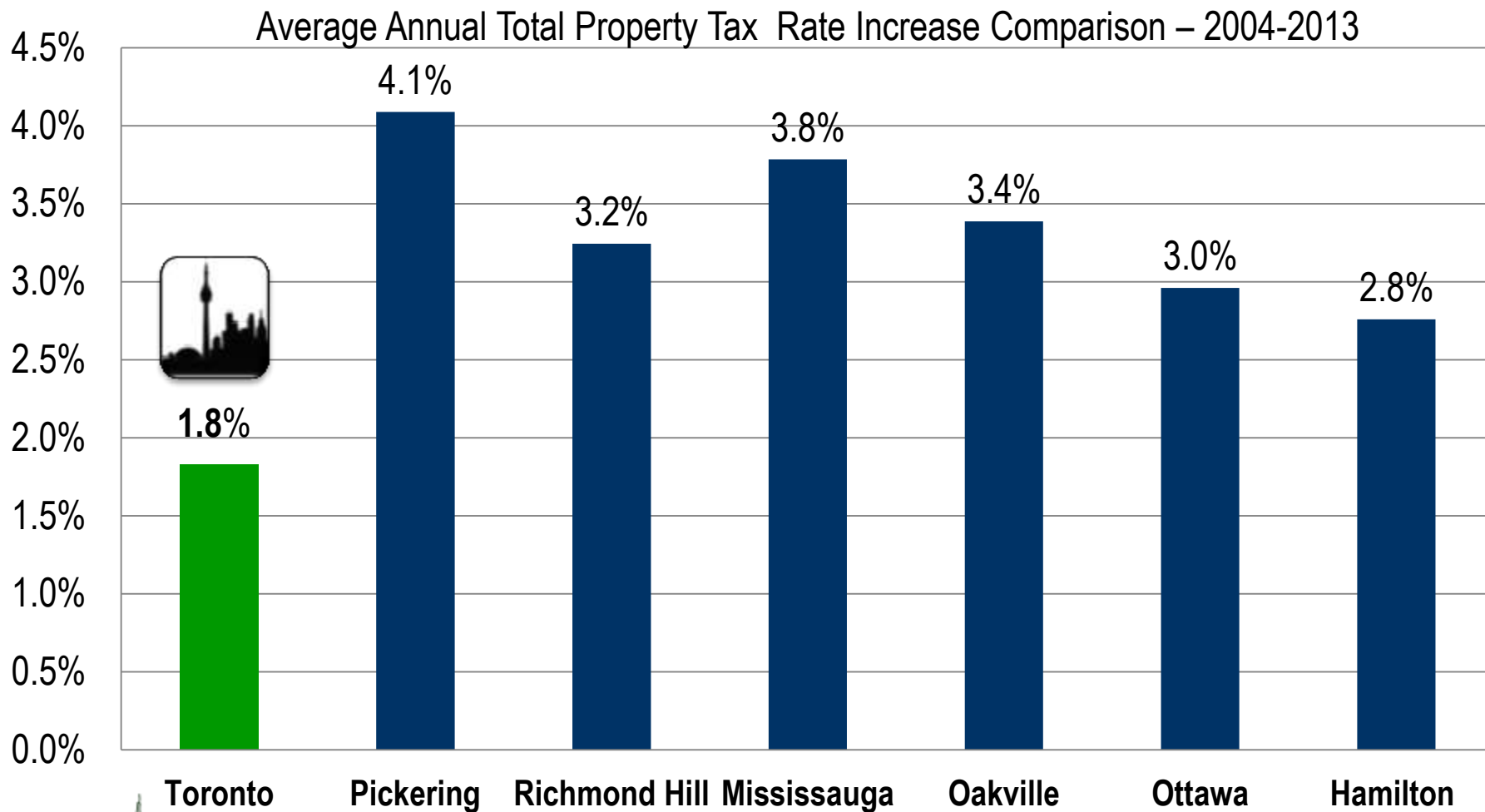
Actions Taken (2011-2014):

- Permanent Share of Provincial & Federal Gas Tax
- User Fee Policy (2011) and TTC Fare Increases- \$102M
- Development Charges By-Law (2013); increases to fund capital growth related projects

Outstanding:

- **Municipal revenue source that grows with economy (e.g. HST)**

AVERAGE ANNUAL TOTAL PROPERTY TAX RATE INCREASE COMPARISON, 2004-2013



COMPARISON OF MUNICIPAL TAXES IN 3 CITIES

OTHER MAJOR CITIES HAVE MORE DIVERSIFIED REVENUE SOURCES



TORONTO



NYC



BERLIN

| | TORONTO | NYC | BERLIN |
|---------------------------------------|---------|-----|--------|
| PROPERTY TAX | ● | ● | ● |
| LAND/ REAL ESTATE TRANSFER TAX | ● | ● | ● |
| GAS TAX | ● | ● | ● |
| VEHICLE TAX | ○ | ● | ● |
| BILLBOARD TAX | ● | | |
| SALES/VAT TAX | | ● | ● |
| INCOME TAX | | ● | ● |
| CORPORATE TAX | | ● | ● |

+16 MORE

+17 MORE



LONG TERM FISCAL PLAN: ASSETS & LIABILITIES

2005-2014

Actions Taken:

- Focus Capital Plan on State-of-Good Repair (SOGR)
 - 60% of Tax Supported Capital Budget and Plan 2014-2023 is SOGR
- Debt restructured to reduce annual debt repayment
- Monetization of corporate assets (ie. Enwave)
- Increases in pay-as-you-go “capital from current”
- Transit/Transportation federal & provincial funding partnerships

Outstanding:

- **Sick Pay liability capped but some liabilities still growing or are not fully funded**
- **Continue and enhance federal and provincial infrastructure partnerships for SOGR and growth**

IMPLEMENTATION OF THE LONG TERM FISCAL PLAN: FISCAL HEALTH SCORECARD , 2014

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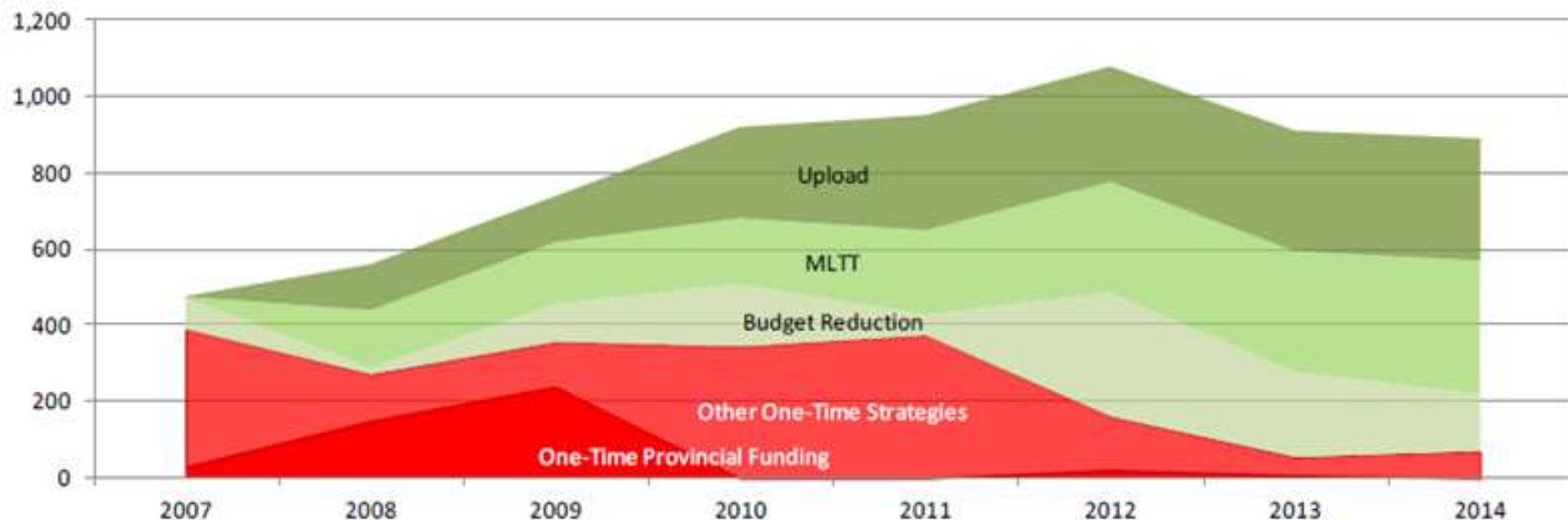
LONG TERM BALANCING STRATEGIES TO FUND BUDGET SHORTFALL

2007-2014

Goal: Reduce reliance on one-time funding strategies such as

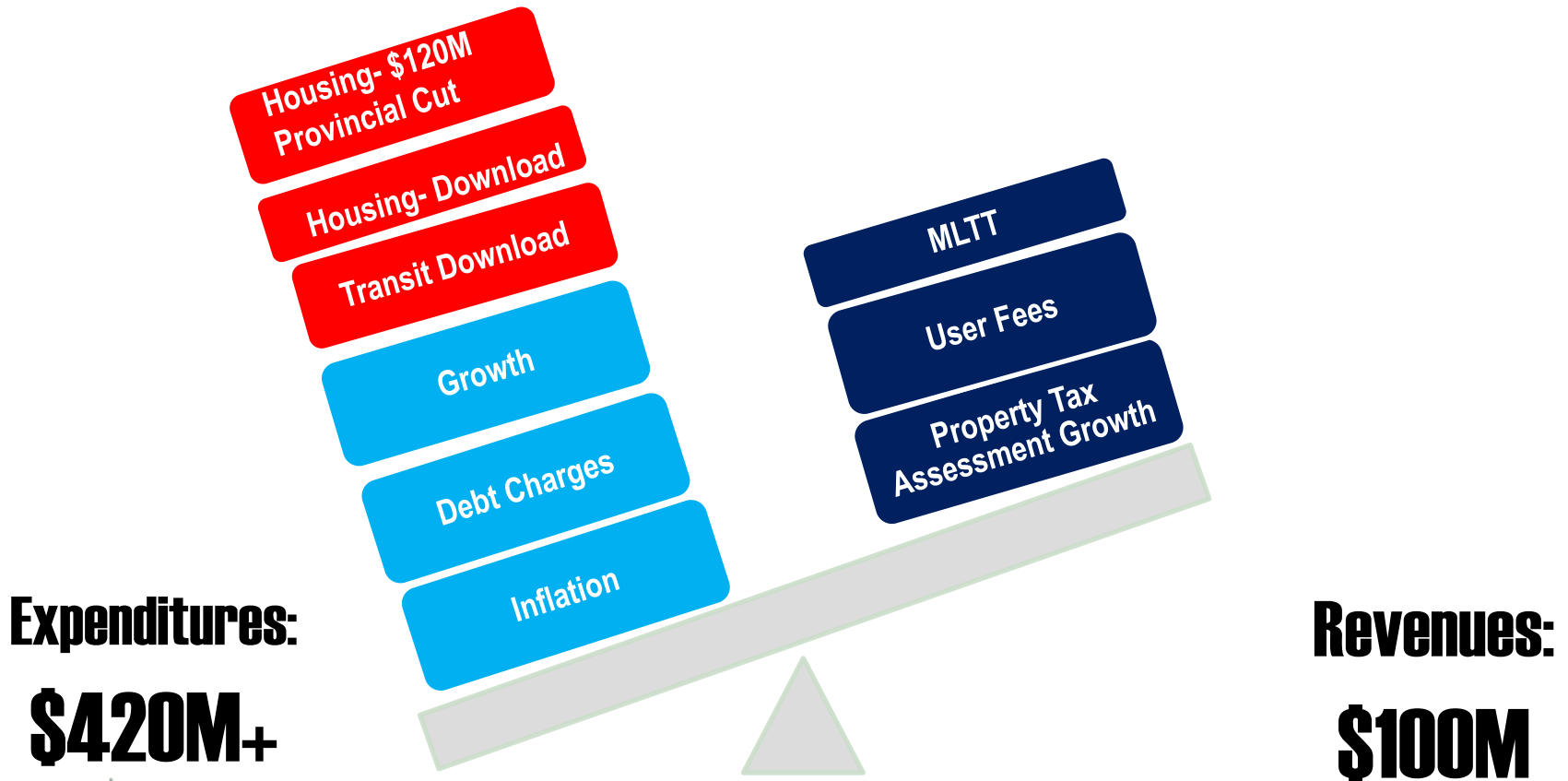
- one-time provincial grants
- drawing on reserve funds for purposes other than intended
- use of previous year's operating surplus

2007-2014 Major Long Term Balancing Strategies to Fund Budget Shortfall



OPERATING BUDGET- ANNUAL STRUCTURAL DEFICIT, 2015

\$320M Structural Deficit



3. LOOKING AHEAD: 2014-2018



CITY OF TORONTO STRATEGIC PLAN: 2014-2018



Vision:

Toronto is a caring and friendly city

Toronto is a clean, green and sustainable city

Toronto is a dynamic city

Toronto invests in quality of life

INTEGRATED PLANNING FRAMEWORK



STRATEGIC ACTIONS FOR 2014-2018

City Building

1. Implement Smart Urban Growth Strategies
2. Invest in Culture
3. Develop a Long-term Transportation Plan and Policies

Economic Vitality

4. Increase Employment Opportunities
5. Accelerate Economic Growth

Environmental Sustainability

6. Support Environmental Sustainability
7. Develop a Long-term Solid Waste Management Strategy

Social Development

8. Support Affordable Housing
9. Strengthen Neighbourhoods
10. Enhance the City's Quality of Life
11. Advance Toronto's Motto 'Diversity our Strength'
12. Improve Emergency Response and Prevention

Good Governance

13. Open Government by Design
14. Engage the Public
15. Strengthen Public Service Governance
16. Strengthen Intergovernmental Relationships
17. Enhance the City's Capacity to Serve Toronto's Diversity
18. Develop and Implement a Workforce Plan
19. Improve Customer Service
20. Enhance Performance Measurement
21. Improve Organizational Excellence
22. Implement Shared Services

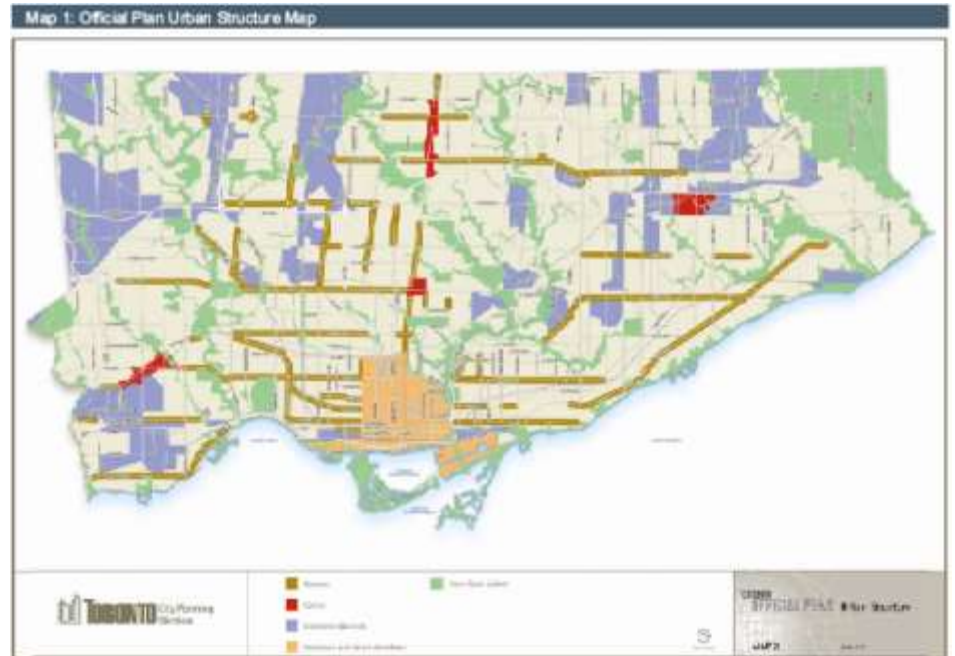
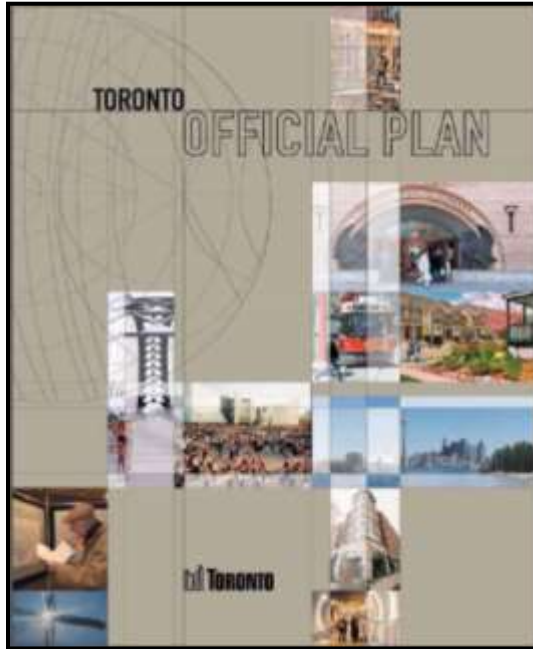
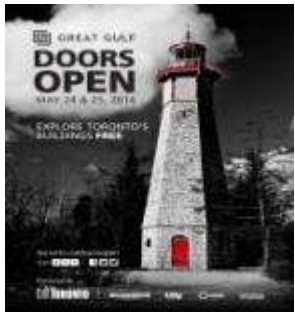
Fiscal Sustainability

23. Update the Long-term Fiscal Plan
24. Improve Service and Financial Planning
25. Ensure State of Good Repair for Infrastructure
26. Finance the City's Growth



CITY BUILDING

Strategic Action #1: Implement Smart Urban Growth Strategies
Strategic Action #2: Invest in Culture



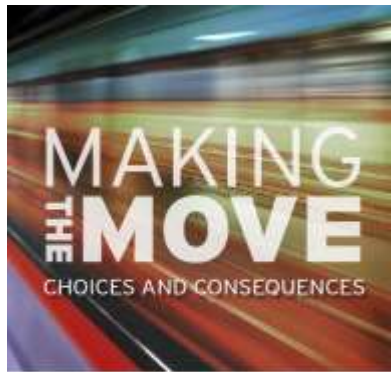
CITY BUILDING:

Strategic Action #3 Develop a Long Term Transportation Plan and Policies



**FEELING
CONGESTED?**
TORONTO TALKS TRANSPORTATION

CITY BUILDING: ALIGNMENT WITH THE BIG MOVE PLAN



Toronto city manager wants sales tax, gas tax and/or parking levy to pay for transit expansion

NATALIE ALCOBA | April 16, 2013 2:16 PM ET
More from Natalie Alcoba | [@nataliealcoba](https://twitter.com/nataliealcoba)



ECONOMIC VITALITY

Strategic Action #4 - Increase Employment Opportunities Strategic Action #5 - Accelerate Economic Growth



Make Toronto the Most Competitive Big City in North America for Businesses



Ensure Adequate Supply and Availability of Business Input Essentials



Encourage Business Investment and Formation



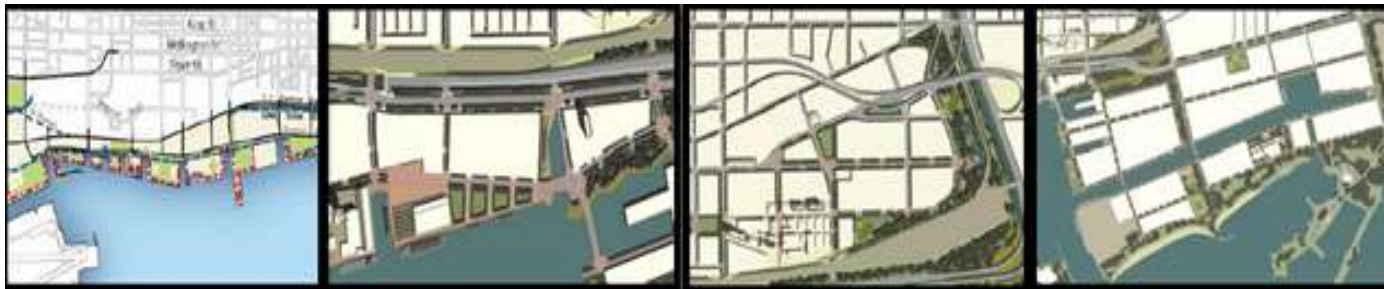
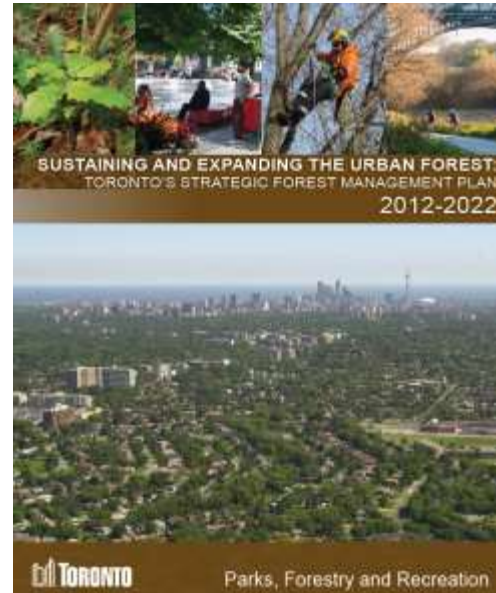
Boost Business Growth



ENVIRONMENTAL SUSTAINABILITY

Strategic Action #6 - Support Environmental Sustainability

Strategic Action #7 - Develop a Long Term Solid Waste Management Strategy



SOCIAL DEVELOPMENT

**Strategic Action #8 –
Support Affordable Housing**

**Strategic Action #9 -
Strengthen Neighbourhoods**

**Strategic Action #10 –
Enhance the City's Quality of
Life**

**Strategic Action #11 –
Advance Toronto's Motto
'Diversity our Strength'**

**Strategic Action #12 –
Improve Emergency
Response and Prevention**



GOOD GOVERNANCE



**Strategic Action #13 –
Open Government by
Design**



**Strategic Action #14 -
Engage the Public**



**Strategic Action #16 -
Strengthen
Intergovernmental
Relationships**



**Strategic Action #17 -
Enhance the City's
Capacity to Serve
Toronto's Diversity**

GOOD GOVERNANCE

Strategic Action #18 -
Develop and
Implement a
Workforce Plan

Strategic Action #19 -
Improve Customer
Service

Strategic Action #20 -
Enhance
Performance
Measurement



Strategic Action #21 -
Improve
Organizational
Excellence

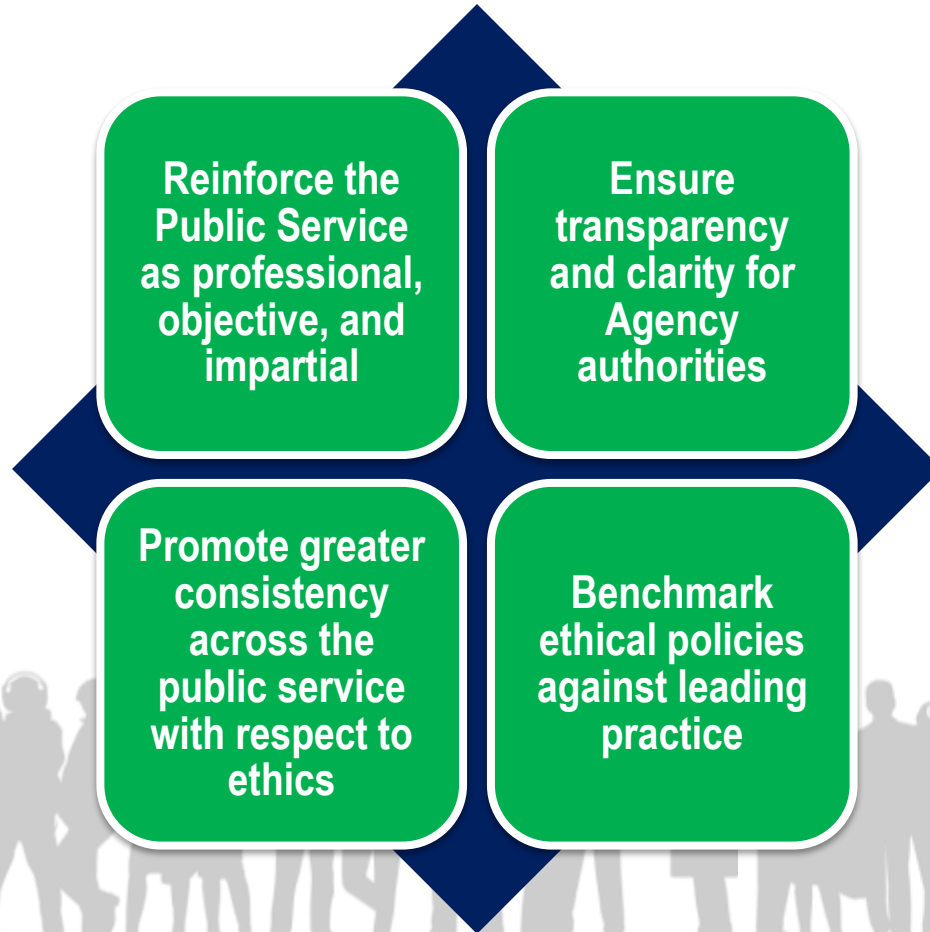
Strategic Action #22 -
Implement Shared
Services

GOOD GOVERNANCE

Strategic Action #15 - Strengthen Public Service Governance

Toronto Public Service By-law

Goals and Objectives



FISCAL SUSTAINABILITY

Strategic Action #23 -
Update the Long Term
Fiscal Plan

Strategic Action #24 -
Improve Service and
Financial Planning

Strategic Action #25:
Ensure State of Good
Repair for
Infrastructure

Strategic Action #26 -
Finance the City's
Growth



News / City Hall / Toronto 2014 election

Toronto city manager speaks bluntly about need for new taxes

With the 2014 election officially underway, Joe Pennachetti, Toronto's top bureaucrat, isn't shying away from commenting on controversial issues.



DAVID COOPER / TORONTO STAR Order this photo

TORONTO SCORES HIGH IN INTERNATIONAL RANKINGS



#1 out of 50 Cities

Most Resilient Cities Research Report (2014), Grosvenor Property Group



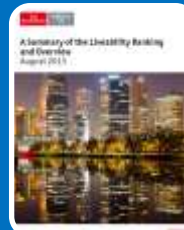
#2 out of 422 Cities

North American Cities of the Future: Business Investment Attractiveness (2013), FDI Magazine



#3 out of 24 Global Metropolitan Areas

Scorecard on Prosperity (2014), Toronto Region Board of Trade



#4 out of 140 Cities

Liveability Ranking Report, Economic Intelligence Unit (2013)



#1 out of 25 Cities

Most Youthful Cities, Youthful Cities Index (2014)



#2 out of 100 Cities

Most Reputable Cities in the World (2013), Reputation Institute

For more results for Toronto in international rankings see:

<http://www1.toronto.ca/wps/portal/contentonly?vgnextoid=535adce9014df310VgnVCM10000071d60f89RCRD>



AMONG THE WORLD'S TOP CITIES IN RANKINGS



Grosvenor Property Group

Most Resilient Cities Research Report

50 Cities
(2014)

- 1. Toronto**
2. Vancouver
3. Calgary
4. Chicago
5. Pittsburgh
6. Stockholm
7. Boston
8. Zurich
9. Washington
10. Atlanta

Toronto Board of Trade

Scorecard on Prosperity

24 Global Metropolitan Areas
(2014)

1. Paris
- 2. Calgary**
- 3. Toronto**
4. Oslo
5. London
6. Stockholm
7. Seattle
8. Sydney
9. San Francisco
10. Boston

YouthfulCities.com

Youthful Cities Index

25 Cities
(2014)

- 1. Toronto**
2. Berlin
3. New York
4. Dallas
5. Paris
6. Chicago
7. London
8. Los Angeles
9. Tokyo
10. Seoul

fDi Magazine

North American Cities of the Future: Business Investment Attractiveness

422 Cities
(2013)

1. New York
- 2. Toronto**
3. Montreal
4. Vancouver
5. Houston
6. Atlanta
7. San Francisco
8. Chicago
9. Miami
10. Calgary

Economist Intelligence Unit

Liveability Ranking Report

140 Cities
(2013)

1. Melbourne
2. Vienna
3. Vancouver
- 4. Toronto**
5. Adelaide
6. Calgary
7. Sydney
8. Helsinki
9. Perth
10. Auckland

Reputation Institute

Most Reputable Cities in the World

100 Cities
(2013)

1. Sydney
- 2. Toronto**
3. Stockholm
4. Vienna
5. Venice
6. Florence
7. Edinburgh
8. Zurich
9. London
10. Copenhagen



For more results for Toronto in international rankings see:

<http://www1.toronto.ca/wps/portal/contentonly?vgnextoid=535adce9014df310VgnVCM10000071d60f89RCRD>

4. CONCLUDING THOUGHTS



FISCAL REALIGNMENT REQUIRED TO INVEST FOR THE FUTURE

- City's fiscal health stabilized through significant measures taken(1998- 2014):
 - Expenditure reductions
 - Some new revenues tools under City of Toronto Act
 - Focus on maintaining current assets in state of good repair
 - Managed debt and currently maintaining AA+ credit rating
- Strategic Plan (2014-2018) lays out key priorities for City to address (26 Strategic Actions)
- Some key challenges still exist:
 - Transit and Housing place significant pressure on City; City has inadequate revenue tools
 - Council approved property tax rate increases have not kept up with inflation
 - City requires new revenue sources + property tax increases to address future growth needs
- Province must restore 50/50 funding for transit operations, and reassume responsibility for funding social housing.
- Federal government needs to provide stable funding for transit and housing

MEASURES TAKEN TO ADDRESS CITY'S FISCAL SUSTAINABILITY, 2014

| Identified in the Long Term Fiscal Plan (2005) | Current Status | Score |
|--|--|--------|
| Well- Managed (Expenditures) | | |
| <ul style="list-style-type: none"> City has higher costs than other municipalities Demands for growth need to be adequately funded Upload of social services and transit partnership | <ul style="list-style-type: none"> Costs reduced | Green |
| | <ul style="list-style-type: none"> Expenditures growth slowed-but still growing | Green |
| | <ul style="list-style-type: none"> Social Services & Court Security upload. Restore 50% funding on OW admin costs | Green |
| | <ul style="list-style-type: none"> Upload of Social Housing costs | Red |
| | <ul style="list-style-type: none"> Restore 50% provincial funding for transit operating costs | Red |
| Affordable (Revenues) | | |
| <ul style="list-style-type: none"> Business taxes need to be more competitive Revenue growth need to match responsibilities/growth Province needs to properly fund income support programs New revenues for City building and growth | <ul style="list-style-type: none"> Improving business competitiveness | Green |
| | <ul style="list-style-type: none"> Revenues diversified- Provincial upload on schedule; user fees enhanced | Green |
| | <ul style="list-style-type: none"> Secured permanent share of Fed/Prov Gas Tax | Green |
| | <ul style="list-style-type: none"> Share of Harmonized Sales Tax | Red |
| Sustainable (Assets & Liabilities) | | |
| <ul style="list-style-type: none"> Aging infrastructure must be replaced while minimizing debt Employee benefits and other liabilities need to be adequately funded | <ul style="list-style-type: none"> 10 Year Capital Plan- More than 70% to be spent on State of Good Repair (SOGR) | Green |
| | <ul style="list-style-type: none"> Debt increase mitigated | Green |
| | <ul style="list-style-type: none"> Sick Pay liability partially capped, but some liabilities still growing | Yellow |

KEY PRIORITY:

DEDICATED PREDICTABLE FUNDING FOR TRANSIT

Capital:

- **Require long term federal/provincial commitment to expand and maintain transit in the GTHA**
- For Big Move Plan and other Toronto transit expansion priorities
- Towards \$2.6B in unfunded TTC SOGR to maintain the current network

Operating:

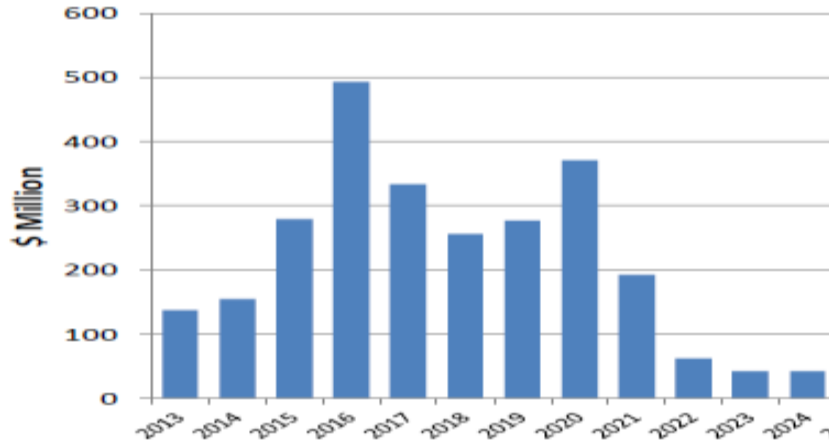
- **Require Province to restore 50/50 net operating subsidy for transit**
- TTC has high farebox recovery rate/ low subsidy per rider compared to other jurisdictions



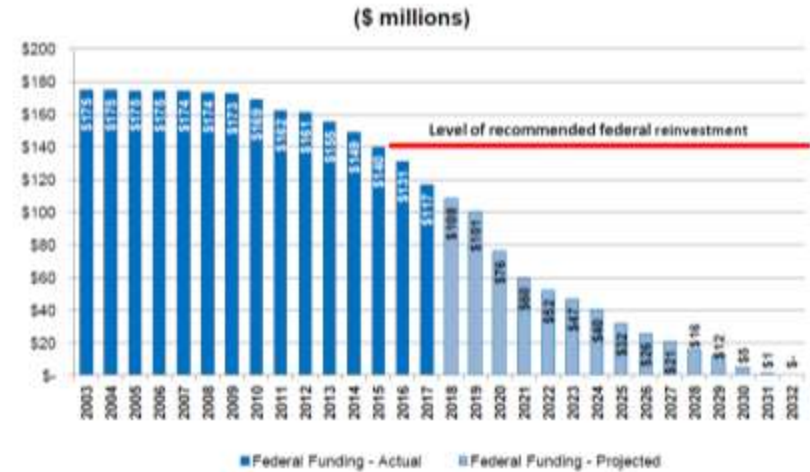
KEY PRIORITY:

SUSTAINABLE PROVINCIAL AND FEDERAL FUNDING FOR SOCIAL HOUSING

10 Year Annual TCH Capital Requirements



Declining Federal Funding for Social Housing- \$140M



Federal & Provincial fully-funded, long-term housing strategies required

CAPITAL:

- \$2.6B unfunded TCHC SOGR backlog over 10 yrs
- Require 1/3 (\$864M over 10 yrs) from each order of government

OPERATING:

- 95,000 housing units
- 91,000 households on waitlist
- Prov/Fed withdrawal of funding
 - \$200M Prov Download
 - \$120M Prov Funding Eliminated(2014-16)
 - \$ 140M- Fed Funding Decline (2014-23)



OPERATING BUDGET- ELIMINATE THE STRUCTURAL DEFICIT



Housing- Download

Transit Funding- Download

←
PROVINCE
REASSUMES
RESPONSIBILITIES

**Expenditure:
\$100M+**

Growth

Debt Charges

Inflation

**Revenues
\$100M**

MLTT

User Fees

Property Tax
Assessment
Growth



PARTNERSHIP ACROSS ALL ORDERS OF GOVERNMENT

Continued partnership is critical to Toronto's future success as a liveable and prosperous City...



GTHA MUNICIPALITIES



PROVINCIAL GOVERNMENT



CITY OF TORONTO



FEDERAL GOVERNMENT