

# AGENDA FOR GROWTH

*Policy playbooks to elevate the city*



TORONTO  
REGION  
BOARD OF TRADE

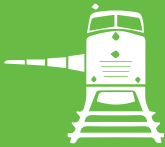


# BETTER TRANSPORTATION

POLICY PLAYBOOK

2018 MUNICIPAL ELECTION





## CURRENT STATE

Over the past few decades, Toronto has become a recognized global city. As Canada's commercial centre, Toronto's success has been good news for all Canadians and all regions. But remaining globally competitive requires a plan of action. In addition to needing more housing and a better business climate, Toronto also needs a world-class transportation system that moves people and goods effectively throughout the city and region to stay competitive.

Toronto's transit system was once considered world-class, but decades of underinvestment—by all levels of government—has prevented its expansion to keep pace with growth. Efforts are underway: the City approved a comprehensive transit network plan, secured billions of dollars to begin work and introduced cross-boundary service with the York extension. The work must continue to meet transit demand to and through the City. We need to build for today's demands as well as the demands of almost 1,000,000 people forecasted to move to the city in the coming decade.

Toronto's road network is also problematic. According to the Canadian Automobile Association, Toronto traffic jams are as bad as those in New York and Los Angeles. This means the average Toronto commuter spends 48 minutes driving to and from work every day. The C.D. Howe Institute notes traffic costs our region's businesses \$11 billion in productivity annually. It also makes delivering a million tonnes of goods each day more challenging and costlier. The Board estimates road congestion adds \$400 million in costs to our region's goods every year.

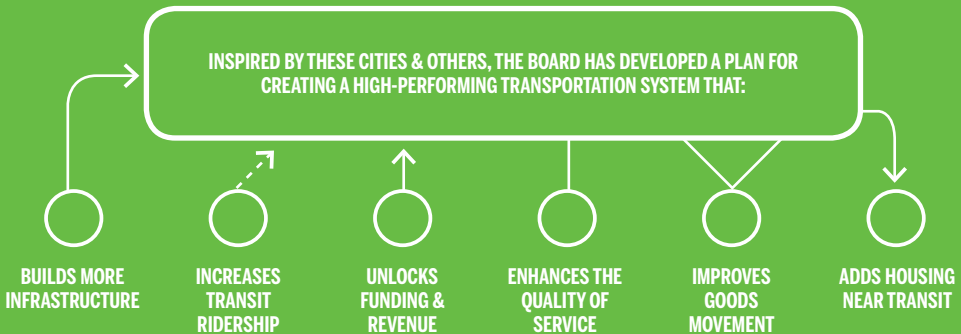
If Toronto's workforce and merchandise stays stuck in traffic, its global attractiveness will fall behind other cities. To be a more prosperous and competitive city, Toronto needs a world-class transportation system. Building a better and more integrated system requires greater cooperation between all levels of government. During the 2018 municipal election, the Board encourages voters to choose municipal candidates willing to depoliticize transportation decisions and work with other levels of government to build a regional system that is truly world-class.

Read our complete series: [BOT.COM/AGENDAFORGROWTH](https://www.bot.com/agendaforgrowth)

# WHAT ARE WE PROPOSING?

KEEP TORONTO MOVING BY BUILDING A REGIONAL TRANSPORTATION SYSTEM THAT IS WORLD-CLASS.

Whether it's London, Berlin or Hong Kong, global cities have world-class transportation systems enabling them to compete and prosper. These cities have addressed similar challenges to Toronto by thinking and acting regionally.



## VOICES OF SUPPORT

"A region's leaders must be deliberate and forward-thinking about residents' future mobility needs. Creating a high-performing, resilient and inclusive transportation system is unlikely to happen by accident—it requires clarity of vision, strong leadership and high levels of collaboration across the broader ecosystem of stakeholders."

**SIMON DIXON, DELOITTE GLOBAL TRANSPORTATION LEADER**

## HOW WE CAN MAKE IT HAPPEN

City Council must help build a regional transportation system that is world-class.

- SPEED UP CONSTRUCTION
- EMBRACE TRANSIT UPLOADING
- GET GOODS MOVING
- WORK WITH OTHER GOVERNMENTS

"Our quality of life depends on the sustainable movement of goods. Whether it is food, medicine, building materials, or the inputs our businesses need, almost all goods movement relies on our local roads. With responsibility for roads, transit and land-use planning, municipalities have a major impact on the movement of goods, our competitiveness and our quality of life."

**PETER HARRISON, CPCS VICE PRESIDENT**

# OUR TRANSPORTATION PLAY IN 4 MOVES



# 1

## SPEED UP CONSTRUCTION

Toronto's transit and urban transportation infrastructure is still far behind where it should be. The next City Council must prioritize project delivery over and above planning, debating and revising plans. We need to act as a global city and complete major projects quickly enough that political risks from changes in government are no longer a threat to actual construction outcomes. Working with the business community, the Board has identified five steps City Hall can take to build transportation infrastructure faster.

- ☐ Bundle infrastructure decisions into complete plans and consider governance reforms to reduce the number of Council debates and decisions points for heavy infrastructure projects.
- ☐ Apply more resources to planning, design and consultation stages to shrink long lead times.
- ☐ Reform Environmental Assessment rules so they are about environmental risks only—fighting the trend to use them as a slow and expensive substitute for other consultation processes.
- ☐ Work with Ottawa to implement the Canadian Global City Council's Nation Urban Strategy model to ensure federal and provincial funding supports long-term infrastructure plans rather than specific projects, minimizing intergovernmental negotiations.
- ☐ Adopt a "fastest first" policy. If Toronto will not prioritize project construction based on business cases, the next best alternative is to prioritize projects that can be finished more quickly than others to add capacity and build political momentum for more.

# 2

## EMBRACE TRANSIT UPLOADING

The Ontario Government's commitment to upload Toronto subway costs is good news. City Council should embrace the opportunity and the significant benefits it presents.

The Board's *Technical Paper on Transit Uploading* outlines potential benefits of such transformation in detail. For transit users and taxpayers, the benefits include: clear responsibility for service improvements; new transit service delivered faster than currently possible; better cross-boundary connections; swifter implementation of an integrated fare model; and, less time and money wasted on politicized debates and intergovernmental conflicts. For City Hall, the benefits bring: fiscal relief from one of the City's fastest-growing operational costs; fiscal capacity to fund other City priorities; appealing connectivity for talent and firms; and, additional time for staff and City Council to focus on other issues.

The Ontario Government will likely begin discussions with City Council on the upload process shortly after the 2018 Toronto election. City Council must be ready for the potential linkage of uploading to resolution of other transit issues, including fare integration and regional service coordination. Depending on the model adopted for uploading, this won't mean the end of the TTC. For instance, regional transit authorities in London and Berlin contract service delivery to local public and private sector operators. City Council must be well-versed on what other jurisdictions do and should reach a consensus about what the TTC's future role should be within a regional system.

↓ **"TORONTONIANS ARE EMBRACING TRANSIT UPLOADING. 56% OF TORONTO VOTERS AGREE THE PROVINCE SHOULD ASSUME RESPONSIBILITY OF THE CITY'S SUBWAY SYSTEM."**

Source: CP24, August 16, 2018

# 3

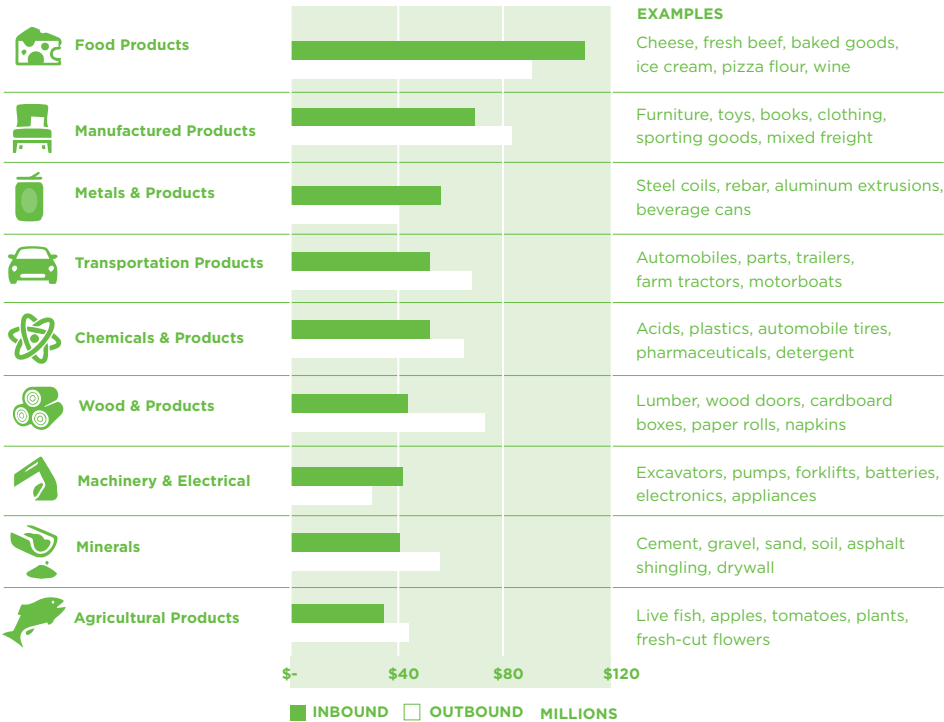
## GET GOODS MOVING

Moving goods quickly and efficiently is essential for keeping Toronto competitive. Yet four key challenges are hindering the movement of goods in Toronto today. Road congestion is the biggest problem—increasing the cost of goods, disrupting industry supply chains and reducing firms’ productivity. Conflict over land-use is another problem—whereby industrial firms, and the goods movement operators that serve them, are being hemmed in by residential-focused development. Transporting goods over their “last mile” in urban centres is becoming a costlier and more hazardous problem for shippers and residents alike. Finally, since goods movement issues are not afforded the same policy attention as passenger needs, many challenges are never addressed and allowed to worsen.

Now more than ever, we need Toronto’s people, products and services moving faster locally—and globally. While the region as a whole requires a shared vision of goods movement priorities, Toronto City Council can make a difference this coming term by:

- Elevating the importance of goods movement issues in City planning and policy decisions. Expediting the hiring of a goods movement consultant, as already proposed at City Hall, would be a helpful first step.
- Piloting off-peak delivery and drop-off zones.
- Reducing land-use conflicts by protecting Employment Areas, developing Secondary Plans for these zones and piloting a mechanism to resolve existing land-use conflicts between firms and sensitive uses.

Commodities to and from the Toronto-Waterloo Corridor by daily Value





## 4

### WORK WITH OTHER GOVERNMENTS

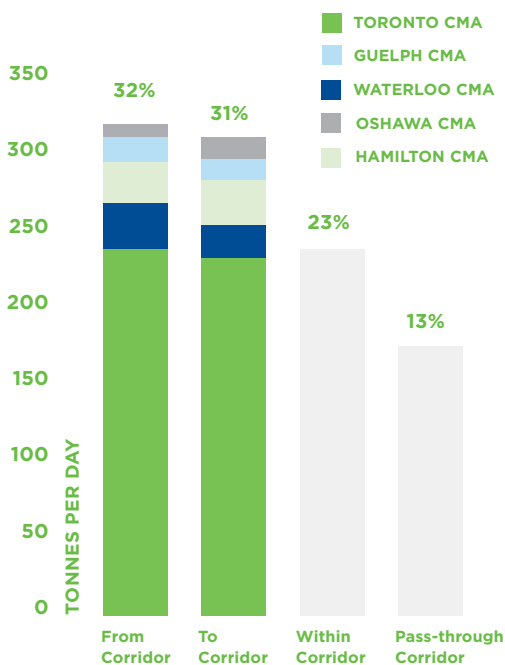
**"Stalled goods movement increase consumer costs and stifles business investment and job creation."**

Transforming our region's transportation infrastructure is a decades-long endeavour requiring up to \$70 billion in capital funding to complete. Billions of dollars more will also be needed to operate, maintain and rehabilitate this infrastructure once it's built. But one problem at a time.

To date, all levels of government have committed significant capital funding to expand our region's transportation infrastructure. But it's still not enough. According to *Move the GTHA*, another \$30 billion is needed to finish the existing plan. Depending on the projects that get prioritized in the next couple of years, ideally the ones that relieve the greatest bottlenecks, the funding that's currently available can last a short or long time. Yet regardless of what gets built first, it's still not enough to finish the whole plan. As such, more active outreach is required by City Council and its stakeholders to secure additional capital funding from upper-tier governments and from private and institutional investors.

Success doesn't necessarily have to take the form of new government transfers. Uploading proposals shift transit responsibility to a level of government that already has needed growth revenues and debt room. Provincial approval of City revenue proposals is more likely if funds are transparently dedicated to infrastructure. City Council should also consider working with public agencies like Infrastructure Ontario or the Canada Infrastructure Bank to package major projects into Design-Build-Finance-Operate-Maintain (DBFOM) partnerships. For instance, if the Waterfront LRT, Eglinton West LRT extension and Hamilton LRT were tendered together, it might attract pension funds to help finance and deliver the project, as seen with Montreal's proposed REM line.

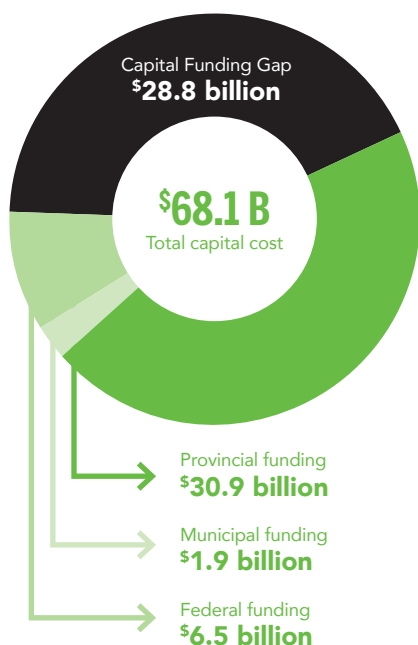
Truck Tonnage Generated Across the Toronto-Waterloo Corridor



Sources: CPCS analysis of Ontario Ministry of Transportation Commercial Vehicle Survey (2012)

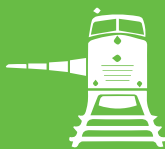


#### Funding Required for Regional Transportation Plan



Source: Move the GTHA (2016)

**“CONSIDERING THE MAGNITUDE OF INFRASTRUCTURE TO FUND, THE CITY SHOULD WORK WITH UPPER-TIER GOVERNMENTS TO SECURE PRIVATE SECTOR INVESTMENT.”**



## A PLAN FOR BETTER TRANSPORTATION

Transportation systems are the lifeblood of a global city, but ours isn't meeting the needs of commuters and the business community. The Board's transportation playbook offers City Hall ideas to keep Toronto moving by building a regional transportation system that is truly world-class for moving people and goods. Our businesses are focused on growth. To excel, they require the foundation a global city can provide: a best in-class talent pool and transit network, and affordable places to live and work. The Board's *Agenda for Growth* municipal advocacy series presents business-minded strategies for keeping Toronto prosperous, fair and competitive.

Read our complete series:  
**[BOT.COM/AGENDAFORGROWTH](http://BOT.COM/AGENDAFORGROWTH)**



## OUR CITY NEEDS AN AGENDA FOR GROWTH

The City of Toronto is at the heart of Ontario's economic engine. We're the centre of globally competitive sectors such as financial services and advanced manufacturing. Our workers are highly educated, our population is diverse and growing and our quality of life is among the best in the world.

Despite these advantages, Toronto faces urgent competitive challenges. Young people and professionals struggle to find affordable and accessible housing. We aren't approving and building new homes quickly enough to house newcomers from inside and outside Canada. Our business tax rates are substantially higher than in neighboring cities, key city services are still analog in a digital age, and we need to build transit capacity far more quickly for a growing pool of urban and regional commuters to keep pace with growth. We have a new agency to attract foreign investment, but we must do more to retain the firms we already have and protect space for them to grow.

To realize Toronto's full potential, we need a thoughtful strategy for city government, our infrastructure, our economy, our region and the people who live here. This election is an opportunity to take stock of where we stand and where we want to go. We're calling on candidates for Mayor and City Council to champion an *Agenda for Growth*.

Join our conversation online

🐦 @TorontoRBOT #agenda4growth



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