DAILY COMMERCIAL NEWS
AND CONSTRUCTION RECORD

December 23, 2013

Dedicated transit fund for GTHA crucial: panel

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A dedicated fund for transit in the Greater Toronto and Hamilton Area (GTHA) was one of the biggest needs highlighted by the public during the Transit Investment Strategy Advisory Panel's consultations.

In its Dec. 12 report that outlines a funding plan to build three-quarters of the Next Wave of The Big Move transit projects across the GTHA, the panel says a reliable revenue stream should be created dedicated to the construction of a GTHA-wide transit network, used to leverage new funds at a conservative net debt-to-revenue ratio of 2.5 to 1, and applied to debt retirement upon completion of projects.

In the past, Ministry of Finance officials have been very reluctant to move away from a general revenue format, said panel member and executive director of the **Residential and Civil Construction Alliance of Ontario** Andy Manahan.

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"It was a real sea of change that the Ministry of Finance was in agreement," he said.

"We saw that with the fall economic statement and the creation of the Trillium Trust Fund. This concept seems to have taken hold in the government, which is really gratifying."

The panel provided two options for the revenue stream, with a mix of increases to the gas and fuel taxes and Corporate Income Tax and an increase in the Harmonized Sales Tax, for one of the options.

Panel member and business manager of the Provincial Building and Construction Trades Council of Ontario, Patrick Dillon, said there has been a greater public buy-in for the need to invest in transit and transportation infrastructure because of the work of organizations like CivicAction Alliance, where he serves as a Regional Transportation Champion.

"This is about respect and quality of life for the citizens of the GTHA...that they can get to and from work within a reasonable time limit."

Land value captures, adopting a proactive joint approach to land use planning and Metrolinx strengthening its expertise in real estate matters were also panel recommendations. Manahan noted that some of the recommendations will take longer to implement than others.

"Getting down into the nitty gritty of zoning bylaws and how you're going to make avenues to create that environment where you're doing a transit supportive zoning designation to capture some of that value — that's a lot trickier."

In a statement, premier Kathleen Wynne said the government will review the panel's recommendations and propose a plan in the spring.

Dillon hopes that federal and municipal governments will also commit to moving forward on transit planning.

“If we get the governments committed to move forward with this long range strategy in transit, the planning that we can do in the construction industry for training the future Ontario workforce, to me it would be a marvelous thing.”

Though the report mentions toll roads and high occupancy toll (HOT) lanes, they were not included in the 20 recommendations, an omission that will do little to cut traffic congestion, increase road safety or reduce climate change and smog, said Transport Futures founder Martin Collier.

“The omission is surprising since comprehensive road tolls and parking fees, combined with zone-based transit fares and a new carbon tax that replaces the existing provincial excise tax on gasoline, will easily raise the needed revenue and influence modal choices as well. Mobility pricing can help provide the public and business with a reliable, equitable and sustainable transportation network,” Collier said in a press statement.

While the The Ontario Good Roads Association agrees with the findings in the report, it is disappointed that the province continues to limit its consideration of revenue tools to provincially-managed options for transit.

The organization says transit is on the same footing as roads and bridges, watermains, waste water, and social housing — all are core asset classes that suffer from chronic under investment.

Since 2011, OGRA has maintained that the appropriate response to addressing Ontario’s infrastructure deficit and expanding transit opportunities is for the province to amend the Municipal Act so that municipalities are given the opportunity to implement revenue tools where they are determined to be warranted locally.

The support was contingent on the following objectives: revenue derived from this new authority must be dedicated back into infrastructure investments; transparency must govern the collection and distribution of revenue; and the cost must be distributed and the funding allocated fairly.

“Allowing all municipalities to consider other revenue tools would even the playing field while placing accountability at the local level,” said OGRA President Joanne Vanderheyden in a press statement. “Locally elected councils know best what is important to their residents.”

Other recommendations include a kick-start program that creates an incentive for municipalities to introduce local transit improvements and that all approved projects must have up-to-date, publicly-available, business case analyses that validate the investment, taking into account life cycle capital, operating, maintenance, and financing costs.

Visit transitpanel.ca for all the recommendations and the report.