

Community Groups Call for Transparency on Extra Costs and Lost Revenues in Rebuilding Elevated Link of Gardiner East Expressway

Toronto, March 13, 2023 — Ahead of a critical meeting of the City of Toronto's Infrastructure and Environment Committee (IEC) on March 20, forty community groups are calling for the City to be transparent and to reveal the full go-forward costs and foregone revenues --- potentially exceeding \$1 billion --- of its June 2015 decision to rebuild the Gardiner East Expressway, notably a colossal, elevated link to the Don Valley Parkway (DVP).

The coalition, Gardiner East Transparency (GET), says the public has a right to know the updated construction costs of the project as well as lost revenues that could be generated from additional land sales, development charges, and property taxes – especially at a time when Toronto's \$1.5 billion budget shortfall is straining programs to address affordable housing, TTC operations, and the worsening climate crisis.

"The Gardiner thwarts action on a long list of desperately needed programs to build an equitable, healthy, climate-friendly city," said Albert Koehl, an organizer of GET. "The least City Hall can do is to provide a full report on the updated costs and lost revenues of the Gardiner East before signing any more contracts."

Peter Miasek of <u>Transport Action Ontario</u> (TAO) added that, "when City Council narrowly approved this project eight years ago it did so against the advice of City staff, which recommended a ground level connection between the Gardiner and the DVP. That was seen as costing less, being better for public health, and freeing up additional lands, while having little impact on travel times for the 3% of commuters going downtown along the Gardiner East each morning."

The coalition says that the city must provide residents with comparative costs not only of the council approved plan versus the staff recommendation, but of a simple Gardiner-DVP connection via the broad Lakeshore Blvd East, an option that should obviate any need to tear down recently refurbished portions of the Gardiner.

In its call for a full go-forward financial account of the Gardiner East project, the coalition points to the following potential savings and lost revenues, totalling an estimated \$1 billion:

- one-time construction costs, amounting to as much as \$650 million;
- lost land sale revenues and development charges of an estimated \$450 million (or more if sold gradually) by freeing up an additional 5.4 acres of land;
- higher long-term maintenance and operating costs for the elevated expressway; and
- lost property tax revenues that could be generated from new developments.

"An up-to-date assessment of the extra costs and foregone revenues is vital," said Lyn Adamson, Co-Chair of ClimateFast, "given that the 2015 council approval is completely out of synch with

TransformTO, the city's official climate change strategy. The Gardiner East project reflects yesterday's thinking while undermining our Net Zero by 2040 strategy. We need a plan that draws people out of their cars and onto efficient, affordable transit and to walking and cycling."

In its call for transparency, GET says that since contracts to build the elevated link have yet to be tendered, this is a unique opportunity to get a report, even if it takes several months of work, on the updated costs and foregone revenues, especially because the gargantuan sum involved is money the city doesn't actually have.

"The upcoming mayoral election is another golden opportunity for candidates to speak out for residents and their right to get the facts. It's highly unlikely that a high speed DVP-Gardiner connection is a top-of-mind issue for many people," added Adamson.

An administrative inquiry relating to the <u>construction</u> costs of the Gardiner East was filed by Councillor Josh Matlow on February 7 and referred by council to the IEC meeting of March 20.

To read the community coalition's letter calling for transparency, please go here.

For more information, contact Gardiner East Transparency (GET):

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