



2012-2021

Staff Recommended
Tax Supported Capital Budget & Plan

Agenda

1. Budget Context
2. What's Being Built
3. 2012 – 2021 Staff Rec'd Capital Budget and Plan
4. TTC 10 Year Capital Budget and Plan – 2012 vs. 2011
5. 2012 – 2021 Capital Plan Debt Charges Impact
6. Conclusion

Budget Context

- The Challenge
 - Need to accommodate the TTC's \$2.3 billion capital shortfall
 - Uncertainty over Federal and Provincial Funding
 - Keep Debt Service costs below the 15% guideline
- The Solution
 - TTC has reduced capital request by \$1.1 Billion
 - Monetization Strategy
 - Enhance Development Charges Funding

Budget Context

- The Solution (Continued)
 - Assuming some new provincial / federal funding will be announced within the 10-Year Plan
 - Lower Interest Rates
- This budget fully accommodates the TTC's 10-Year Capital Plan and significantly moderates the impact of debt charges on the Operating Budget

What's Being Built

Transportation and Transit

A major priority of Council is to make Toronto a city that moves people by Transit and manages its extensive and aging infrastructure in a state of good repair to ensure services required continue to be provided. The 2012 – 2021 Capital Budget and Plan will:

- Maintain 1,000 km of roads, 50 km of expressways, 600 km of sidewalks and 150 bridges and structures in a safe and hazard-free state (2012-2021 \$1.477 billion)
- Design and redevelop Six Points Interchange to simplify the road network, create more attractive and safe environment for pedestrians and cyclists and improve access to the Kipling Subway Station (2015-2018 \$40.548 million)

Transportation and Transit (Continued)

- Complete up to 100 km of off-street bicycle paths, 80 km of critical on-street connections and 8,000 new bicycle parking spaces throughout the City (2012-2021 \$87.209 million)
- Purchase 354 of 420 new subway cars (59 of 70 train sets) to replace existing subway cars and increase capacity by 9% (2012-2015 \$303.604 million)
- Acquire 213 new buses to improve service by 2016 (2012-2016 \$194.597 million)
- Purchase 189 low-floor, accessible Light Rail Vehicles to replace existing streetcar fleet (2012 – 2018 \$783.951 million)
- Make progress on the Easier Access program to make the TTC fully accessible by 2025 (2012-2021 \$266.051 million)

Transportation and Transit (Continued)

- Continue installation of state-of-the-art signaling systems on the Yonge-University-Spadina line to increase train capacity by allowing trains to run more frequently and closer together (2012–2021 \$287.66 million)
- Continue to revitalize Union Station with improvements to its transportation and retail spaces (2012-2021 \$411.322 million)
- Continue to construct Union Station 2nd Platform (2012-2015 \$48.023 million)
- Construction of 45 new carparks (2012 to 2021 - \$201.51 million)
- Redevelopment of 15 existing carparks (2012-2021 \$116.21 million)

Public Safety and Emergency Services

Public safety and responsive emergency services are a major priority of the citizens of Toronto. To this end, the 2012-2021 Capital Budget and Plan will:

- Replace Radio Communication system shared by Police, Fire and EMS by 2014 (2012-2014 \$69.122 million)
- Replace Firefighters' Bunker Suits (2015-2020 \$8.2 million), Breathing Apparatus (2012-2013 \$5.824 million), and Portable Radios (2017 \$5 million)
- Complete construction of the new Fire Station D to improve emergency response times in Scarborough (2012-2013 \$4.806 million)

Public Safety and Emergency Services (Continued)

- Complete construction of the Chaplin Fire Station project to ensure emergency response times are supported while properly accommodating staff and vehicles (2012-2013 \$4.634 million)
- Construct new Fire Station B to improve emergency response times in Downsview (2012-2014 \$9.885 million)
- Construct new Fire Station A to improve emergency response times near Highway 27 and Rexdale Blvd. (2014-2016 \$7.242 million)

Public Safety and Emergency Services (Continued)

- Complete replacement of 14 Division (2012 \$8.91 million)
- Renovate Property and Evidence Facility at 330 Progress (2012-2013 \$9.729 million)
- Relocate and replace 54 Division (2014-2016 \$36.446 million)
- Relocate and Replace 41 Division (2015-2018 \$39.079 million)
- Relocate and replace 13 Division (2017-2020 \$39.079 million)
- Renovate 32, 52, 55, and 22 Divisions (2018-2021 \$24.557 million)
- Maintain valley and waterfront from damage due to high intensity and localized storms (2012-2021 \$76.938 million)

Community and Recreation Services

The City offers programs and services that improve the quality of life of all its citizens and ensure opportunity for all. The 2012-2021 Capital Budget and Plan include projects that will:

- Maintain 10 long-term care homes to meet Ministry of Health and Long-Term Care compliance requirements regarding safety (2012-2021 \$72.469 million)
- Redevelopment of the 337 bed Kipling Acres long-term care home based on revised Provincial standards and requirements (2012-2015 \$78.500 million)
- Completion of alarm upgrades to long term care homes as part of the Long Term Care Act Upgrades (2012 \$0.500 million)

Community and Recreation Services (Continued)

- Continue the redevelopment of parkland such as June Callwood park (2012 - 2013 \$2.350 million), Canada Arsenal (Marie Curtis) park (2012 \$2.000 million), Grange Park (2012 – 2013 \$4.949 million), and Dogs Off-Lease Area Improvements (2012 – 2016 \$3 million)
- Construction various community centres including York Community Centre (2012 – 2013 \$22.5 million) and Regent Park Community Centre (2012 – 2013 \$17.3 million)
- Continue the replacement of the Regent Park Aquatic Centre (2012 \$4.1 million)
- Continue the expansion of the Leaside Memorial Gardens Arena (2012 – 2013 \$12.1 million)

Community and Recreation Services (Continued)

- Maintain in a state of good repair the harbourfront, marine service & seawall projects (2012 \$4.8 million) and special facilities building structures (2012 \$3.15 million)
- Continue the construction phase of the Toronto Reference Library revitalization (2012-2015 \$16.86 million)
- Construct the Fort York/Bathurst Library for the Railway Lands (2012 – 2015 \$8.31 million)
- Construct the Scarborough Library for the Scarborough Civic Centre area (2012-2015 \$8.067 million)
- Complete the Self Service Circulation project at 18 libraries (2012 \$1.971 million)

Community and Recreation Services (Continued)

- Upgrades the Squirrels' Nest Day Care Centre (2012 \$0.375 million)
- Continue the construction of the Nelson Mandela Public School Renovation as part of the Regent Park Revitalization project (2012 \$0.503 million)

Improve Customer Service

Residents will be provided with direct and simple access to City staff and services. The 2012-2021 Capital Budget and Plan will:

- Complete the integration with Parks, Forestry and Recreation registration; develop a common scheduler for City Programs; and improve divisional updates and on-line information for public access (2012-2016 \$7.962 million)
- Upgrade system hardware and replace equipment for POA Court Case Management system (2012-2014 \$0.822 million)
- Complete the PH Surveillance and Management System project that will implement a new provincial infectious disease surveillance and management system (2012 \$ 0.398 million)

Improve Customer Service (Continued)

- Complete the Healthy Environment Inspection System project that will enhance the Toronto Healthy Environments Information System (THEIS) used by the Healthy Environments (HE) program since 2001 (2011 \$1 million)
- Complete the Healthy Environment Reporting project that will create a new reporting system that provides greater flexibility in accessing issue specific data in a timely manner to track activities and trends on various health issues(2011 \$0.123 million)
- Complete the purchase of a Mobile Dental Clinic 100% Provincially funded as part of the Healthy Smiles Ontario (HSO) dental program for children and youth in Toronto. (2011 \$0.45 million),

Improve Customer Service (Continued)

- Continue HF/HL Systems Integration project that will develop and integrate several different systems into the Toronto Community Health Information System (TCHIS) framework including the provincial Integrated Services for Children Information System (ISCIS) (2012-2013 \$4.485 million)
- Continue the Web ReBrand project that will redesign the TPH website and implement content management software to automate the web posting (2012-2015 \$2.517 million)
- Continue with the next phase of the CSIS III IT system upgrade for Children's Services (2012-2014 \$3.55 million)

Public Spaces

The City is investing in public spaces that are developed and maintained in a clean and beautiful condition for the general community. The 2012-2021 Capital Budget and Plan will:

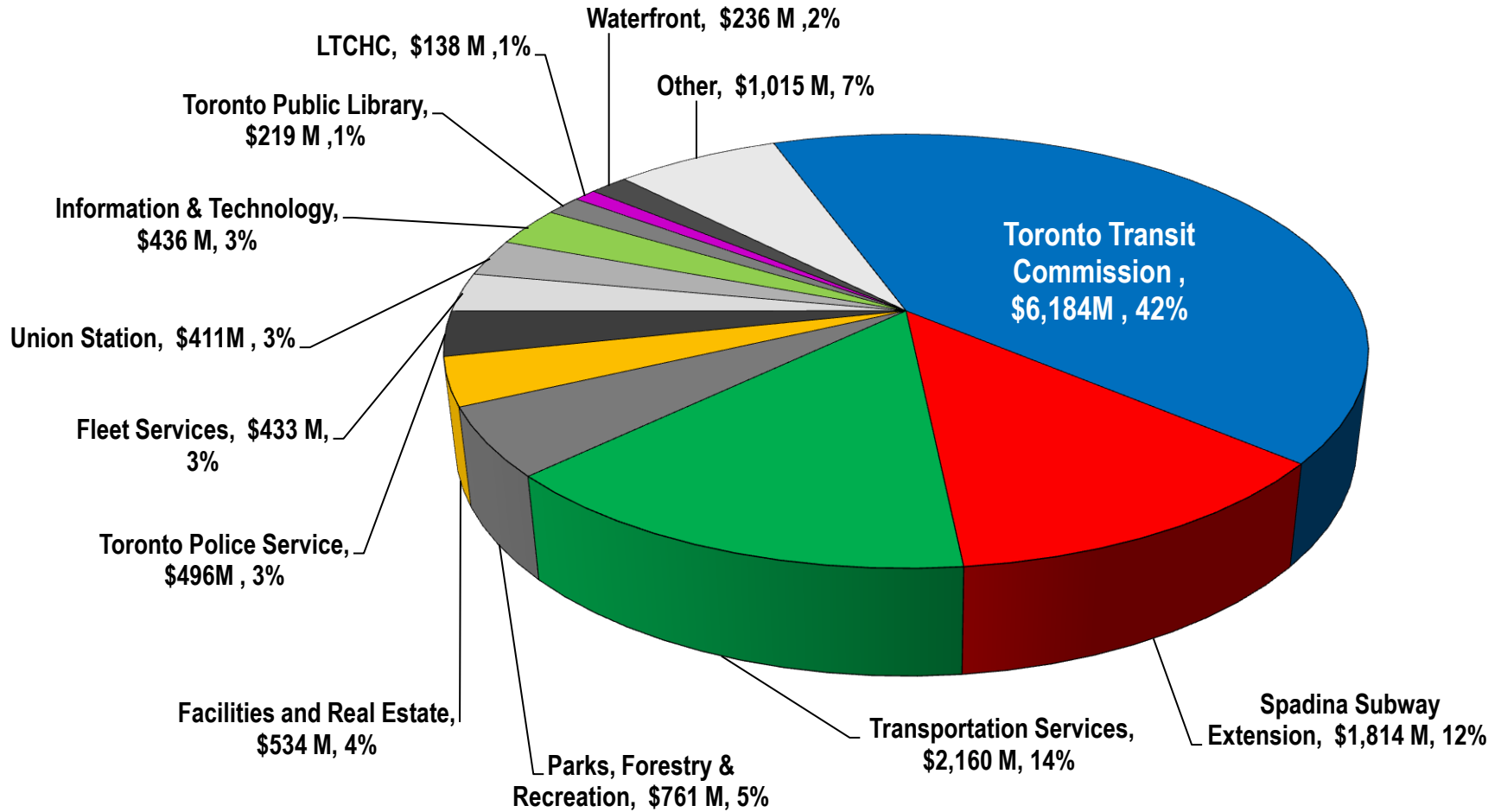
- Improve Public Spaces across the City as part of the Civic Improvement initiative (2012-2021 \$29.134 million)
- Revitalize Nathan Phillips Square with modifications to meet functional requirements and to host a greater number and variety of public activities and special events (2012-2013 \$19.977 million)
- Continue development of West Don Lands and East Bayfront precincts and Queens Quay Revitalization (2012-2016 \$137.477 million)

Public Spaces (Continued)

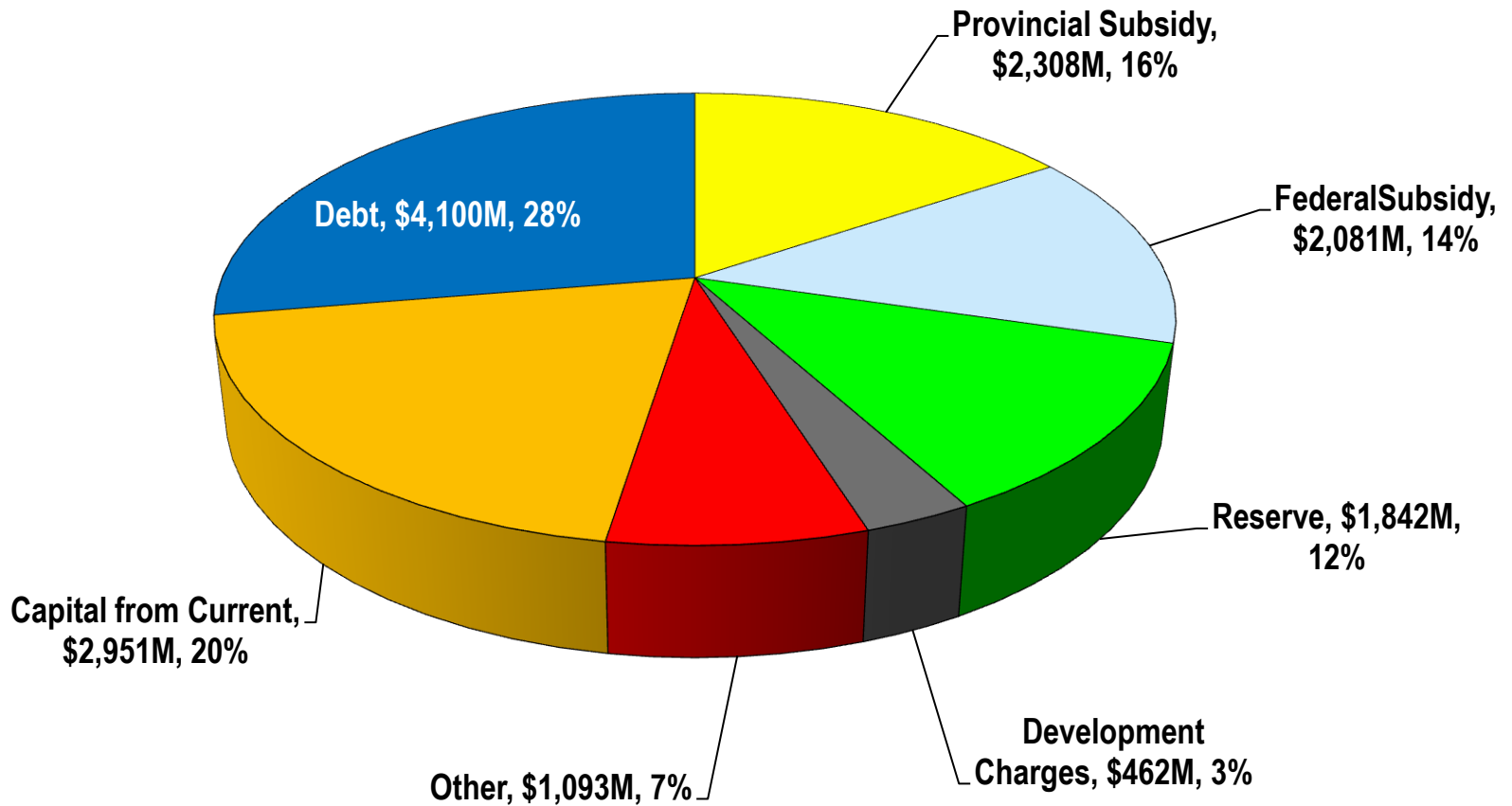
- Develop various waterfront sites including Port Union, Sherbourne and Don River Park (2012-2016 \$5.148 million)
- Construct Fort York Pedestrian/Cycling Bridge (2013 \$17.942 million)
- Improve BIA Streetscapes (2012-2013 \$3.524 million)
- Continue restoration of Casa Loma (2012-2013 \$1.519 million)
- Continue construction of the new Visitor Centre at Fort York (2012 \$23.325 million)

**2012 - 2021 Staff Recommended
Tax Supported Capital Budget and Plan**

Where the Money Goes - 2012 to 2021 Tax Supported Capital Budget and Plan - \$14.836B



2012 – 2021 Tax Supported Capital Budget & Plan Financing - \$14.836 Billion

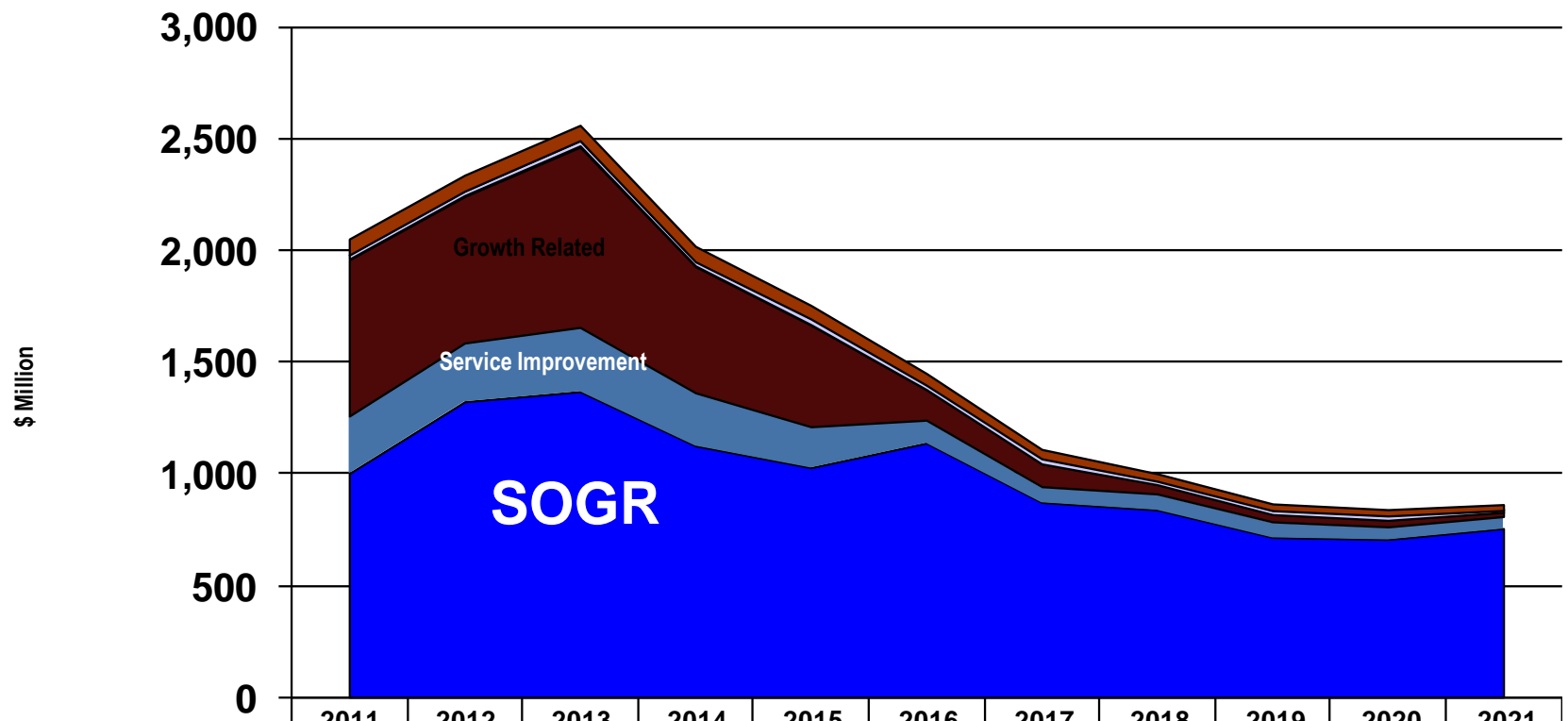


2012 – 2021 Capital Budget and Plan - by Category and Financing Source

\$Million

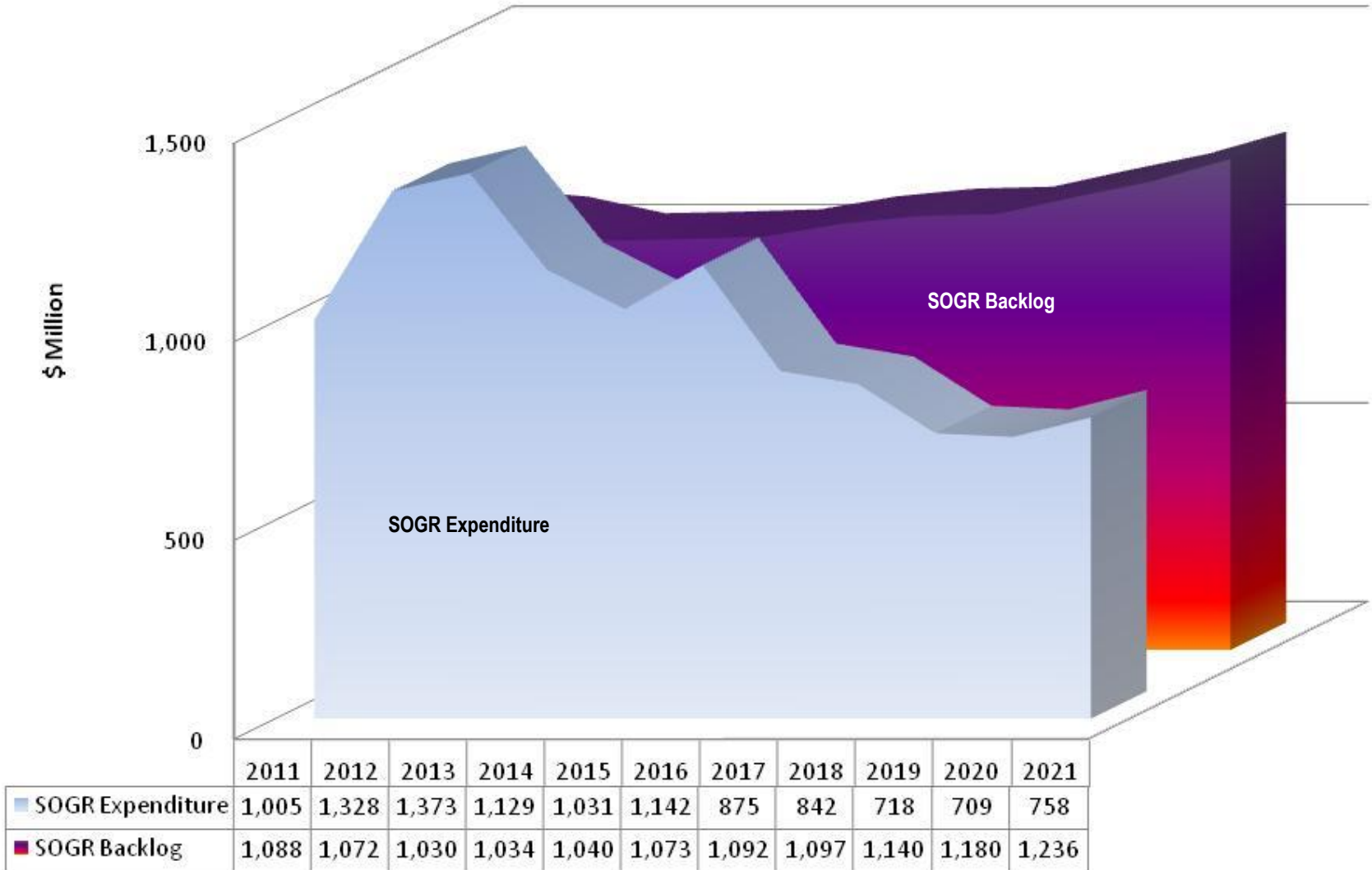
Expenditures	2012	2013	2014	2015	2016	2012-2016		2017 - 2021		2012 - 2021	
						Total	%	Total	%	Total	%
Health and Safety	21	24	21	29	24	117	1.2%	114	2.4%	231	1.6%
Legislated	72	69	69	61	53	322	3.2%	160	3.4%	483	3.3%
State of Good Repair	1,328	1,373	1,129	1,031	1,142	6,003	59.3%	3,901	82.9%	9,904	66.8%
Service Improvements	260	284	234	179	98	1,056	10.4%	298	6.3%	1,354	9.1%
Growth Related	659	811	568	457	137	2,631	26.0%	234	5.0%	2,865	19.3%
Total Expenditures	2,338	2,560	2,020	1,757	1,454	10,129	100%	4,707	100%	14,836	100.0%
Funded By:											
Provincial	492	568	362	325	123	1,870	18.5%	438	9.3%	2,308	15.6%
Federal	371	330	232	200	169	1,302	12.9%	779	16.6%	2,081	14.0%
Reserves	98	113	79	101	105	496	4.9%	384	8.2%	880	5.9%
Reserve Funds	258	249	126	118	122	873	8.6%	89	1.9%	962	6.5%
Development Charges	91	85	52	45	48	320	3.2%	142	3.0%	462	3.1%
Other	202	176	190	201	102	871	8.6%	222	4.7%	1,093	7.4%
Capital from Current	199	219	241	265	292	1,216	12.0%	1,735	36.9%	2,951	19.9%
Debt	628	818	739	503	493	3,181	31.4%	919	19.5%	4,099	27.6%
Total Funding	2,338	2,560	2,020	1,757	1,454	10,129	100.0%	4,707	100.0%	14,836	100.0%

\$9.904 Billion or 67% of the 2012 – 2021 Capital Plan Allocated to SOGR



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
■ Legislated	72	72	69	69	61	53	42	34	30	28	26
□ Health & Safety	21	21	24	21	29	24	28	21	24	26	15
■ Growth Related	702	659	811	568	457	137	103	43	35	32	21
■ Service Improvement	254	260	284	234	179	98	66	67	65	51	49
■ SOGR	1,005	1,328	1,373	1,129	1,031	1,142	875	842	718	709	758

SOGR Backlog Trend



TTC
10 - Year Capital Budget and Plan
2012 vs. 2011

TTC – Prior Year 2011 to 2020 Plan Submitted Vs. 2011 Rec'd Capital Budget & Commitments

\$Thousand	2011 to 2020 Submitted Capital Plan	2011 Rec'd Budget & Commitments	Remainder of 2012 to 2020 Submitted Capital Plan
Gross Expenditure	<u>7,593,365</u>	<u>3,437,034</u>	<u>4,156,331</u>
Funding Sources:			
Provincial Subsidy	1,324,993	788,294	536,699
Federal Subsidy	1,591,788	538,142	1,053,646
DC	54,009	39,161	14,848
Other	228,724	55,096	173,628
	<u>3,199,514</u>	<u>1,420,693</u>	<u>1,778,821</u>
Required Debt	4,393,851	2,016,341	2,377,510
Debt Target	2,129,122	2,129,122	112,781
Debt Shortfall	2,264,729	(112,781)	2,264,729

TTC Debt Target

- Cuts to the \$2.265 Billion Debt Shortfall

	<u>\$Million</u>
2011-2020 Debt Target Shortfall	2,265
2012-2020 Reductions	
Toronto Rocket Yard & Storage Track Accommodation	(208)
Platform Edge Doors	(177)
Purchase of Subway Cars	(161)
ATC Resignalling Project	(142)
Other Buildings and Structures	(84)
Purchase of Streetcars	(83)
Fire Ventilation Upgrade	(81)
Fare System	(38)
Other Projects	(143)
Total 2012 - 2020 Project Reductions	<u>(1,116)</u>
Net Debt	<u>1,149</u>

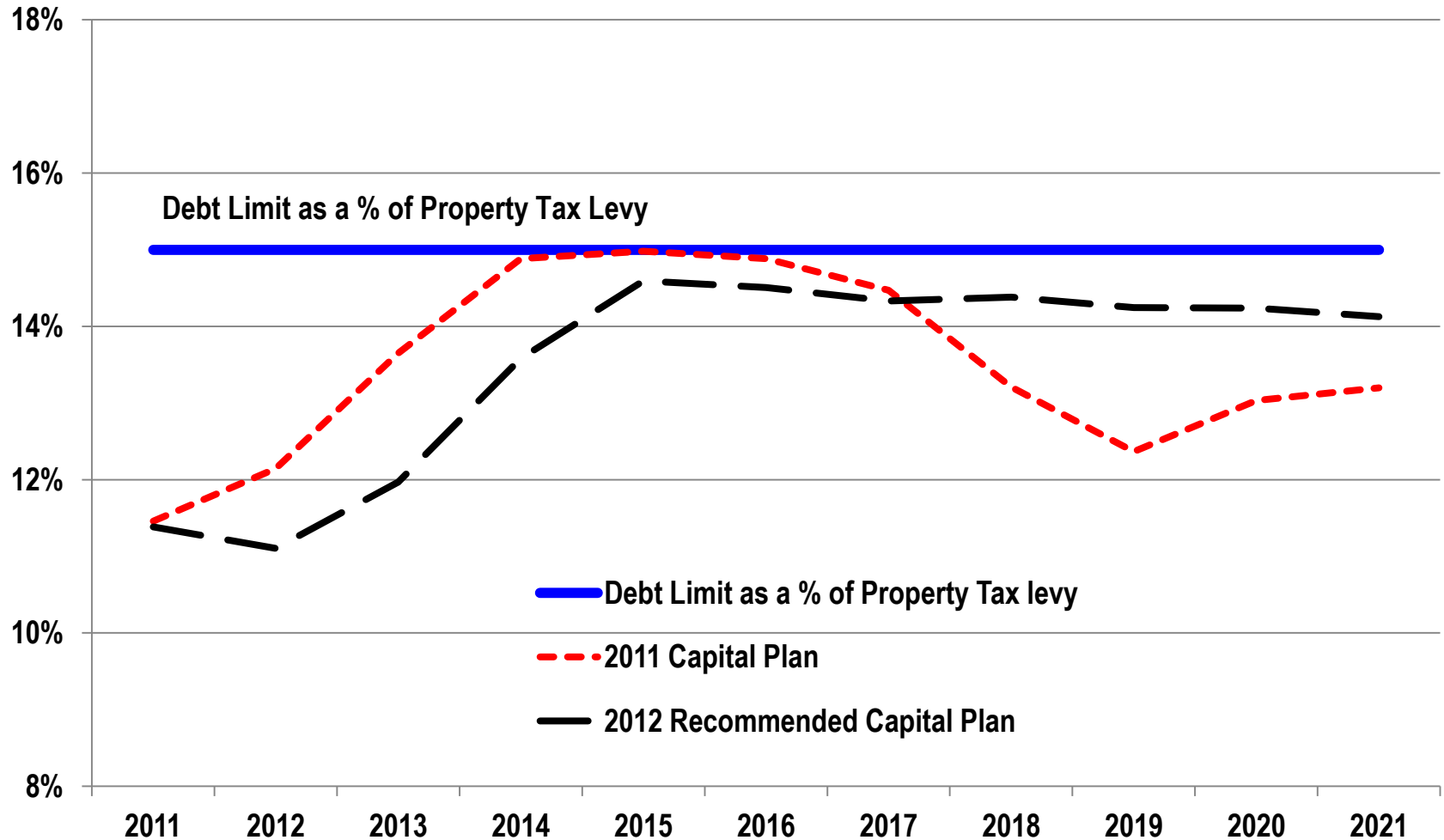
TTC – 2012 to 2021 Plan Submitted Vs. 2012 Rec'd Capital Budget & Commitments

	<u>\$Million</u>
Net Debt	1,149
2011 vs. 2021 Debt Request	(294)
Previous Year - Unused Debt Allocation	(193)
Other Funding Increases (Development Charges etc.)	(25)
Asset Monetization Proceeds/Operating	
Surplus/Federal and/or Provincial Funding	(700)
Debt Target Variance - Over/(Under)	<u>(62)</u>

**2012 – 2021 Capital Plan
Debt Charges Impact**

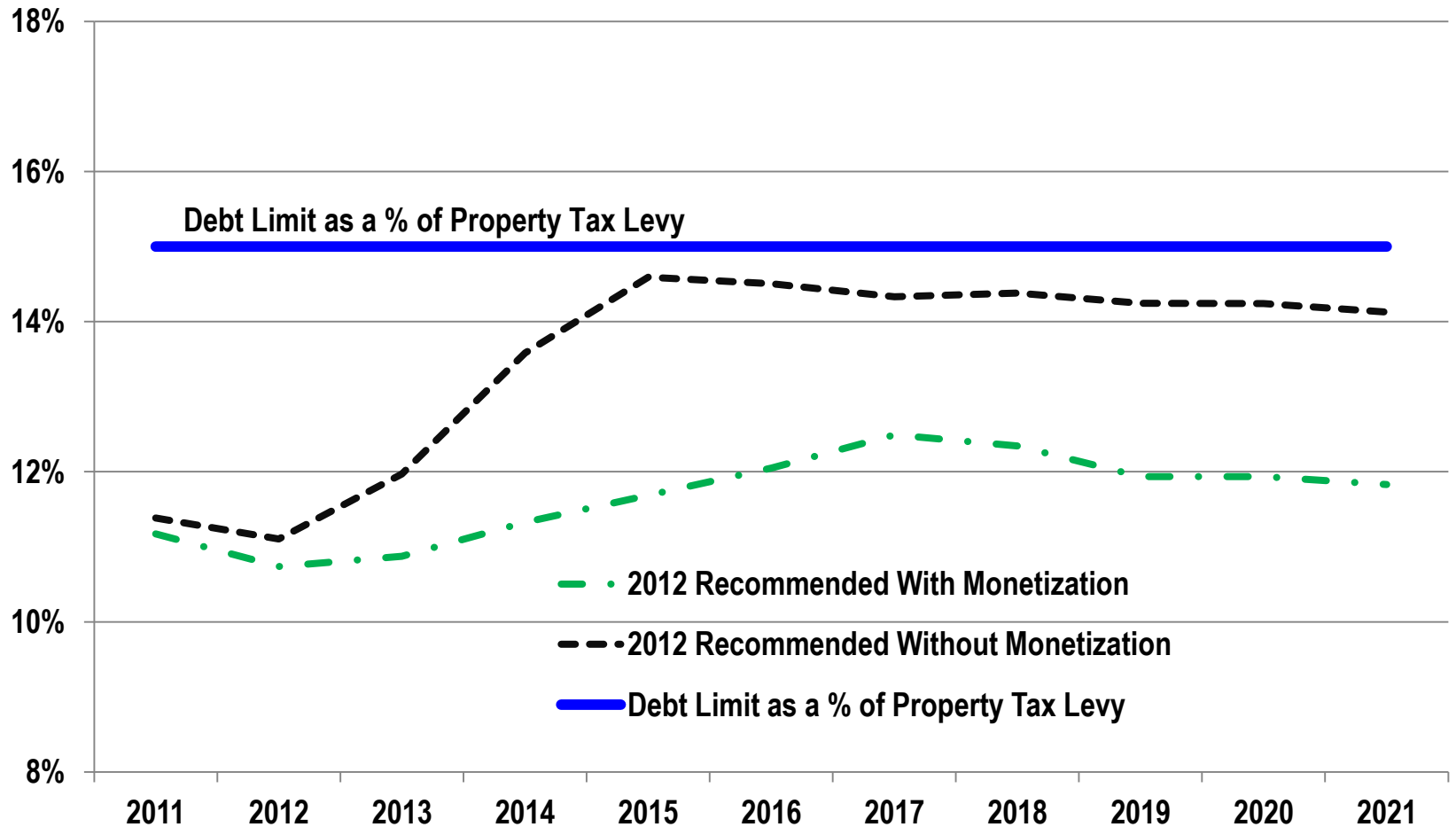
Debt Charges as % of Tax Levy

- Comparison 2011 to 2012 Curve - Without Monetization



Debt Charges as % of Tax Levy

- Comparison of 2012 without and with Monetization



Conclusion

Conclusion

- The 2012 - 2021 Capital Budget and Plan Strategy is achieved:
 - Fully accommodates TTC's recommended 10 Year Capital Plan
 - Achieves a balance between maintaining existing City assets and addressing service gaps on a City-wide basis
 - Assumes monetization and new Federal and Provincial funding targets will be met
 - Debt Charges moderated over the life of the plan – especially over the first 5 years of the plan

