



TORONTO STAFF REPORT

November 23, 2005

To: Policy and Finance Committee

From: City Manager
Deputy City Manager and Chief Financial Officer

Subject: City of Toronto 2006 Budget Advisory Committee Recommended Capital Budget and 2007 - 2010 Preliminary Capital Plan

Purpose:

This report presents the City of Toronto 2006 Budget Advisory Committee (BAC) Recommended Capital Budget and 2007 – 2010 Preliminary Capital Plan, and requests approval for capital projects and associated 2006 cash flow and future year commitments. The report details by Program all of the amendments and recommendations made by the Budget Advisory Committee during the capital budget review process up to and including its meeting of November 18, 2005.

Financial Implications and Impact Statement:

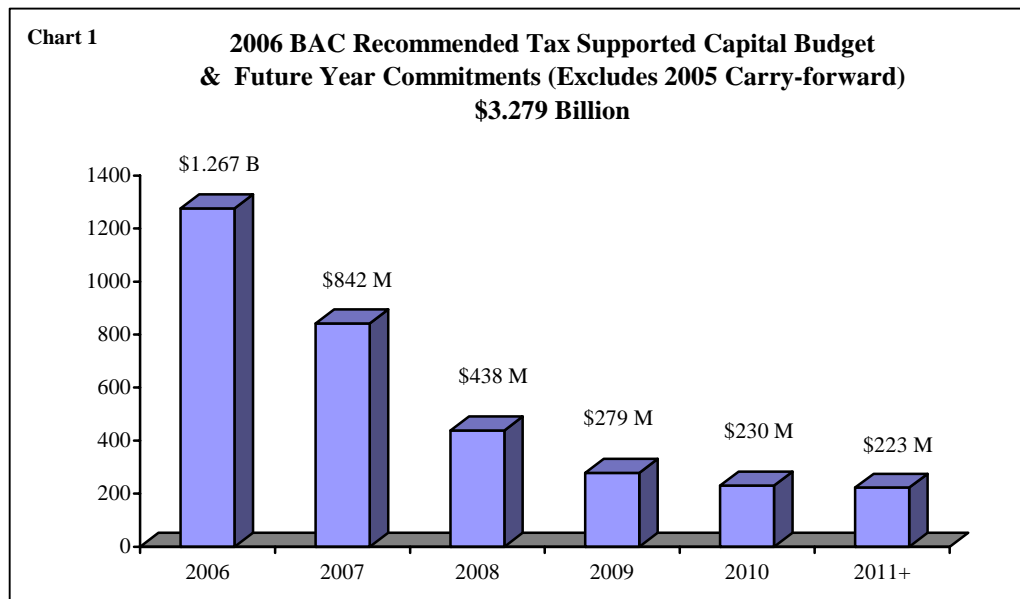
2006 Capital Budget

In accordance with Council approved direction and guidelines, the 2006 Capital Budget was prioritized within five categories as shown in Table 1 below (and detailed by Program in Appendix 3 attached). The primary objective of the Recommended Capital Budget continues to ensure that existing infrastructure and capital assets are rehabilitated and maintained in a state of

Table 1 2006 BAC Recommended Tax Supported Capital Budget and Preliminary Plan - by Category (in \$Millions)								
Category	2006	% Of Total	Preliminary Plan					
			2007	2008	2009	2010	TOTAL 2006-2010	% of Total
Health & Safety	48	3.8%	51	44	46	42	231	3.4%
Legislated/City Policy	59	4.7%	107	97	65	77	405	6.0%
State of Good Repair	860	67.9%	957	886	1,010	992	4,706	69.3%
Sub-total	967	76.3%	1,115	1,027	1,121	1,111	5,342	78.7%
Service Improvement and Enhancement	127	10.0%	118	89	72	75	481	7.1%
Growth Related	173	13.7%	169	254	203	167	966	14.2%
Sub-total	300	23.7%	287	343	275	242	1,447	21.3%
Total - Tax Supported	1,267	100.0%	1,402	1,370	1,396	1,353	6,789	100.0%

good repair. This is evident in Table 1 which shows that in 2006, State of Good Repair project funding totals \$859.918 million or 67.9% of the 2006 BAC Recommended Capital Budget of \$1.267 billion (excluding carry-forward cash flow). Throughout the five year term of the Preliminary Capital Plan, State of Good Repair project funding remains the most significant expenditure category with a total allocation of \$4.706 billion or 69.3% of the projected total affordable expenditures of \$6.789 billion.

Approval of the 2006 BAC Recommended Tax Supported Capital Budget will require the following total cash flow (excluding 2005 carry-forward expenditures) for 2006 and associated future year commitments (see Chart 1 below): \$1.267 billion in 2006; \$841.987 million in 2007; \$437.986 million in 2008; \$279.025 million in 2009; \$230.270 million in 2010 and \$222.981 million in 2011 and beyond, for a total project cost of \$3.279 billion during the period 2006 to 2015 (see Appendix 1(ii)). In accordance with the Council-Approved Carry-forward Policy, 2005 Council Approved cash flow for projects that were not completed (totalling \$155.995 million) will be brought forward to 2006 (see details in Appendix (1(v))). Including 2005 carry-forward cash flow, the 2006 BAC Recommended Total Cash Flow is \$1.423 billion (see Appendix 1(i)).



Cash flow and future year commitments for the 2006 BAC Recommended Rate Supported Capital Budget for Toronto Parking Authority, excluding 2005 carry-forward funding is \$34.20 million. The 2005 carry-forward funding of \$4.489 million brings the total 2006 BAC Recommended cash flow to \$38.285 million with a future commitment of \$0.400 million in 2007.

2006 Capital Financing

Debt constitutes the largest single source of financing for the 2006 BAC Recommended Tax Supported Capital Budget. As indicated in Table 2 below, debt of \$492.485 million (Debt / CFC of \$616.657 million less CFC of \$124.172 million) or 49% of the total capital budget is recommended. The successful negotiation of a New Deal for Cities and Communities with the

Provincial and Federal governments secured funding support for the Toronto Transit Commission (TTC) Capital Program. The Agreement for the Transfer of Federal Gas Tax Revenues under the New Deal for Cities and Communities, along with infrastructure funding commitments from the Federal government will yield \$212.039 million; while the Provincial government's Dedicated Gas Tax Funds for Public Transportation Program and other funding from Provincial Infrastructure Programs will yield another \$173.211 million. These capital funds represent real progress toward the 1/3 funding formula for public transit that the City has pursued since 2002. Furthermore, the assistance from the other orders of government has afforded the City the opportunity to maintain reasonable State of Good Repair spending levels for other City Programs and ABCs. Other significant funding sources include Reserves / Reserve Funds of \$134.122 million, Capital from Current funding of \$124.172 million, and Development Charges of \$42.959 million. A detailed listing by ward of Development Charge Funded Projects is attached as Appendix 7.

Including debt service charges, the 2006 BAC Recommended Tax Supported Capital Budget will have an estimated operating budget impact of \$19.565 million in 2006; \$81.193 million in 2007; \$117.105 million in 2008; \$134.411 million in 2009; and, \$131.472 million in 2010 for a total of \$483.746 million.

Table 2 2006 BAC Recommended Tax Supported Capital Budget by Financing Source (excluding 2005 Carry-forward funding) \$ Million							
Programs / ABCs	Gross Exp.	Source of Financing					
		Prov. Grants & Subsidies	Federal Grants & Subsidies	Dev. Charges	Reserves/ Reserve Funds	Other Sources	Debt/CFC
City Operations	586	5	4	37	119	58	363
Special Purpose Bodies	85	1	0	1	15	1	67
Holdback	-						
Total Tax Supported Program Before Transit & TPA	671	6	4	38	134	59	430
GO Transit	20	-	-	-	-	-	20
Toronto Port Authority	3	-	-	-	-	-	3
Toronto Transit Commission	573	173	212	5	-	19	164
Total - Transit & TPA	596	173	212	5	-	19	187
Total - Tax Supported Program	1,267	179	216	43	134	78	617

2006 Debt Financing

Debt affordability targets were established on assumptions about the condition of the City's infrastructure, availability of non-debt funding, and assessment of how much new debt the City could reasonably afford without significantly increasing the debt service cost burden on the operating budget and impacting the City's credit rating. Since 1998, debt as a funding source has ranged from a low of 31% in 1998 to 59% in 2000; and on average has approximated 45% of the annual capital budget. After critical analysis and forecasts of the City's fiscal position during the

period 2006 to 2010, the Deputy City Manager & Chief Financial Officer (DCM & CFO) recommended debt affordability targets as shown in Table 3 below. These debt targets were approved by Council in May of 2005 and represent a significant commitment to move towards implementation of a firm five-year capital plan for the first time in the history of the amalgamated City of Toronto. The approved debt target for 2006 is \$485 million. This includes new debt of \$350 million of which \$200 million or 57% was allotted to TTC and \$150 million or 43% allocated to all other City Programs. For the five years 2006 to 2010, the cumulative new debt target is \$2.281 billion. New debt included in the five year cumulative target totals \$1.606 billion, with \$856 million or 53% allocated to TTC and \$750 million or 47% allocated to City Programs and other ABCs.

Table 3 2006 - 2010 Tax Supported Capital Budget and Plan - Debt Targets (in \$Millions)							
Source of Financing	2005	2006	2007	2008	2009	2010	Total 2006 - 2010
Baseline Debt (Retire / Reissue)	135	135	135	135	135	135	675
New Debt:							
TTC	237	200	200	186	135	135	856
City	155	150	150	150	150	150	750
Total Affordable New Debt	392	350	350	336	285	285	1,606
Total Debt	527	485	485	471	420	420	2,281

The Deputy City Manager & Chief Financial Officer, in accordance with Provincial regulations, confirms that expenditures in the amount of \$492.485 million for projected borrowing requirements (i) can be financed by the issuance of debentures; (ii) is within the City's updated Debt and Financial Obligation Limit; and (iii) with debenture terms will not exceed 10 years. The DCM & CFO further confirms that funds are available from the other financing sources as summarized in Table 2 above.

The 2006 BAC Recommended Capital Budget includes debt financing of \$492.485 million or about \$7.7 million above the debt guideline of \$485 million. It is anticipated that final adjustments to the TTC budget should result in a final 2006 recommended debt financing level of \$485 million.

2007 – 2010 Capital Plan

The present 2007 – 2010 Capital Plan is approximately \$784 million above the Council approved debt guideline. Given the time constraints in the 2006 capital budget process, it is recommended that staff be directed to report through BAC, Policy & Finance (P&F) and Council by June 2006 with a 2007 – 2010 Capital Plan within Council approved guidelines.

Summary

In summary, the 2006 BAC Recommended Tax Supported Capital Budget of \$1.267 billion (excluding 2005 carry-forward funding) satisfies the City's objective of maintaining its infrastructure and other capital assets in a reasonable State of Good Repair. The 2006 BAC Recommended Capital Budget is fiscally responsible and will meet the Council approved debt target. It achieves Council priorities and provides assurance that approved services and service levels will be delivered. This notwithstanding, the significant discrepancy between *needs* identified by City Programs and ABCs and what is affordable confirms that the City continues to have a deferred maintenance or backlog issue which must be addressed in the future capital plan.

Recommendations:

Corporate Capital Recommendations

It is recommended that:

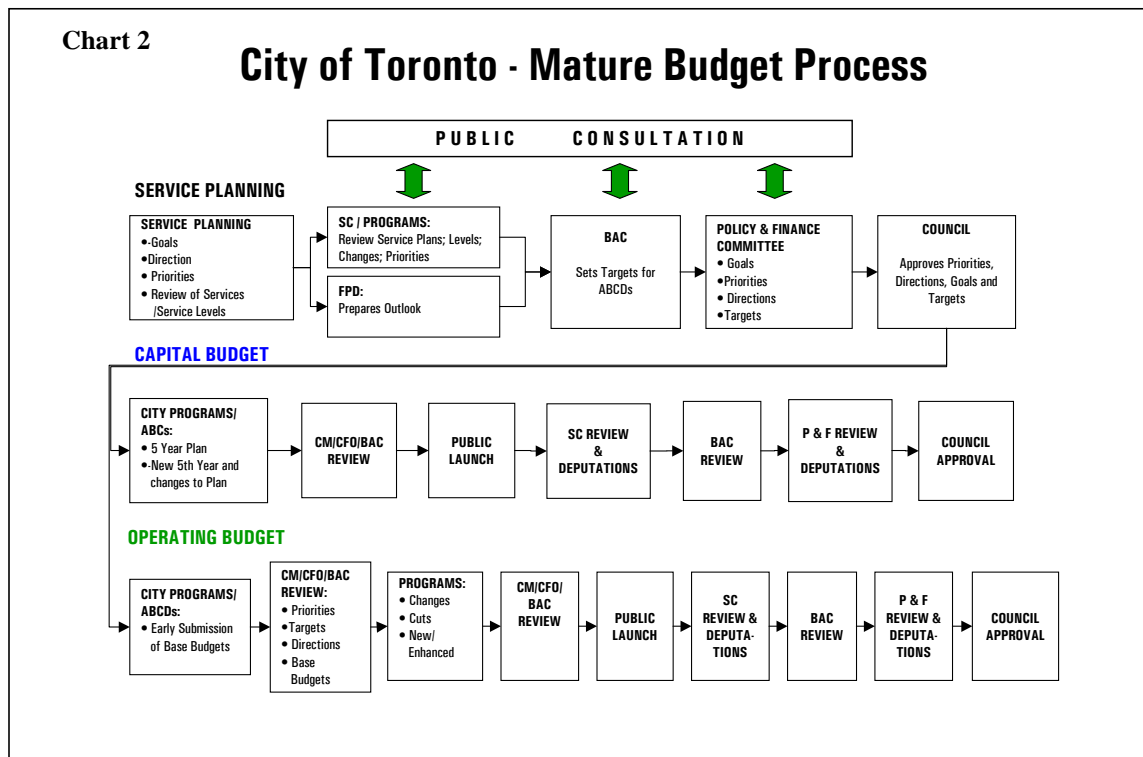
- (1) the 2006 – 2015 Capital Program for the City of Toronto totalling \$11.701 billion as detailed by Program and Agency, Board and Commission (ABC) in Appendix 5, comprising Tax Supported projects of \$11.563 billion and Rate Supported projects of \$138.063 million be received;
- (2) the 2006 BAC Recommended Tax Supported and Toronto Parking Authority Rate-Supported Capital Budget with a total project cost of \$3.474 billion that require 2006 cash flow of \$1.461 billion and future year commitments of \$842.387 million in 2007; \$437.986 million in 2008; \$279.025 million in 2009; \$230.270 million in 2010; and \$222.981 million in 2011 - 2015 be approved as follows:
 - a) New Cash Flow Funding:
 - (i) new and change in scope projects with a total project cost of \$1.762 billion as detailed in Appendix 1(iii) be approved. These projects require 2006 cash flow of \$669.588 million and future year commitments of \$548.983 million in 2007; \$230.258 million in 2008; \$120.176 million in 2009; \$186.084 million in 2010 and \$7.240 million in 2011 - 2015;
 - (ii) previously approved projects with total commitments of \$1.507 billion be approved. These projects require 2006 cash flow of \$587.384 million and future year commitments of \$293.404 million in 2007; \$207.728 million in 2008; \$158.849 million in 2009, \$44.186 million in 2010 and \$215.741 million in 2011 - 2015; and
 - (iii) previously approved projects with carry-forward funding from 2004 to 2006 totalling \$43.889 million; which forms part of the affordability targets that requires Council to reaffirm its commitment be approved; and,

- (b) 2005 Approved cash flow for previously approved projects with carry-forward funding from 2005 to 2006 totalling \$160.484 million gross and \$72.351 million debt as detailed in Appendix 1(v) be approved.
- (3) 2005 additional carry-forward funding for previously approved projects detailed in Appendix 6(i) attached totalling \$16.135 million gross and \$12.627 million debt be approved;
- (4) 2004 and prior years additional carry-forward funding for previously approved projects detailed in the Appendix 6(2) attached totalling \$6.506 million gross, with \$0.035 million debt impact be approved;
- (5) financing sources for the 2006 BAC Recommended Tax Supported Capital Budget comprised of \$134.122 million from Reserves and Reserve Funds, \$124.172 million of Capital from Current funding, \$42.959 million of Developmental Charge funding, \$78.258 million from other sources, \$178.402 million from Provincial Grants and Subsidies, \$216.442 million Federal Subsidies and debt of \$492.485 million (see Appendix 4) be approved;
- (6) capital expenditures in an amount not to exceed \$492.485 million be debenture financed for the Tax Supported 2006 Capital Budget, for a term up to, but not exceeding 10 years;
- (7) new debt service cost of \$15.0 million for 2006; \$78.0 million for 2007; \$112.0 million for 2008; \$125.0 million for 2009; \$128.0 million for 2010; resulting from the approval of the 2006 BAC Recommended Tax Supported Capital Budget, be approved for inclusion in the 2006 and future year operating budgets;
- (8) Appendix 7 which lists by ward, capital projects included in the 2006 – 2010 Capital Budget and Preliminary Plan that are funded in whole or in part by development charges be received for information;
- (9) the detailed Program Recommendations (Appendix 8) on the 2006 BAC Recommended Capital Budget and 2007 – 2010 Capital Plan be approved;
- (10) the Deputy City Manager and Chief Financial Officer report through the Budget Advisory Committee to the Policy & Finance Committee and Council by June 2006 on a recommended 2007 – 2010 Capital Plan in accordance with the Council approved debt guidelines;
- (11) the reports, transmittals and communications that are on file with the City Clerk's Office (including Appendix 8 herewith attached) as considered by the Budget Advisory Committee at its 2006 Capital Budget review meetings be received; and,
- (12) the appropriate City Officials be authorized and directed to take the necessary actions to give effect thereto.

Background:

Capital Budget Issues – Directions, Policies and Guidelines

At its meeting of May 28, 29 and 30 2005, Council considered a staff report entitled ‘City of Toronto 2006 Budget Process, Directions and Guidelines’. This report built on the foundation set in 2004 and provided a framework for a new budget process that incorporates best budget practices, and specifically, requires Council to approve service plans that clearly detail service goals, objectives and priorities, emphasizes a long-term financial planning perspective, establishes linkages to broad organizational goals, and focuses budget decisions on results and outcomes.



The new Capital Budget Process is illustrated in Chart 2 above. It links the corporate and service planning processes with the budget process, emphasizes the need for budget directions and targets to be established early in the process, and requires engagement of all stakeholders. The new budget process separates the Operating and Capital Budget development and review process thereby enabling the approval of the Capital Budget by year end and ensuring the full fiscal year is available for completion of approved capital work. Integral to the new budget process is the expectation of up-front Council approval of priorities, directions, goals and targets which form the basis for preparing the Capital Budget and Plan. Key elements and steps of the capital budget process are as follows:

1. City Programs/ABCs prepare a capital budget and 5-year capital plan based on directions and targets approved by Council. In each subsequent year, a new fifth year is added and where warranted, changes to the plan will be made and considered.
2. Initial review of capital budget and plan submissions will be done by a joint team comprised of the City Manager, DCM & CFO and the Budget Advisory Committee. These reviews will confirm that submissions conform with budget targets, directions, and priorities prior to the public launch.
3. Once launched, the Proposed Capital Budget and Plan will be reviewed by Standing Committees to ensure that they address the capacity to deliver services and service levels approved in the service planning phase. They will receive public deputations and examine the linkages between Sectoral and Service plans and Council priorities. Finally, Standing Committees will make recommendations to the BAC on the disposition of capital budgets under their policy purview.
4. After receiving the Standing Committee recommendations, the BAC will undertake an intensive review of the capital budget and plan. If warranted, changes may be made to ensure proper alignment with priorities, to redistribute resources based on public deputations and Standing Committee recommendations in an effort to address the needs and demands within an affordable fiscal framework.
5. BAC then submits its capital budget recommendations to Council through the Policy and Finance Committee and is approved by Council.

For the most part, development of the 2006 – 2010 Capital Budget and Plan complied with the new budget process. While it was intended that a firm 5-year Capital Plan be approved for 2006, more time is required to adjust the 2007 – 2010 Capital Plan so as to remain within the established debt target. The significant gap between capital spending needs and the Council approved debt targets and the accelerated capital budget process for 2006, requires additional time to re-prioritize projects and strategies to meet the overarching goal of rehabilitating and maintaining existing infrastructure in a state of good repair within the funds available. Therefore, staff will report through BAC, P&F and Council by June 2006 on a 2007 – 2010 Capital Plan within Council approved guidelines.

Guidelines for the 2006 Capital Budget Process mandated City Programs and ABCs to prioritize their requests within the same categories prescribed in fiscal 2005. These include:

- Health and Safety: project alleviates existing health and safety hazard.
- Legislated / Policy: project satisfies legislative requirements or Council By-law or Policy mandates.
- State of Good Repair: project is critical to save the structural integrity of existing facility or repair significant structural deterioration.
- Service Improvement and Enhancement: project improves service delivery above the current Council approved standard or provides the introduction of new services.

- Growth Related: project supports growth and development across the City.

City Programs and ABCs prioritized their projects within the above categories to foster the best resource allocation decisions. All new projects including previously approved projects with new commitments underwent thorough reviews based on eligibility criteria established by the City Manager and DCM & CFO, and priorities approved by Council.

In light of the City's continuing fiscal sustainability and affordability challenges, priorities were again given to Health and Safety, Legislated/City Policy and State of Good Repair projects. As indicated earlier, notwithstanding the need to invest in infrastructure expansion to satisfy growing population and service demands, it was necessary to carefully balance expansion needs against the goal of maximizing the utility of existing capital assets.

In accordance with directions issued by the City Manager and the DCM & CFO, a 10-year Capital Program was submitted by City Programs and ABCs. Staff submitted capital project business cases that demonstrated and justified the need for the projects included in their Capital Budget and Capital Plan submissions. The business case justification was critical to the assessment of projects on a corporate basis, in order to ensure that the most effective resource allocation decisions were made.

2006 – 2010 Capital Budget and Plan Objectives, Principles and Guidelines

The 2006 – 2010 Capital Budget and Plan was developed based on principles that committed all staff to be responsive to strategies essential to maintaining the existing infrastructure, minimizing health and safety risks, addressing Council priorities while meeting the City's Long Term Fiscal goals. The 2006 BAC Recommended Capital Budget achieves prescribed Council directions, which include:

- Ensuring that the Capital Budget remains within an affordable fiscal framework;
- Allocating available funds first to:
 - previously approved projects already in progress or within six months of being started; then to,
 - New Health and Safety, Legislated, and State of Good Repair projects.
- Considering New Service Improvement and Growth related projects only if they satisfy Council's highest priorities and minimize debt financing;
- Maximizing partnerships in order to minimize debt;
- Minimizing the incremental impact of the Capital Budget on the Operating Budget;
- Using historical trends as part of the analysis and justification of capital project and capital budget requests; and,
- Ensuring that all stakeholders are provided with the opportunity to participate in the budget process.

Further, capital budgeting guidelines approved by Council required that each capital project contained in the 2006 Capital Budget and 2006 Capital Budget and 2007 – 2010 Capital Plan conforms with the following specific principles and policies:

- Useful Life: Capital expenditures must relate to items with a useful life that matches or exceeds the standard debenture term of 10 years. The exception being fleet and related equipment covered under a separate policy where the useful life has a threshold of 5 years. Assets consumed or fully depreciated during the fiscal year and costs to maintain an asset in its original state are to be funded from operating sources.
- Physical Characteristics: Expenditures must be reasonably related to the acquisition, betterment, or replacement of a physical asset with a multi-year life. Betterment is defined as enhancing the service potential or extending the useful life of the asset.
- Expenditure Thresholds: The gross expenditure threshold for defining a capital item is a sub-project that has a minimum expenditure level of \$50,000.
- Timing: The capital budget must include only those projects that can reasonably be completed during the timeframe proposed in the business case.
- External Funding: Capital projects funded by external sources such as donations or grants shall not be started until and unless all external funding sources are received or guaranteed.
- Carry forward Policy: funding approved for two fiscal years after which time any funding required to complete projects must form part of debt affordability targets.

Carry Forward Policy

The 2006 BAC Recommended Tax Supported Capital Budget includes funding for carry-forward funding for 2005 projects totalling \$155.995 million. (See Appendix 1(v)). The carry-forward adjustments reflect updated projected actual expenditures for: (i) previously approved 2005 projects totalling \$16.135 million gross and \$12.627 debt; and (ii) 2004 and prior years projects totalling \$6.506 million gross with \$0.035 million debt. These projects were carefully evaluated to confirm that the principles prescribed in the carry-forward policy were met.

A capital carry-forward project is a previously approved project for which the desired outcome has not been achieved or capital work was not completed on schedule and the associated cash flow budget was not fully spent and / or committed in the year of approval and the unspent amount, or a portion thereof, is required in future years in to complete the project. Key elements of the carry-forward policy include:

- Cash flow funding approval will continue to exist for *one fiscal year* in addition to the year in which the project / sub-project was approved. In effect, City Programs and ABCs will be allowed to carry-forward unspent funds for capital projects / sub-projects for a period of one year subsequent to the year of original approval.

- Carry-forward funding requests for projects approved in the previous fiscal year will not form part of the budget-year debt affordability targets. However, Council approval to carry-forward the unspent amount must be obtained in order to establish spending authority.
- Where a project is not completed and approved funds are still not fully spent by the end of the second fiscal year, any carry-forward funding request will be treated as *new* and any further spending / funding request will form part of that year's debt affordability targets.
- Change in cash flows and / or project costs related to Change in Scope projects will not constitute carry-forward funding, under the premises of the policy. Change in Scope projects are to be considered new capital projects requiring new funding authority.
- During the capital budget process, City Programs and ABCs will conduct a complete review of all previously approved projects to determine their completion status. Projects that will not be completed by the end of the current fiscal year should be identified for carry-forward spending approval in the next fiscal year.
- On a project/sub-project basis, the carry-forward cash flow amount will not exceed the difference between the actual expenditures and the approved cash flow. Carry-forward requests included in the capital budget submissions are initially based on projected actuals. Therefore, during the capital budget review process, and again as part of the First Quarter Capital Variance Report of the budget year, City Programs and ABCs will be permitted to update their carry-forward requirements.

Capital Expenditure and Financing Principles

For the City of Toronto, capital expenditures generally include any expenditure on an asset which has been acquired, constructed or developed with the intention of being used on a continuous basis beyond the current budget year. Capital expenditures also include improvements, the purpose of which is to alter or modernize an asset in order to appreciably prolong its useful life or improve its physical output or service capacity. Capital expenditures are included in the capital budget and are financed from various sources of capital funds.

The City relies on a number of sources to fund its capital expenditures. These include Reserves and Reserve Funds, Provincial and Federal Grants, Development Charges, Capital from Current funding (or pay-as-you-go financing), Debt and Other Funding sources not listed above, such as donations.

Guiding principles influencing the selection of funding sources for specific capital projects include the *Equity* principle, which is aimed at ensuring that direct beneficiaries or consumers of a capital asset or service pay for it. In effect, if a project provides benefits to a specific group, then that group is made to pay for the development and related capital costs through user fees Development Charges. Projects that benefit the entire community are appropriately funded from property tax revenues such as Capital from Current funding.

The *effective financing* principle focuses on ensuring that sufficient funds are available when needed to proceed with a capital project. This principle recognizes that required funds are not

always available from the operating budget to pay for capital projects. Therefore, the City must rely on other funding sources to generate the benefits required by its constituents such as debt and reserve and reserve funds.

In selecting amongst available funding sources, the City imputes the cost of borrowing along with other administrative costs associated with competing funding options. It also examines the impact of funding options on the operating budget with a view toward ensuring, in accordance with the *efficiency* principle, that the most cost-effective funding source is utilized.

Annually, the City undertakes an affordability analysis to determine the amount of capital funds available for the Capital Budget and Plan. This review assesses the amount of non-debt funds available, and the amount of debt that the City can afford based on its long-term fiscal plan, general state of its assets, and infrastructure expansion requirements to meet growing demands for services. Factors influencing the debt affordability determination include the cost of borrowing, policies on debenture / long term borrowing, the outstanding debt, the impact on credit ratings, and the impact of borrowing on the current account or operating budget.

Allocation of Council Approved Debt and CFC Targets

At its meeting of May 17, 18, and 19, 2005 Council approved debt / CFC targets for the years 2006 to 2010 and directed the “Deputy City Manager and Chief Financial Officer to report to Budget Advisory Committee ... on the Capital targets for each of the City’s Programs and ABCs, within the affordability debt [and CFC] guidelines.” Further, Council prescribed criteria for allocating available capital funds and specifically directed that “in allocating available capital funds in 2006, priority be given first to previously approved projects already in progress or within six months of being started, then to new Legislated, Health and Safety, and State of Good Repair projects.”

To ensure the most effective use of available resources, staff added the following criteria:

- Consideration be given to new Service Improvement and Growth Projects only if they fulfill Council’s Highest Priorities;
- Programs should be funded based on their ability to spend as evidenced in their actual spending performance during the period 2002 – 2004 inclusive.

The 2006 – 2010 Capital Forecast submitted with the 2005 Capital Budget formed the basis for allocation of the affordability targets. The forecast debt / CFC for 2006 exceeded the target by \$514 million and for 2007 – 2010 by \$1.825 billion. For the five years 2006 – 2010, forecasted debt / CFC exceeded the targets by \$2.338 billion (see Table 4).

Table 4 2006-2010 Capital Forecast Debt / CFC Analysis (\$Millions)									
Category	2006			FUTURE YEAR ESTIMATES (2007 - 2010)			TOTAL 5-YEAR (2006 - 2010)		
	Prev. Appr'd	New	Total	Prev. Appr'd	New	Total	Prev. Appr'd	New	Total
Health & Safety	14	36	51	1	150	150	15	186	201
Legislated/City Policy	33	54	86	9	192	200	41	245	287
State of Good Repair	92	597	689	55	2,794	2,849	147	3,391	3,538
Sub-total	138	687	826	64	3,136	3,200	203	3,823	4,026
Service Improvement and Enhancement	30	73	103	19	275	294	49	349	398
Growth Related	58	136	194	76	546	622	134	682	816
Sub-total	87	209	297	96	821	917	183	1,031	1,214
Total - Tax Supported	226	897	1,123	160	3,957	4,117	386	4,854	5,239
Debt/CFC Target			609			2,292			2,901
Unfunded debt			(514)			(1,825)			(2,338)

Analysis of the forecast revealed that 2006 Previously Approved projects required debt / CFC funding of \$226 million, leaving \$383 million available for new projects. Therefore, based on prescribed criteria, only new Health and Safety and Legislated projects and 48% of the total 2006 projection for SOGR projects could be funded. In the interest of equity, where it was evident that there were errors and / or omissions in specific Program / ABC forecasts, the City Manager and DCM & CFO made adjustments to the targets derived by applying the criteria detailed above. Every effort was made to ensure that projects that satisfied Council's highest priorities were funded.

After careful analysis and application of the approved criteria, the affordable debt / CFC targets were allocated to City Programs and ABCs as summarized in Table 5 below and detailed in Appendix 8 attached.

Table 5 2006 - 2010 Tax Supported Capital Program Debt / CFC Target Allocation								
Programs / ABCs	Debt/CFC Target (Millions)						2006 - 2010 Total Submission	
	2006	2007	2008	2009	2010	Total 5 Year	Debt / CFC	% Funded
City Operations	326	330	317	289	283	1,545	2,762	56%
Special Purpose Bodies	57	50	51	54	48	260	443	59%
Holdback	1	3	18	46	61	129	-	0%
Tax supported Program Before Transit & TPA	384	383	386	389	392	1,934	3,205	60%
GO Transit	22	23	20	18	15	98	99	100%
Toronto Port Authority	3	3	3	2	2	13	12	100%
Toronto Transit Commission	200	200	186	135	135	856	916	93%
Total - Transit & TPA	225	226	209	155	152	967	1,027	94%
Total - Tax Supported Program	609	609	595	544	544	2,901	4,232	69%

Administrative Review

Chart 3 below compares the debt / CFC in the 2006 Capital Budget and Plan Submissions from City Programs and ABCs, with the Council approved affordable debt / CFC targets and the 2006 – 2010 Proposed Capital Budget and Preliminary Plan. Evident is the substantive gap between the request and the targets. The submissions exceeded the affordability targets by \$325 million in 2006; \$499 million in 2007; \$456 in 2008; \$439 in 2009; and \$550 in 2010, for a total of \$2.269 billion over the five years. It is noted that the submissions were developed after the targets were assigned, which confirms that capital needs far exceed affordable funding.

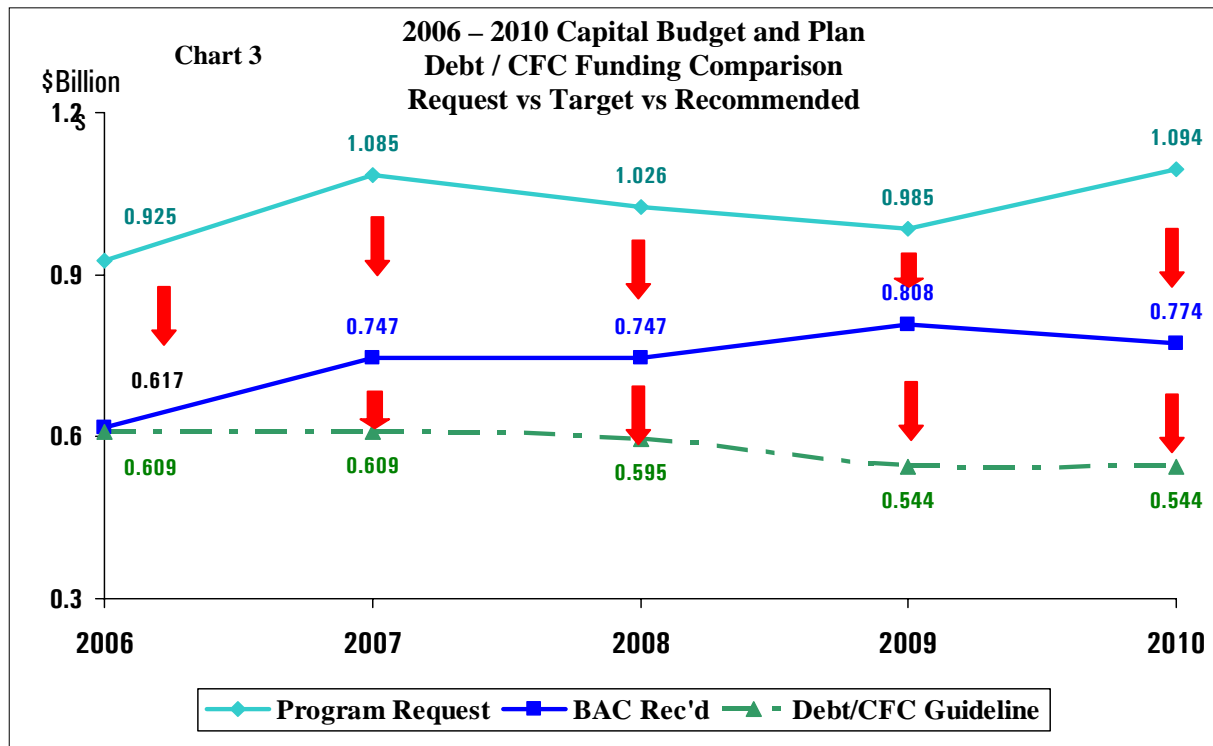
To ensure an optimal allocation of resources, the City Manager and DCM-CFO reviewed in detail the submissions from City Programs and ABCs. As part of the Administrative Review, the City Manager and DCM & CFO mandated City Program and ABC staff to justify their requests based on needs analysis, readiness to proceed, and ability to spend and to:

- Substantiate each project based on cost-benefit, and risk assessment;
- Confirm that partnerships / shared funding opportunities were fully explored to minimize the debt burden;
- Confirm capacity and discuss issues / impediments to achieving capital plan, including:
 - historical spending trends;
 - backlog of carry-forward projects yet to be addressed; and,
 - completion of audits, design work and/or community consultation;
 - demonstration that projects in year one were based on engineering estimates / solid costing;
 - indication whether feasibility / needs assessments were completed for projects in year two;
- Discuss strategies considered to mitigate SOGR backlog and the impact of any remaining backlog on future utility and service delivery; and,
- Demonstrate that Development Charges and other non-debt funding sources have been maximized.

After extensive reviews and budget adjustments, staff met the 2006 approved debt targets. While significant progress has been made with regards to the subsequent years, staff will continue to work on further revisions and adjustment to achieve the targets and will report to Council during the Spring of 2006 with a firm Five-Year Plan.

The 2006 Budget Process approved by Council required early engagement of BAC in the capital budget reviews. In this regard, members of BAC participated in working sessions with staff during the Administrative review. As well, they held thorough reviews of the capital budgets of several programs.

The 2006 Proposed Capital Budget tabled was \$1.253 billion gross expenditures (excluding 2005 carry-forward funding) which included debt / CFC financing of \$609.115 million, and met the target established by Council.



Committee Reviews

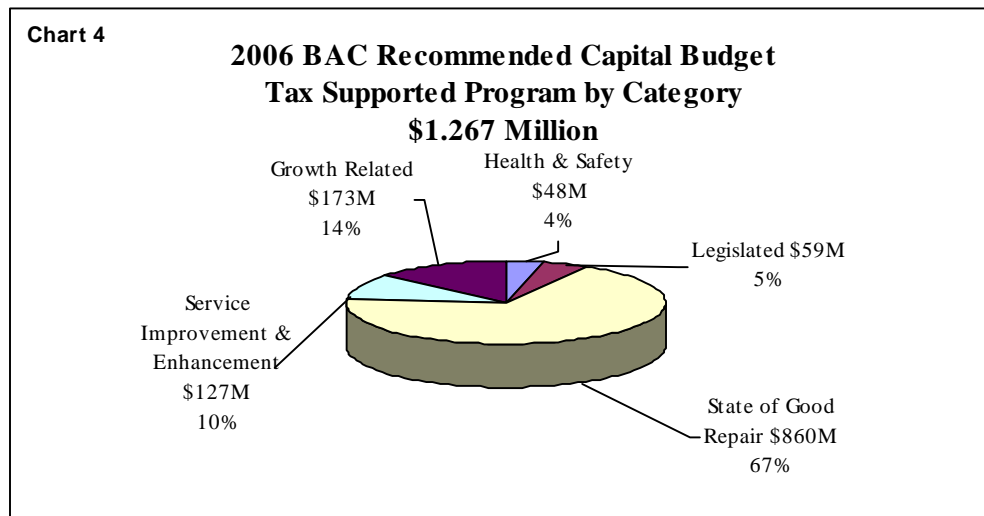
Standing Committees reviewed the 2006 Proposed Capital Budget for programs within their respective jurisdictions. Standing Committee recommendations were presented to the Budget Advisory Committee for its review and consideration.

Table 6 2006 - 2010 BAC Recommended Capital Budget and Preliminary Plan \$Millions								
Programs / ABCs	2006 Capital Budget							
	Program / ABC Request		Proposed		BAC Adjustments To Porposed		BAC Recommended	
	Gross	Debt	Gross	Debt	Gross	Debt	Gross	Debt
City Operations	761	488	576	358	10	5	586	363
Special Purpose Bodies	92	72	84	65	1	2	85	67
Tax Supported Program Before Transit & TPA	853	560	660	423	11	7	671	430
GO Transit	22	22	20	20	0	0	20	20
Toronto Port Authority	3	3	3	3	0	0	3	3
Toronto Transit Commission	640	340	572	163	1	1	573	164
Total - Transit & TPA	665	365	595	186	1	1	596	187
Total - Tax Supported Program	1,518	925	1,255	609	12	8	1,267	617
Debt / CFC Target		609		609				609
Variance - Over (Under) Target		316		-				8

During the BAC review, both Standing Committee recommended changes and the Staff Proposed Capital Budget were considered after reviewing the Standing Committee adjustments. BAC increased the 2006 Proposed Capital Budget by \$12 million gross and debt by \$8 million. The 2006 BAC Recommended Capital Budget is \$1.267 billion gross with debt financing requirement of \$616.657 million (including CFC) as shown in Table 6 above.

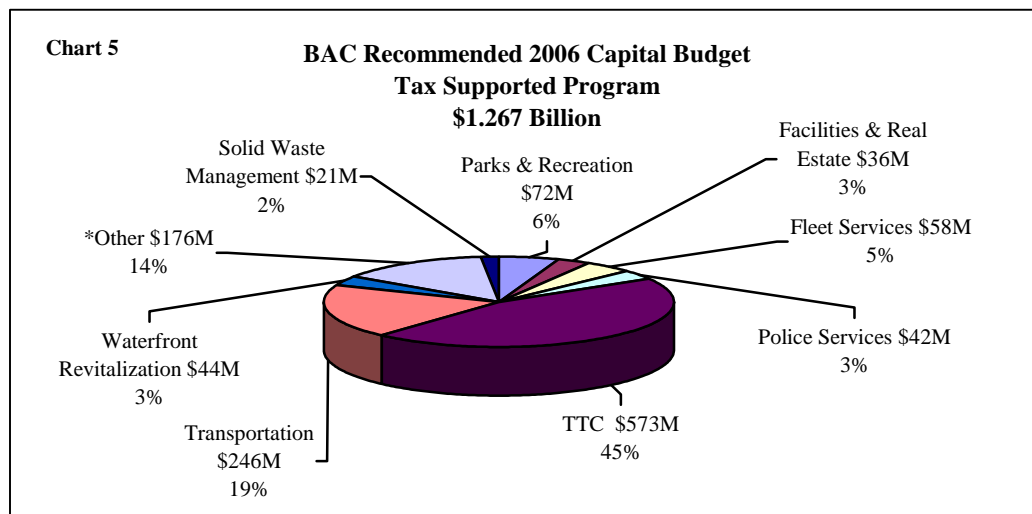
2006 Tax Supported Capital Budget by Category

Chart 4 below shows that 67% or \$860 of the 2006 BAC Recommended Capital Budget is allotted to SOGR. This is congruent with Council direction to give the highest priority to rehabilitation and maintenance of existing infrastructure and capital assets.



2006 Tax Supported Capital Budget by Major Program

Chart 5 below illustrates the 2006 BAC Recommended Tax Supported Capital Budget of \$1.267 billion net of carry-forward funding, by major Program. TTC and Transportation account for \$818.439 million or 64.6% of the total Tax Supported program. All other City Programs and ABCs combined represent \$448.626 million or 35.4% of the 2006 BAC Recommended Capital Budget.

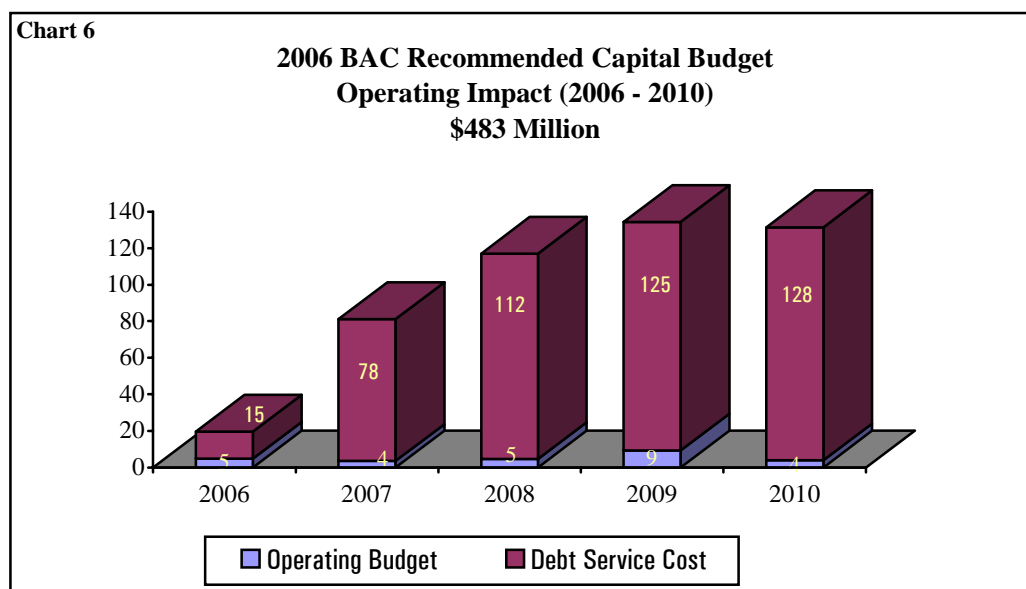


2006 BAC Capital Budget - Incremental Operating Impacts

Typically, the capital program may impact the operating budget in four areas:

- i. Increased operating costs such as those required for new or expanded facilities;
- ii. Efficiency savings from investments that reduce operating costs;
- iii. Direct contributions to Capital from the Operating Fund which reduce the annual borrowing requirements, and;
- iv. Principal and interest payments on debt issued for the capital program.

Chart 6 below shows the 2006 and future years' impact (including total debt services costs) of the 2006 BAC Recommended Capital Budget on the Operating Budget.



In summary, the 2006 BAC Recommended Capital Budget satisfies the immediate objective of maintaining the City's infrastructure and capital assets in a reasonable State of Good Repair. This notwithstanding, the City has a significant backlog of unmet needs that must be addressed in the near future. Given fiscal realities, it was necessary in 2006 to balance between the strategic objectives of maintaining capital assets in a state of good repair and satisfying the demand for growth while meeting debt target guidelines.

Toronto Transit Commission (TTC)

The 2006 Recommended TTC Capital Budget is \$572.761 million. The 2006 City financing is estimated at \$187.511 million including \$164 million of debt and \$24 million of other revenues.

Total Provincial funding is estimated at \$173.211 million in 2006. Provincial gas tax funding allocated to capital expenditures in 2006 is forecast to total \$41 million. Provincial base funding in 2006 is forecast to be \$132.211 million and is comprised of three funding programs: the Ontario Vehicle Transit Program (OVTP); the provincial share of the joint federal/provincial Canada Strategic Infrastructure Fund (CSIF); and the renamed Transit Technology and

Infrastructure Program (TTIP) — formerly titled Golden Horseshoe Transit Investment Partnerships (GTIP).

Total Federal funding is estimated to be \$212.039 million in 2006. Federal base funding from CSIF projects in 2006 is forecast to be \$64.399 million. Federal gas tax money is forecast to be \$147.640 million in 2006 and is comprised of two sources: \$48.900 million for the ongoing five cents population-based gas tax monies; and \$98.740 million for one cent ridership-based gas tax monies.

The Recommended TTC Capital Budget of \$572.761 million provides for the purchase of 232 new subway cars; 150 replacement low-floor hybrids buses; and, 80 low-floor clean diesel buses. Other projects include: the Mount Dennis bus facility; the Vehicle Overhaul Program (street cars and buses); and St. Clair Reserved Transit Lanes initiative. The Recommended 5-Year Capital Plan is estimated at \$3.3 billion with about 90 per cent of the 2006 Capital Budget allocated towards state of good repair initiatives.

The funding for the 5-Year Capital Plan now reflects the Council objective of an approximate one-third partnership with the other orders of government throughout 2006-2010.

2006 - 2010 TTC Proposed Capital Budget by Category & Financing Source (excl. 2005 Carry-forward) - \$Millions							
Expenditures	2006	2007	2008	2009	2010	Total 2006-2010	Percent of Total
Legislated	19	19	20	33	35	126	3.8%
State of Good Repair	518	647	560	548	558	2,831	86.4%
Service Improvement and Enhancement	30	18	7	94	26	175	5.3%
Growth Related	6	10	43	45	40	144	4.4%
Total Gross Expenditures	573	694	630	720	659	3,276	100.0%
Funded By:							
Provincial	173	263	258	231	229	1,154	35.2%
Federal	212	200	162	175	173	922	28.1%
Other	24	22	21	18	17	102	3.1%
Debt	164	209	189	296	240	1,098	33.5%
Total Funding	573	694	630	720	659	3,276	100.0%

City debt for the TTC over this period is \$241.762 million above the debt guidelines approved by Council at its meeting of May 17, 18 and 19, 2005.

Highlights:

The 2006 BAC Recommended Capital Budget addresses the City's Health and Safety, Legislated and State of Good Repair needs in an optimal way. While priority was given to these three categories, the capital program fulfils the short-term need for growth in Council directed priority areas and for service expansion in priority programs in order to accommodate demands and expectations of constituents.

Backlog / Deferred Maintenance

Consistent with Council priorities, State of Good Repair expenditures totals \$860 million or 68% of the 2006 BAC Recommended Capital Budget. Despite efforts to ensure that infrastructure and capital assets are adequately maintained, there continues to be a sizeable *gap* between spending needs and affordable funding levels. The 2006 BAC Recommended Capital Budget partially addresses the backlog issue in Programs that deliver key services to the Public by increasing their debt / CFC targets as noted below:

Transportations Services has had its debt / CFC target increased by \$22.304 million in 2006, and is expected to receive incremental increases in each year of the 5-year Plan. Nevertheless, the Program estimates that its backlog will approximate \$329 million at the end of 2006, and will grow by approximately \$240 million by 2010.

Parks, Forestry and Recreation's estimates backlog at \$50 million at the end of 2006, and forecasts that the backlog will increase by approximately \$32 million per year between 2007 and 2015. The Programs estimates are conservative given that SOGR audits have not been completed on several facilities. It is anticipated that the backlog could increase by \$300 million upon completion of the audits. Parks, Forestry and Recreation debt / CFC targets were increased by a moderate amount of \$3.226 million in 2006 with the view to increase funding over the projected 5-year period.

Facilities and Real Estate reports current SOGR backlog of \$98.800 million and expects that this will increase to \$103 million on completion of facility audits by the end of 2006. Better backlog estimates will be available in January of 2006 when most building audits will be completed.

Other Highlights

State of Good Repair - Major State of Good Repair projects recommended in the 2006 BAC Recommended Budget include the following:

- Ontario Health and Safety Maintenance and Retrofit of playgrounds to safety standards in order to ensure that children are protected (\$5.000 million gross, \$1.000 million debt).
- City wide park development and restoration, refurbishment of indoor and outdoor arenas, and major maintenance of various indoor pools in order to maintain the services and service levels expected (total cost of \$44.983 million gross expenditures and \$25.673 million debt).
- Resurfacing, rehabilitation and reconstruction of the transportation infrastructure including local and major roads and expressways, as well as bridges (\$139.740 million gross and \$135.706 million debt).

City Facilities - Numerous City facilities renewal and construction projects were considered to ensure that Council approved services and service levels are maintained. Major facilities projects include:

- Construction and design of two new child care centres in under-served areas, and completion of the Enderby Child Care Centre which will serve 62 children. These projects will cost \$3.707 million.
- Completion of the True Davidson Acres redevelopment to better serve the needs of the elderly (\$1.000 million gross and debt).
- Completion of a 50 bed shelter at 717 Broadview Avenue and construction of the Bethlehem United Shelter to help the disenfranchised (\$4.213 million gross and \$3.018 million debt).
- Construction of a new Fire Station, new 23 Division, 11 Division and new Training Facility (2006 gross expenditures of \$16.209 million entirely debt funded).

New Initiatives - Strategic investments in key growth areas that are aligned to Council's highest priorities have been addressed. Recommended 2006 Growth Related Expenditure total \$173 million gross and include the following New Initiatives:

- Rebuilding of culture specific properties such as the Guild Inn and revitalization of the area surrounding the Princess Gates in a Toronto / Milan initiative as part of the City's International Alliance Program (estimated gross expenditures of \$3.290 million and \$1.000 million debt in 2006).
- Expansion of the Parks, Forestry and Recreation program through design and construction of skateboard parks throughout the City (2006 expenditures of \$1.910 million gross and \$1.070 million debt).
- Transition to ongoing replacement of the City's Information Technology assets (estimate 2006 expenditure of \$16.138 million).
- Completion of Nathan Phillips Square Design competition and preparation of final designs (\$0.550 million gross and debt).
- Completion of the detailed design and Tundra phases of the North Zoo Site Redevelopment project (\$11.088 million gross and \$9.088 debt).

Environmental Initiatives – In response to Council policies on the environment the 2006 BAC Recommended Capital Budget proposed several energy efficient and other environmental protective projects including the following:

- Energy Retrofit Projects at Exhibition Place, Fire and Arena facilities, Pools and Community Centres (\$14.000 million gross and \$9.991 million debt).
- Continuation of the Green Fleet Plan to expand the use of bio-diesel, hybrid electric and natural gas vehicles to reduce carbon dioxide and pollutants output of more than 4,000 and equipment used by the City (\$0.480 million with no debt).

In general, projects were carefully selected to ensure that those designed to deliver on Council's highest priorities were considered. While the major investment is in SOGR, consideration was given to the need to protect the environment and to invest in growth demands of the public.

Capital Financing - Historical Comparison (1998 – 2006)

Table 7 below represents a historical summary of the City's capital budget by financing sources. Evident is that debt continues to be the largest single financing source and that until 2006, the other orders of government provided relatively small and inconsistent subsidies. For example, the Province of Ontario capital financing contribution declined from 38% of the 1998 Capital Budget including (Sheppard Subway funding) to an estimated 7% of the 2005 BAC Recommended Capital Budget.

Table 7 1999-2006 Council Approved Capital Budget (Excluding Carryforward) Tax Supported - By Funding Source (in \$Millions)									
Funding Sources	1999	2000	2001	2002	2003	2004	2005	2006	
								Proposed	BAC Rec'd
Prov. Grants & Subsidies	25.2	75.5	22.8	103.7	112.2	75.8	82.6	178.0	178.4
Federal Subsidy	0.0	0.0	0.0	76.5	103.6	70.0	53.9	220.0	216.4
Cap. from Current	143.4	146.2	148.2	146.5	124.2	124.2	124.2	124.2	124.2
Res./Res. Funds	370.9	89.1	170.2	143.9	131.5	132.1	93.2	125.0	134.1
Developmental Charges	0.0	8.7	4.5	8.1	20.2	24.0	43.8	44.0	43.0
Other	50.3	337.2	311.1	170.2	111.9	161.0	108.8	78.0	78.0
Debt	613.0	324.3	463.2	304.1	361.6	321.0	526.7	485.0	492.7
Total - Tax Supported	1,203	981	1,120	953	965	908	1,033	1,254	1,267

Maintaining the City's infrastructure valued at over \$52 billion without adequate assistance from the other orders of government has been a major challenge during the past several years and, has become more difficult given the City's relatively inelastic sources of revenue and structural fiscal problem. Successful negotiation of a New Deal with the other orders of government has provided a step to closing the revenue gap. Nonetheless, the City's accumulated infrastructure rehabilitation and State of Good Repair backlog (conservatively estimated at over \$3 billion) remains a problem and continues to pose a fiscal challenge. To compensate for the shortfall in financial support from the federal and provincial governments since 1998, the City has exhausted its non-debt internal capital financing sources. This has resulted in increased reliance on debt, and a significant capital asset maintenance backlog.

Capital Budget by Category - Historical Comparison (1999 – 2006)

Table 8 below shows that State of Good Repair spending has been by far the largest capital expenditure category since amalgamation. Yet, the SOGR estimated backlog is significant. A number of staff and independent studies have confirmed that the City has a structural fiscal

problem. Specifically, the studies indicate a sustainable source of revenue to fund the Capital Plan.

2006 – 2010 Recommended Capital Budget Preliminary Capital Plan
– Current and Future Year Projections

Table 8 1999 - 2006 Tax Supported Capital Budget by Category (in \$Millions)								
Category	1999	2000	2001	2002	2003	2004	2005	2006 BAC Rec'd
Health & Safety				34	21	48	51	48
Legislated	20	96	105	68	75	75	66	59
State of Good Repair	897	541	695	599	682	571	647	860
Service Improvement	41	71	100	89	70	103	119	127
Growth	240	273	221	163	117	108	150	173
Total - Tax Supported	1,197	981	1,121	953	965	905	1,033	1,267

Future Year Projections refer to cash flows associated with project / sub-project proposals included in the capital plan. Current and Future Year Projections are the annual values of the cash flows required for the current year budget and planned future year capital work. As indicated in Table 9 below, the current and future year projections included in the 2006 – 2010 BAC Recommended Capital Budget and Plan totals \$6.789 billion. (Note: TTC estimates to be confirmed).

Table 9 TOTAL PRELIMINARY CAPITAL PLAN 2006 - 2010 Current & Future Year Projections (in \$000)							
	Approved 2005	BAC Rec'd 2006	Capital Forecast				2006 - 2010
			2007	2008	2009	2010	
Citizen Centred Services - A	103,425	110,460	97,567	87,849	87,058	91,327	474,261
Citizen Centred Services - B	295,858	329,663	381,839	424,809	372,793	397,267	1,906,371
Internal Services	124,678	123,528	91,291	98,390	102,533	95,251	510,993
Other City Programs	19,822	22,982	34,706	25,503	15,019	11,319	109,529
Special Purpose Bodies	81,341	84,671	79,514	80,049	79,020	82,088	405,342
Total Tax Supported Programs (Excl. Transit & TPA)	625,124	671,304	684,917	716,600	656,423	677,252	3,406,496
GO Transit	19,437	20,000	20,000	20,300	18,400	15,200	93,900
Toronto Port Authority	3,000	3,000	3,000	3,000	1,700	1,700	12,400
Toronto Transit Commission - Sheppard Subway	16,981	122	1,500	1,050	(600)	2,000	4,072
Toronto Transit Commission (Excl. R.T.E.P.)	368,624	572,639	692,544	629,214	719,758	657,675	3,271,830
Total Tax Supported Programs (Incl. Transit & TPA)	1,033,166	1,267,065	1,401,961	1,370,164	1,395,681	1,353,827	6,788,698
Toronto Parking Authority	24,191	33,796	27,536	28,531	27,500	20,700	138,063
Total City	1,057,357	1,300,861	1,429,497	1,398,695	1,423,181	1,374,527	6,926,761

On average, capital expenditure forecast for Tax Supported Programs and ABCs is estimated at \$1.358 billion per year. This approximates an annual additional expenditure increase of more than \$91 million. Staff will continue to review the 2007 – 2010 Capital Plan and will report through BAC, Policy & Finance (P&F) and Council by June 2006 with a 2007 – 2010 Capital Plan within Council approved guidelines.

Conclusions:

Approval of the 2006 BAC Recommended Tax Supported Capital Budget will result in the following future year commitments: \$841.987 million in 2007; \$437.986 million in 2008; \$279.025 million in 2009 and \$230.270 million in 2010, and \$222.981 million for the five years 2011 to 2015 for a total cost of \$3.279 billion, as outlined in Appendix 1(ii).

The 2006 Rate Supported Capital Budget includes the following estimated cash flows for the Toronto Parking Authority before carry-forward expenditures: \$33.796 million in gross capital expenditures in 2006 and \$0.400 million in 2007 for a total cost of \$34.196 million, as outlined in Appendix 1(ii).

The 2006 BAC Recommended Capital Budget addresses the City's Health and Safety, Legislated and State of Good Repair needs in an optimal way – given existing fiscal challenges. While priority was given to the three categories listed above, the capital budget also fulfils the short-term need for growth in strategic areas, and for service expansion in key Program areas to accommodate demands and expectations of the public. Managing the City's debt burden without compromising the state of good repair of existing assets or the health and safety of its citizens has been a major consideration. Nevertheless, there continues to be a *gap* between spending needs as identified in program submissions, and affordable internal funding estimates. Essentially, this gap must be addressed within the next few years in order to ensure that the City's assets are maintained in a reasonable state of good repair and that maximum utility is derived from existing infrastructure and capital assets.

The 2006 BAC Recommended Capital Budget includes debt financing of \$492.485 million or about \$7.7 million above the debt guideline of \$485 million. It is anticipated that final adjustments to the TTC budget should result in a final 2006 recommended debt financing level of \$485 million. The present 2007 – 2010 Capital Plan is approximately \$784 million above the Council approved debt guideline. Given the time constraints in the 2006 capital budget process, it is recommended that staff be directed to report through BAC, Policy & Finance (P&F) and Council by June 2006 with a 2007 – 2010 Capital Plan within Council approved guidelines.

The *New Deal* with the other orders of government paves the way towards resolution of the structural financial problem facing the City. It represents a good start. However, the City must continue to find additional predictable and sustainable funding tools to address the infrastructure deficit and to satisfy constituents' demand for growth.

Contacts:

Josie La Vita, Director, Financial Planning Division,
jlavita@toronto.on.ca, Tel. 416-397-4229

Bert Riviere, Manager, Financial Planning Division,
briviere@toronto.on.ca; Tel. 416-397-4227

Shirley Hoy
City Manager

Joseph P. Pennachetti
Deputy City Manager and Chief Financial Officer

(p:\2005\Fin\Fp\Pf05029Fp) - wo



City of Toronto
2006 BAC Recommended Capital Budget
Development Charge Funded Projects by Ward

Appendix 7

Ward / Program	Project	Sub - Project	2006		2007 - 2010	
			Gross	DC	Gross	DC
<u>Davenport</u>						
Parks, Forestry & Recreation	Park Development	CP PS Lead - Phase Two (TBP T74)	500	0	2,600	750
Toronto Public Library	Bloor/Gladstone District Library	Bloor/Gladstone District Library Expansion	1,663	975	3,449	2,846
Toronto Public Library	Dufferin/St.Clair Neighbourhood Library Renovation	Dufferin/St.Clair Neighbourhood Library Renovation	119	104	2,329	0
Sub-Total			2,282	1,079	8,378	3,596
<u>Don Valley East</u>						
Parks, Forestry & Recreation	Arena	Victoria Village Arena Additional Community Space	1,300	490	0	0
Sub-Total			1,300	490	0	0
<u>Don Valley West</u>						
Parks, Forestry & Recreation	Community Centres	Jenner Jean-Marie CC-Addl & New Facility construct	4,908	2,000	1,982	0
Transportation	Leaside Bridge	Leaside Bridge - History 2005	12,200	3,600	0	0
Sub-Total			17,108	5,600	1,982	0
<u>Etobicoke Centre</u>						
Parks, Forestry & Recreation	Park Development	West Deane Park-Reno Washrm, Path & Ball Lights	50	50	0	0
Sub-Total			50	50	0	0
<u>Etobicoke Lakeshore</u>						
Parks, Forestry & Recreation	Arena	Queensway New Fieldhouse	100	0	1,700	500
Parks, Forestry & Recreation	Community Centres	South Etob CC -Gym & multi-purpose development	1,748	576	0	0
Parks, Forestry & Recreation	Community Centres	South Etobicoke CC - Small Office and Storage Room	87	18	0	0
Parks, Forestry & Recreation	Land Acquisition	Legal Fees for W/District Land Expropriation	280	280	0	0
Sub-Total			2,215	874	1,700	500
<u>Etobicoke North</u>						
Parks, Forestry & Recreation	Environmental Initiatives	Humber Arboretum Nature Centre Construction	200	142	0	0
Sub-Total			200	142	0	0
<u>Parkdale High Park</u>						
Parks, Forestry & Recreation	Special Facilities	High Park Lott Memorial Fountain	298	110	0	0
Toronto Public Library	Jane/Dundas Neighbourhood Library Renovation	Jane/Dundas Neighbourhood Library Renovation	128	113	2,536	0
Sub-Total			426	223	2,536	

City of Toronto

2006 BAC Recommended Capital Budget

Development Charge Funded Projects by Ward

Ward / Program	Project	Sub - Project	2006		2007 - 2010	
			Gross	DC	Gross	DC
<u>Scarborough Southwest</u>						
Parks, Forestry & Recreation	Park Development	McCowan District Park - New Development	339	339	0	0
Parks, Forestry & Recreation	Park Development	McCowan District Park Phase two	750	300	0	0
Sub-Total			1,089	639	0	0
<u>ScarboroughAgincourt</u>						
Transportation	Ellesmere, Warden - Kennedy	Ellesmere, Warden - Kennedy	4,700	2,500	3,635	1,817
Transportation	Steeles/Kennedy Grade Separation	Steeles/Kennedy Grade Separation	500	500	25,200	12,600
Sub-Total			5,200	3,000	28,835	14,417
<u>ScarboroughEast</u>						
Parks, Forestry & Recreation	Community Centres	Heron Park CRC - New transofrmer	114	114	0	0
Parks, Forestry & Recreation	Park Development	Port Union - Village Common Site Development	825	825	0	0
Parks, Forestry & Recreation	Park Development	Port Union Village - Bill Hancox	339	339	0	0
Parks, Forestry & Recreation	Park Development	Rouge Marsh Park - Development	1,170	1,170	0	0
Sub-Total			2,448	2,448	0	0
<u>ScarboroughRouge River</u>						
Parks, Forestry & Recreation	Parking Lots and Tennis Courts	Agincourt CRC - Parking Lot Rehab	555	555	0	0
Transportation	Morningside Avenue/Finch Avenue Grade Separation	Morningside Ave./Finch Ave. Grade Separation	7,500	3,750	7,500	3,750
Transportation	Morningside Avenue/Finch Avenue Grade Separation	Morningside Ave/Finch Ave Grade Sep. -History 2005	3,150	1,575	0	0
Sub-Total			11,205	5,880	7,500	3,750
<u>TrinitySpadina</u>						
Transportation	Construction of Underpass - Railway Lands	Construction of Underpass - Railway Lands	2,300	2,300	12,700	12,700
Transportation	Dufferin Street Jog Elimination	Dufferin Street Jog Elimination - History	6,000	1,920	16,671	5,382
Sub-Total			8,300	4,220	29,371	18,082
<u>Willowdale</u>						
Fire	Station C (Sheppard Ave between Leslie/Bayview)	Station C (Sheppard Ave between Leslie/Bayview)	1,550	775	3,150	1,575
Parks, Forestry & Recreation	Community Centres	Edithvale Community Centre study (New)	56	56	0	0
Parks, Forestry & Recreation	Community Centres	North District CC - Can-Tire Site FY2004	340	201	0	0
Shelter, Support & Housing Administration	SHORT TERM SHELTER ACCOMMODATION	EVA'S YOUTH 2006	0	0	640	14
Sub-Total			1,946	1,032	3,790	1,589

Appendix 8

2006 BAC Recommended Capital Budget and 2007 – 2010 Preliminary Capital Plan Budget Advisory Committee

Program Recommendations:

It is recommended that:

CITIZEN CENTRED SERVICES – A

Children's Services:

- (1) the 2006-2015 Children's Services capital program request with a total 10-year project cost of \$35.280 million be received;
- (2) the 2006 BAC Recommended Capital Budget for Children's Services with a total project cost of \$6.500 million and a 2006 cash flow of \$9.321 million be approved. The 2006 Recommended Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 2 new sub-projects with a 2006 total project cost of \$6.500 million that requires cash flow of \$5.500 million in 2006 and a future year commitment of \$1.0 million in 2007; and
 - (ii) 4 sub-projects from previously approved projects with carry forward funding from 2004 requiring 2006 cash flow of \$0.758 million; and
 - (b) 2005 approved cash flow for 5 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$3.063 million;
- (3) the \$4.0 million, representing the Provincial portion of the \$5.0 million gross expenditure for the Health and Safety / Playground project, be approved conditional on receiving this funding from the Province;
- (4) consideration of the \$1.0 million request for a Child Care Centre at 455 Dovercourt be deferred from 2006 to 2007 pending a report from the General Managers of Children Services and Social Services to Budget Advisory Committee by early 2006 on details of the architectural study and financial implications for the following:
 - (a) the proposed Childcare Centre on the ground floor at 455 Dovercourt; and
 - (b) the relocation of the Social Services office from 455 Dovercourt; and
- (5) the revised cash flow projections of \$9.0 million in 2007, \$7.054 million in 2008, \$5.0 million in 2009 and \$5.0 million in 2010 for Children Services be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate

staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a Recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits.

Court Services:

- (6) the 2006-2015 Court Services Division's Capital Program request with a total project cost of \$9.400 million be received;
- (7) the 2006 BAC Recommended Capital Budget for Court Services with a total project cost of \$9.400 million for 3 new sub-projects and a 2006 cash flow of \$2.600 million and future year commitments of \$4.800 million in 2007 and \$2.000 million in 2008 be approved;
- (8) the Program review and confirm future 5-Year and 10-Year capital needs prior to the Deputy City Manager & Chief Financial Officer's review of the recommended Firm 5-Year Plan in the Spring of 2006; and
- (9) the cash-flow projections of \$4.800 in 2007 and \$2.000 in 2008 for Court Services be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits.

Culture:

- (10) the 2006-2015 Culture Capital Program request with a total 10-year project cost of \$96.633 million be received;
- (11) the 2006 BAC Recommended Capital Budget for Culture with a total project cost of \$8.183 million and a 2006 cash flow of \$10.363 million and future year commitments of \$3.216 million be approved. The 2006 BAC Recommended Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 18 new and 3 change of scope sub-projects with a 2006 total project cost of \$8.183 million that requires cash flow of \$5.727 million in 2006 and a future year commitment of \$2.456 million in 2007;
 - (ii) 13 previously approved sub-projects with a 2006 cash flow of \$2.497 million and a future year commitment of \$0.760 million in 2007; and

- (iii) 2 sub-projects from previously approved sub-projects with carry forward funding from 2004 into 2006 totalling \$0.553 million; which forms part of the affordability targets that requires Council to reaffirm its commitment; and
 - (b) 2006 approved cash flow for 18 previously approved sub-projects with funding being carried forward from 2005 into 2006 totalling \$1.586 million;
- (12) operating impact of \$0.015 million for 2006 emanating from the approval of the 2006 BAC Recommended Capital Budget be considered within the overall scope of Culture's 2006 operating budget submission;
- (13) the \$0.647 million of 2006 cash flow funding for the Guild Revitalization project be approved, subject to the conclusion of the final agreement between the City and the private sector partner;
- (14) all sub-projects with third party financing be approved conditionally, subject to the receipt of such funding during 2006 and if such financing is not received, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs;
- (15) the five-year Capital Plan include the net costs of adding Fort York's New Buildings proposal for the years 2006-2010 contingent upon at least \$5.5 million being raised from outside sources (\$4 million fund-raising from the private sector plus \$1.5 million from other levels of government);
- (16) the Executive Director of Culture report back in 2006 prior to the 2007 capital budget process, setting out a detailed critical path showing how the Fort York New Buildings proposal can be completed by the end of 2011 so the new facilities will be available for the celebrations of the Bicentennial of the War of 1812;
- (17) the revised 5-Year Capital Plan with cash flow projections of \$8.925 million in 2007, \$4.830 million in 2008, \$5.900 million in 2009 and \$5.075 million in 2010 for Culture be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved affordability limits; and
- (18) staff of the Culture Division and Heritage Preservation Services to work with the Emery Village Heritage and Arts Committee to determine how best the City can help in the Heritage Committee's plans to build the replica Emery Elementary School.

Economic Development:

- (19) the 2006-2015 Economic Development Capital Program request with a total 10-year project cost of \$73.448 million be received;

- (20) the 2006 BAC Recommended Capital Budget for Economic Development with a total project cost of \$5.511 million and a 2006 cash flow of \$6.306 million and future year commitments of \$2.515 million be approved. The 2006 BAC Recommended Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 3 new projects with a 2006 total project cost of \$5.511 million that requires cash flow of \$4.058 million in 2006 and a future year commitment of \$1.453 million in 2007; and
 - (ii) 3 previously approved projects with a 2006 cash flow of \$0.976 million and a future year commitment of \$1.062 million in 2007; and
 - (b) 2006 approved cash flow for 1 previously approved project with carry forward funding from 2005 into 2006 totalling \$1.272 million;
- (21) all sub-projects with third party financing be approved conditionally, subject to the receipt of such funding during 2006 and if such financing is not received, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs; and
- (22) the Revised 5-Year Capital Plan for Economic Development with cash flow projections of \$5.380 million in 2007, \$5.323 million in 2008, \$5.041 million in 2009 and \$5.029 million in 2010 for Economic Development be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved affordability limits.

Emergency Medical Services:

- (23) the 2006-2015 Emergency Medical Services capital program request with a total 10-year project cost of \$121.597 million be received;
- (24) the 2006 BAC Recommended Capital Budget for Emergency Medical Services with a total project cost of \$5.248 million and a 2006 cash flow of \$8.257 million and future year commitments of \$2.478 million be approved. The 2006 Recommended Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 6 new sub-projects with a 2006 total project cost of \$5.248 million that requires cash flow of \$3.440 million in 2006 and a future year commitment of \$1.808 million in 2007;

- (ii) 4 previously approved sub-projects with a 2006 cash flow of \$1.6 million and future year commitment of \$0.570 million in 2007 and \$0.100 million in 2008; and
 - (iii) sub-project from previously approved projects with carry forward funding from 2004 and prior years requiring 2006 cash flow of \$0.080 million; and
- (b) 2006 approved cash flow for 8 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$3.137 million;
- (25) expenditures for 2006 for the Station 17 (Bathurst & Work Downs) Project be deferred pending a report from the General Manager of Emergency Medical Services to the Budget Advisory Committee in early 2006 on the financial and related impacts of this project, associated with the proposed Centralized Book-On Station Project, on the Revised 5-Year Capital Plan;
- (26) the Radio Communication System Replacement project be re-classified as a Corporate project in conjunction with the related radio system requirements of Fire Services and Toronto Police Service, and the Fire Chief, in consultation with the Toronto Police Service and Emergency Medical Services, be requested to report back to the Budget Advisory Committee by June 2006 on the findings of the Radio Communication System Replacement project feasibility study and any cash flow revisions required for the City's 5-Year Plan.
- (27) the General Manager of Emergency Medical Services submit to the Deputy City Manager and Chief Financial Officer, for inclusion in the 5-year Capital Plan for the spring of 2006, forecasted capital costs to fund the ongoing capital replacement program of Public Access Defibrillation (PADs) on behalf of the City;
- (28) the General Manager of Emergency Medical Services, in consultation with the Deputy City Manager and Chief Financial Officer, report to the Budget Advisory Committee as part of the 2006 Operating Budget process on the annual operating costs required to manage the support of the PADs on behalf of the City; and
- (29) the revised cashflow projections of \$6.548 million in 2007, \$7.812 million in 2008, \$7.869 million in 2009 and \$7.168 million in 2010 for Emergency Medical Services be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits.

Homes for the Aged:

- (30) the 2006-2010 Homes for the Aged capital program request with a total five year project cost of \$27.2 million be received;

- (31) the 2006 BAC Recommended Capital Budget for the Homes for the Aged with a total project cost of \$5.0 million with a 2006 cash flow of \$7.2 million and no future year commitments be approved. The 2006 Recommended Capital Budget consists of the following:
 - (a) new cash flow funding for 2 new subprojects, with a total 2006 project cost of \$5.0 million that requires cash flow of \$5.0 million in 2006, with no future year commitments; and
 - (b) 2006 approved cash flow for 2 previously approved projects with carry forward funding from 2005 into 2006 totalling \$2.2 million;
- (32) the Province of Ontario fund 100 percent of the capital portion of the Homes for the Aged budget of \$25.0 million over five years; and
- (33) the Revised 5-Year Capital Budget projections of \$5.0 million in 2007, \$5.0 million in 2008, \$5.0 million in 2009 and \$5.0 million in 2010 for Homes for the Aged, be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits.

Parks, Forestry and Recreation:

- (34) the 2006-2015 Parks, Forestry and Recreation capital program request with a total 10-year project cost of \$859.860 million be received;
- (35) the 2006 BAC Recommended Capital Budget for Parks, Forestry and Recreation with a total project cost of \$63.736 million and a 2006 cash flow of \$104.872 million and future year commitments of \$17.682 million be approved. The 2006 BAC Recommended Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 73 new sub-projects with a 2006 total project cost of \$63.736 million that requires cash flow of \$48.649 million in 2006 and a future year commitment of \$9.850 million in 2007 and \$4.932 million in 2008;
 - (ii) 18 previously approved sub-projects with a 2006 cash flow of \$11.283 million and a future year commitment of \$2.900 million in 2007; and
 - (iii) 43 sub-projects from previously approved projects with carry forward funding from 2004 and prior years requiring 2006 cash flow of \$11.653 million, which forms part of the affordability target that requires Council to reaffirm its commitment; and

- (b) 2006 approved cash flow for 90 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$33.287 million;
- (36) submitted operating impacts of \$0.619 million in 2006 and \$0.134 million in 2007 that emanate from the approval of the 2006 BAC Recommended Capital Budget be considered within the overall scope of Parks, Forestry and Recreation's 2006 and future years' operating budget submissions, and Parks, Forestry and Recreation identify and submit to the Chief Financial Officer by February 2006 the full operating impacts for all projects in its Revised 5-Year Capital Plan;
- (37) all sub-projects with third-party financing be approved conditionally, subject to the receipt of such funding during 2006 and if such financing is not forthcoming, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs;
- (38) funding for any "Clean & Beautiful City" Initiative items that arise during the capital budgetary process be contingent upon approval of the corresponding requests in Parks, Forestry and Recreation's 2006 Operating Budget;
- (39) the Capital Emergency Fund sub-project be approved with funding of \$0.500 million for 2006 with the following conditions:
 - (a) projects funded must be demonstrable emergencies presenting a safety or security hazard, or impacting current operations, with a potential for significant damage resulting from the continuation of the problem identified;
 - (b) all projects charged to the fund must be reported to Finance staff to ensure structures are provided to ensure accountability;
 - (c) use of the funding must be reported in all variance reports and to Budget Advisory Committee at the time of consideration of the 2007 capital budget; and
 - (d) any unspent balance at year-end cannot be carried forward;
- (40) the General Manager of Parks, Forestry and Recreation and the Acting Director of Economic Development report to the Budget Advisory Committee during consideration of the 2006 Operating Budget in January 2006 on a joint cost-shared program for tree watering with the BIAs, in the amount of \$0.200 million gross and \$0.100 million net;
- (41) the General Manager, Parks, Forestry and Recreation, in consultation with staff of Toronto Water, Transportation Services and the Toronto Region and Conservation Authority, submit a Briefing Note to the Economic Development and Parks Committee on the level of capital and operating expenditures for Ravine and Watercourse Management Services that will be undertaken in the 2006 fiscal year;
- (42) Parks, Forestry and Recreation continue to monitor future year projects that are eligible for Development charge funding and modify the five-year plan to incorporate this financing source; and

- (43) the revised cash flow projections of \$50.630 million in 2007; \$51.388 million in 2008; \$53.634 million in 2009 and \$58.697 million in 2010 for Parks, Forestry and Recreation be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended firm 5-Year Capital Plan within Council's approved debt affordability limits.

Shelter, Support & Housing Administration:

- (44) the 2006-2015 Shelter, Support, and Housing Administration capital program request with a total 10-year project cost of \$37.969 million be received;
- (45) the 2006 BAC Recommended Capital Budget for Shelter, Support, and Housing Administration with a total project cost of \$2.200 million and a 2006 cash flow of \$8.952 million and future year commitments of \$8.600 million be approved. The 2006 Recommended Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 7 new and change in scope subprojects with a 2006 total project cost of \$2.200 million that requires cash flow of \$1.221 million in 2006 and a future year commitment of \$0.979 million in 2007;
 - (ii) 7 previously approved sub-projects with a 2006 cash flow of \$4.465 million and a future year commitment of \$2.861 million in 2007; \$0.912 million in 2008; \$2.024 million in 2009; \$0.912 million in 2010; and \$0.912 million in 2011; and
 - (iii) 1 sub-project from previously approved projects with carry forward funding from 2004 and prior years requiring 2006 cash flow of \$0.100 million, which forms part of the affordability targets that requires Council to reaffirm its commitment; and
 - (b) 2006 approved cash flow for 7 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$3.166 million;
- (46) operating impacts of \$0.482 million for 2006; and \$2.583 million for 2007 emanating from the approval of the 2006 Capital Budget be considered within the overall scope of the Shelter, Support and Housing Administration's 2006 and future years' operating budget submissions;
- (47) the Province of Ontario pay 100 per cent of the \$21.6 million needed for the 5-Year Shelter Bed Strategy and restore the historical funding;
- (48) the General Manager of Shelter, Support and Housing Administration report to Community Services Committee as part of the 2007 budget process on an allocation of

capital funds to implement a shelter development strategy that would include shelters that are accessible in other parts of the City (outside Scarborough and Downtown) for identified groups; and

- (49) the revised cash flow projections \$5.939 million in 2007, \$4.362 million in 2008, \$4.534 million in 2009 and \$5.278 million in 2010 for Shelter, Support and Housing Administration, be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits.

Social Services:

- (50) consideration of the \$0.845 million request to relocate from 455 Dovercourt be deferred from 2006 to 2007 pending a report from the General Managers of Social Services and Children Services to Budget Advisory Committee by early 2006 on details of the architectural study and financial implications for the following:
 - (a) the proposed Childcare Centre on the ground floor at 455 Dovercourt; and
 - (b) the relocation of the Social Services office from 455 Dovercourt.

Tourism:

- (51) the 2006-2015 Tourism capital program request with a total 10-year project cost of \$1.465 million be received;
- (52) the 2006 BAC Recommended Capital Budget for Tourism with a total project cost of \$0.300 million and a 2006 cash flow of \$0.300 million and no future year commitments be approved;
- (53) the Canada Walk of Fame-Phase 2 project be approved conditionally, subject to the receipt of \$0.150 million in third party financing during 2006 and if such financing is not received, that the priority and funding be reassessed by City Council relative to other City-financed priorities and needs; and
- (54) the revised cash flow projections of \$0.500 million in 2007, \$0.080 million in 2008, \$0.080 million in 2009 and \$0.080 million in 2010 for Tourism be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved affordability limits.

3-1-1 Customer Service Strategy:

- (55) the 2006 BAC Recommended Capital Budget for 3-1-1 Customer Service Strategy with a total project cost of \$25.176 million and a 2006 cash flow of \$8.235 million and future year commitments of \$18.452 million be approved. The 2006 Recommended Capital Budget consists of the following:
 - (a) New Cash Flow Funding for 8 new sub-projects with a 2006 total project cost of \$25.176 million that requires cash flow of \$6.724 million in 2006 and future year commitments of \$15.486 million in 2007 and \$2.966 million in 2008; and
 - (b) 2006 approved cash flow for 5 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$1.511 million;
- (56) the revised cash flow projections of \$15.486 million in 2007 and \$2.966 million in 2008 be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits; and
- (57) the 3-1-1 Lead Deputy City Manager report quarterly to the e-City Committee on the implementation of the 3-1-1 Customer Service Strategy, including any proposed harmonization of business practices or service standards.

CITIZEN CENTRED SERVICES - B

Business Support Services:

- (58) the 2006-2015 Business Support Services capital program request with a total 10-year project cost of \$7.207 million be received;
- (59) the 2006 BAC Recommended Capital Budget for Business Support Services with a total project cost of \$1.207 million and 2006 cash flow of \$1.659 million be approved. The 2006 Recommended Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 4 new sub-projects with a 2006 total project cost of \$1.207 million that requires cash flow of \$1.207 million in 2006 and no future year commitments, and
 - (ii) 3 previously approved sub-projects with a 2006 cash flow of \$0.340 million and no future year commitments; and
 - (b) 2006 approved cash flow for 3 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$0.112 million;

- (60) the Deputy City Manager for Cross-Divisional Projects review the strategic direction of IBMS as it relates to IT requirements for City Planning, Building, and Municipal Licensing and Standards Services and report back to the Deputy City Manager and Chief Financial Officer by February 2006 on the future year allocation of the \$1.5 million envelope included in years 2007-2010 of Business Support Systems' Five-year Plan to ensure revised cash flow projections can be incorporated into the Deputy City Manager and Chief Financial Officer's review of the Five-Year Capital Plan;
- (61) the revised cash flow projections of \$1.5 million in 2007; \$1.5 million in 2008; \$1.5 million in 2009 and \$1.5 million in 2010 for Business Support Services be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits; and
- (62) the Executive Director of Municipal Licensing and Standards report back, as part of the 2007 Capital Budget process on establishing a feature within the IBMS System whereby third party advertising signs can be automated and as publicly accessible as possible.

City Planning:

- (63) the 2006-2015 City Planning capital program request with a total 10-year project cost of \$58.449 million be received;
- (64) the 2006 BAC Recommended Capital Budget for City Planning with a total project cost of \$3.549 million and 2006 cash flow of \$6.715 million and future year commitments of \$2.341 in 2007 and \$1.038 million in 2008 be approved. The 2006 Recommended Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 8 new sub-projects with a 2006 total project cost of \$3.549 million that requires cash flow of \$2.849 million in 2006 and a future year commitment of \$0.700 million in 2007;
 - (ii) 6 previously approved sub-projects with a 2006 cash flow of \$1.424 million and future year commitments of \$1.641 million in 2007, and \$1.038 million in 2008; and
 - (iii) 1 sub-project from previously approved projects with carry forward funding from 2004 and prior years requiring 2006 cash flow of \$0.200 million and no future year commitments, which forms part of the affordability targets that requires Council to reaffirm its commitment; and
 - (b) 2006 approved cash flow for 14 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$2.242 million;

- (65) operating impacts in the Parks, Forestry, and Recreation Budget Operating Budget of \$0.065 million for 2006 for streetscape enhancement and tree maintenance emanating from the approval of the 2006 Recommended Capital Budget for City Planning be considered within the overall scope of the Parks, Forestry, and Recreation 2006 and future years' operating budget submissions;
- (66) 2006 Development Charge funding be approved subject to funds being available in the Development Charge Reserve Accounts; and
- (67) the revised cash flow projections of \$5.466 million in 2007; \$5.451 million in 2008; \$5.330 million in 2009; and \$5.337 million in 2010 for the City Planning Division be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended firm Five-Year Capital Plan within Council's approved debt affordability limits.

Cross-Divisional Projects:

- (68) the 2006-2015 Cross Divisional Projects capital program request with a total 10-year project cost of \$23.296 million be received;
- (69) the 2006 BAC Recommended Capital Budget for Cross Divisional Projects with a total project cost of \$3.124 million and a 2006 cash flow of \$5.002 million and future year commitments of \$2.608 million be approved. The Recommended Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 11 new sub-projects with a 2006 total project cost of \$3.124 million that requires cash flow of \$2.228 million in 2006 and a future year commitment of \$0.896 million in 2007;
 - (ii) 6 previously approved sub-projects with a 2006 cash flow of \$0.351 million and a future year commitment of \$1.502 million in 2007; and
 - (iii) 2 sub-projects from previously approved projects with carry forward funding from 2004 and prior years requiring 2006 cash flow of \$0.695 million and future year commitment of \$0.210 million in 2007, which forms part of the affordability targets that requires Council to reaffirm its commitment; and
 - (b) 2006 approved cash flow for 6 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$1.728 million;
- (70) operating impacts of \$0.025 million for 2006 and \$0.290 million for 2007 emanating from the approval of the 2006 Recommended Capital Budget be considered within the

overall scope of the related Programs' 2006 and future years' operating budget submissions;

- (71) once the IT Implementation Project is completed, the Deputy City Manager report to Budget Advisory Committee with a revised 2007-2010 Capital Plan for IT projects, which is required to be strategically aligned at the Program and Corporate level, and conforming to the debt guideline;
- (72) the revised cash flow projections of \$3.361 million in 2007, \$3.000 million in 2008, \$3.000 million in 2009, and \$3.000 million in 2010 for Cross Divisional Projects be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits; and
- (73) the Deputy City Manager report back to the Director of Financial Planning prior to the 2007 budget process on the result of asset reviews and the plan of transferring the ownership of the Asset Preservation capital budget with the intention of providing increased accountability and management.

Emergency Management Plan:

- (74) the 2006 BAC Recommended Capital Budget for the Emergency Management Plan with a total project cost of \$0 million and a 2006 cash flow of \$0.570 million consisting of 1 previously approved sub-project with carry forward funding from 2005 to 2006 be approved, and
- (75) the Emergency Management Plan Capital Budget be discontinued and closed once the Emergency Back Up-Systems project is complete.

Fire Services:

- (76) the 2006-2015 Toronto Fire Services Capital program request with a total 10-year project cost of \$68.838 million be received;
- (77) the 2006 BAC Recommended Capital Budget for Toronto Fire Services with a total project cost of \$9.981 million and a 2006 cash flow of \$11.095 million and future year commitments of \$9.340 million be approved. The 2006 Recommended Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:

- (i) 12 new sub-projects with a 2006 total project cost of \$9.981 million that requires cash flow of \$4.869 million in 2006 and future year commitments of \$3.241 million in 2007 and \$1.871 million in 2008; and
 - (ii) 7 previously approved sub-projects with a 2006 cash flow of \$5.252 million and future year commitments of \$2.884 million in 2007 and \$1.344 million in 2008; and
- (b) 2006 approved cash flow for 1 previously approved sub-project with carry forward funding from 2005 into 2006 totalling \$0.973 million and that a further amount of \$0.976 million in 2005 carry forward funding for 5 previously approved sub-projects be confirmed by the Program and added to the required 2006 cash flow to reflect a total carry forward funding of \$1.949 million;
- (78) operating impacts of \$0.107 million for 2006, \$0.060 million for 2007 and \$0.060 million for 2008 emanating from the approval of the 2006 Recommended Capital Budget be considered within the overall scope of the Toronto Fire Services 2006 and future years' operating budget submissions;
- (79) all sub-projects with third party financing be approved conditionally, subject to the receipt of such funding during 2006 and if such financing is not received, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs;
- (80) the Radio Communication System Replacement project be re-classified as a Corporate project in conjunction with the related radio system requirements of EMS and Toronto Police Services and the Fire Chief, in conjunction with the Toronto Police Service and EMS, be requested to report back to the Budget Advisory Committee by June 2006 on the findings of the Radio Communication System Replacement project feasibility study and any cash flow revisions required for the City's 5-Year Plan.
- (81) the Chief of Toronto Fire Services in consultation with the Deputy City Manager and Chief Financial Officer report back to Budget Advisory Committee as part of the 2007 Budget Process on alternative funding for the Harbourfront Public Education and Training Centre project that may include the possibility of funding from the Toronto Waterfront Revitalization Corporation;
- (82) the report requested by the Community Services Committee on November 8, 2005, from the Fire Chief on opportunities to generate revenue towards the capital costs of the Water/Ice Rescue Simulator by providing training to other emergency service providers be postponed until the 2007 Capital Budget process and that the Fire Chief and Deputy City Manager request the Coast Guard to participate and invest in this endeavour;
- (83) the recommendations in the Recommendations Section of the report (July 18, 2005) from the Deputy City Manager, entitled "Transfer of the Corporate Emergency Management Capital Program" be adopted as follows:

- (a) the actual and budget for capital project #CPM003 HUSAR / CBRN Facility be transferred from the Corporate Emergency Management Program to the Fire Services Capital Program; and
 - (b) the remaining projects within the Corporate Emergency Management Capital Program be closed in 2006, subject to any carry forward requirements necessary to complete the projects;
- (84) the Chief of Toronto Fire Services report back to the Deputy City Manager and the Chief Financial Officer on a costing and priority framework be developed by Spring of 2006 for managing the growth demands and public expectations associated with the Toronto Fire Services various strategic reports, its SOGR backlog and its asset audits and that needs be reviewed collectively in order to revise the Toronto Fire Services 2006-2010 Capital Plan at a sustainable debt funding level; and
- (85) the revised cash flow projections of \$9.038 million in 2007, \$8.767 million in 2008, \$5.300 million in 2009 and \$5.300 million in 2010 for Toronto Fire Services be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits.

Solid Waste Management Services:

- (86) the 2006-2015 Solid Waste Management Services Capital program request with a total 10-year project cost of \$253.973 million be received;
- (87) the 2006 BAC Recommended Capital Budget for Solid Waste Management Services with a total project cost of \$10.361 million and a 2006 cash flow of \$25.268 million and future year commitments of \$36.931 million be approved. The 2006 Recommended Capital Budget consists of the following:
- (a) New Cash Flow Funding for:
 - (i) 13 new and change-in-scope sub-projects with a 2006 total project cost of \$10.361 million that requires cash flow of \$10.361 million in 2006 and no future year commitments; and
 - (ii) 13 previously approved sub-projects with a 2006 cash flow of \$10.478 million and a future year commitment of \$33.489 million in 2007; and
 - (b) 2006 approved cash flow for 7 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$4.429 million;
- (88) incremental operating impacts of \$(0.450) million for 2006, \$(0.097) million for 2007, \$(0.172) million in 2008, \$8.092 million in 2009, and \$0.925 million in 2010, emanating

from the approval of the 2006 Recommended Capital Budget be considered within the overall scope of the Solid Waste Management Services' 2006 and future years' operating budget submissions;

- (89) the 2006 cash flow of \$0.562 million associated with the Diversion Facilities Collection Vehicles be approved conditional upon the approval of the Solid Waste Management Services 2006 Operating Budget;
- (90) the General Manager, Solid Waste Management Services report back to the Budget Advisory Committee in the Spring of 2006 with a list of Council decisions since June 2005 impacting Solid Waste Management Services, and an assessment of how these decisions impact the Program's ability to meet the 2008 to 2012 Diversion targets and time lines, as outlined in its Council-approved Business Plan;
- (91) the General Manager, Solid Waste Management Services report back to the Budget Advisory Committee in the Spring of 2006 on operational challenges related to sites, site locations, and Environmental Assessments, for the construction of new waste management facilities, and how these challenges may impact the Program's ability to meet the diversion targets within the timelines assumed; and
- (92) the revised cash flow projections of \$63.448 million in 2007, \$57.013 million in 2008, \$21.384 million in 2009, and \$33.849 million in 2010 for Solid Waste Management Services be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in Spring 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits, and outlining the impact the recommended Capital Plan would have on achieving the 2010 Diversion targets.

Transportation Services:

- (93) the 2006-2015 Transportation Services Capital program request with a total 10-year project cost of \$2.527 billion be received;
- (94) the 2006 BAC Recommended Capital Budget for Transportation Services with a total project cost of \$278.309 million and a 2006 cash flow of \$276.633 million and future year commitments of \$108.890 million be approved. The 2006 Recommended Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 60 new sub-projects with a 2006 total project cost of \$278.309 million that requires cash flow of \$198.430 million in 2006 and future year commitments of \$56.529 million in 2007, \$17.500 million in 2008 and \$5.600 million in 2009;

- (ii) 28 previously approved sub-projects with a 2006 cash flow of \$47.248 million and future year commitments of \$5.730 million in 2007, \$20.401 million in 2008 and \$3.130 million in 2009; and
 - (iii) 2006 approved cash flow for 27 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$30.955 million;
- (95) operating impacts of \$0.270 million for 2006 and \$0.270 million for 2007 emanating from the approval of the 2006 Recommended Capital Budget be considered within the overall scope of the Transportation Services 2006 and future years' operating budget submissions;
- (96) 2006 Development Charge funding be approved subject to funds being available in the Development Charge Reserve Accounts;
- (97) all sub-projects with third party financing be approved conditionally, subject to the receipt of such funding during 2006 and if such financing is not received, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs;
- (98) the General Manager, Transportation Services, in consultation with the Chief General Manager, Toronto Transit Commission, report back to Budget Advisory Committee in 2006 or upon resolution of the current court proceedings regarding St. Clair Ave. West Transit Improvements, on the status of this project and specifically on the total project cost and cash flow projections required for this project;
- (99) in the event that the project for the Dufferin Jog Elimination does not proceed in 2006, that Transportation Services be authorized to re-allocate the approved funding for this project to State of Good Repair projects as prioritized by the Program;
- (100) the 2006 funding of \$1.000 million for the Bloor Street Transformation project preliminary design phase be approved conditional upon City Council approval of the establishment of the new BIA and its first budget and that no funds be committed until Council approval of the new BIA and its budget occurs;
- (101) the funding for the Bloor Street Transformation project, which is initially funded by the City through the issuance of debt, be recovered, including debt service charges, from the new BIA by imposition of its new levy on the new BIA as directed by Council;
- (102) the Bloor Street Transformation Project include measures to greatly enhance bicycle safety, such as the Gomberg Memorial Bloor Street bike lane, and that this be considered within the current project;
- (103) appendix B, entitled "Transportation Services – 2006 Proposed Bikeway Projects - \$3.0 Million", attached to the report (October 20, 2005), entitled "2006 Cycling Infrastructure Funding Options", from the General Manager, Transportation Services, be adopted subject to the General Manager giving consideration to including Vaughan Road in the 2006 Bike Plan;

- (104) the communication (ix) (November 7, 2005) from Councillor Joe Mihevc, Ward 21, St. Paul's, referred to in the communication (November 10, 2005) from the Works Committee regarding the 2006-2015 Capital Programs under its purview, be referred to Toronto Hydro for consideration;
- (105) the following part (1) of the motion by Councillor Pitfield, contained in the communication (November 4, 2005) from the Policy and Finance Committee and the Budget Advisory Committee, be referred to the Deputy City Manager and Chief Financial Officer for a report to the Budget Advisory Committee prior to the 2007 Budget process:
- “(1) as part of the capital budget approval process, a Gantt chart be submitted for each proposed capital project, providing a schedule showing a timeline of targeted completion dates, to justify the need for budget dollars”;
- (106) the following part (2) of the motion by Councillor Pitfield, contained in the communication (November 4, 2005) from the Policy and Finance Committee and the Budget Advisory Committee, be referred to the Executive Director, Facilities and Real Estate for a report to the Administration Committee:
- “(2) the City Manager be requested to report on the City looking at design build contracts, rather than design contracts and build contracts”;
- (107) the following part (3) of the motion by Councillor Pitfield, contained in the communication (November 4, 2005) from the Policy and Finance Committee and the Budget Advisory Committee, be referred to the Deputy City Manager and Chief Financial Officer for a report to the Budget Advisory Committee:
- “(3) the net effect on the reserves/reserve funds including transferred into and out of reserves/reserve funds be expressed for each program in the 2006 capital budget.”
- (108) the General Manager, Transportation Services report back to the Deputy City Manager & Chief Financial Officer on a costing and priority framework to be developed by Spring 2006 for managing the growth demands and public expectations associated with the Transportation Services various strategic reports, its SOGR backlog and its asset audits and that needs be reviewed collectively in order to revise the Transportation Services 2006-2010 Capital Plan at a sustainable debt funding level; and
- (109) the revised cash flow projections of \$239.946 million in 2007, \$280.904 million in 2008, \$295.807 million in 2009 and \$313.593 million in 2010 for Transportation Services be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits.

Waterfront Revitalization Initiative:

- (110) the 2006 BAC Recommended Capital Budget for Waterfront Revitalization Initiative requires a 2006 cash flow of \$43.731 million and future year commitments of \$405.243 million be approved. The 2006 Recommended Capital Budget consists of the following:
 - (a) New Cash Flow funding for 17 previously approved sub-projects with a 2006 cash flow of \$43.731 million and future year commitments of \$59.080 million in 2007; \$68.174 million in 2008; \$40.472 million in 2009; and \$34.688 million in 2010, and \$202.829 million in years 2011-2015;
- (111) the total 2006 cash flow of \$2.053 million for the Front Street Extension (\$0.753 million); Front Street Pedestrian Bridge (\$0.300 million); and Gardiner Expressway EA (\$1.000 million) not be expended until a final decision is made by City Council on the future of the Front Street Extension / Gardiner Expressway / Lake Shore Corridor;
- (112) the Revised 2006-2010 Capital Plan and 2011-2015 Forecast for the Waterfront Revitalization Initiative be brought forward for review when Council considers the future of the Front Street Extension / Gardiner Expressway / Lake Shore Corridor;
- (113) the revised cash flow projections of \$59.080 million in 2007, \$68.174 million in 2008; \$40.4720 million in 2009; and \$34.688 million in 2010 for Waterfront Revitalization Initiative be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits;
- (114) the Deputy City Manager for the Waterfront Revitalization Initiative and the Deputy City Manager & Chief Financial Officer report to Budget Advisory Committee in the Fall of 2006 on the process to identify operating budget impacts to City Programs, Agencies, Boards and Commissions resulting from the approval of the 2006 Recommended Capital Budget for Waterfront Revitalization Initiative and the 5-Year Capital Plan; and
- (115) the Deputy City Manager for the Waterfront Revitalization Initiative report to Budget Advisory Committee when specific scope and funds allocation of \$97.790 million beyond 2010 are determined by the three orders of governments for the initiatives relating to the Water's Edge Promenade; the introduction of transit into the Portlands; and other transportation and servicing projects in both the Portlands and in the western section of the Waterfront.

INTERNAL SERVICES**End of Lease Strategy/ Sustainment:**

- (116) the 2006-2015 End of Lease/Sustainment capital program request with a total 10-year project cost of \$98.587 million be received;

- (117) the 2006 BAC Recommended Capital Budget for the End of Lease Strategy/Sustainment Program with a total project cost of \$16.138 million and a 2006 cash flow of \$18.938 million with no future year commitments be approved. The 2006 Recommended Capital Budget consists of the following:
- (a) New Cash Flow Funding for 1 new sub-project with a 2006 total project cost of \$16.138 million that requires cash flow of \$16.138 million in 2006 with no future year commitments; and
 - (b) 2006 approved cash flow for 3 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$2.800 million;
- (118) the Asset Sustainment funding strategy be approved, as follows:
- (a) Technology Asset Sustainment for the purpose of providing capital funding for the City's long-term sustainment strategy for routine replacement of technology assets at the end of their established life, be funded from the Information & Technology Equipment Reserve XQ1508;
 - (b) the Information & Technology Equipment Reserve be administered by the Information & Technology Division;
 - (c) the balance of the 2005 under spending from the Technology End of Lease Strategy be deposited in the Information & Technology Equipment Reserve XQ1508;
 - (d) asset sustainment be financed from an annual contribution of \$17.500 million in the Non Program operating budget that was previously budgeted to finance the lease payments for the equipment replaced through the End of Lease Strategy; an additional program annual contribution of \$0.619 million residing in the Non Program operating budget and annual contributions of \$1.182 million from Public Health's operating budget be reallocated to the Information & Technology Equipment Reserve XQ1508;
 - (e) funding for the Information & Technology 2006 Technology Asset Management project ITP906883 in the amount of \$1.022 million be funded from the Information & Technology Equipment Reserve XQ1508;
 - (f) funding for the Toronto Public Library Technology Asset Management Program (TAMP) LIB906760 in the amount of \$1.000 million for 2006 be funded from the Information & Technology Equipment Reserve XQ1508; and
 - (g) the appropriate City Officials be authorized and directed to take necessary action to give effect thereto, and that leave be granted for the introduction of any necessary bills in Council to give effect thereto; and
- (119) the revised cash flow projections of \$18.977 million in 2007, \$18.335 million in 2008, \$23.751 million in 2009 and \$21.386 million in 2010 for the End of Lease

Strategy/Sustainment Program be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits; and

- (120) in future, prior to refresh of Information & Technology equipment for the Councillors' Offices, a small working group of Councillors be struck and consulted on any further acquisition.

Facilities and Real Estate:

- (121) the 2006-2015 Facilities and Real Estate capital program request with a total 10-year project cost of \$204.689 million be received;
- (122) the 2006 BAC Recommended Capital Budget for Facilities and Real Estate with a total project cost of \$31.487 million and a 2006 cash flow of \$42.147 million and future year commitments of \$31.010 million be approved. The 2006 Recommended Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 98 new sub-projects with a 2006 total project cost of \$31.487 million that requires cash flow of \$17.283 million in 2006 and future year commitments of \$11.736 million in 2007, \$1.378 million in 2008, \$0.545 million in 2009 and \$0.545 million in 2010; and
 - (ii) 29 previously approved sub-projects with a 2006 cash flow of \$18.509 million and future year commitments of \$9.623 million in 2007; \$6.021 million in 2008, and \$1.162 million in 2009; and
 - (b) 2006 approved cash flow for 22 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$6.355 million;
- (123) the sub-projects for Capital Emergencies be approved with funding of \$1.394 million for 2006 with the following conditions:
 - (a) projects funded must be demonstrable emergencies presenting a safety or security hazard, or impacting current operations, with a potential for significant damage resulting from the continuation of the problem identified;
 - (b) all projects charged to the fund must be reported to Finance staff to ensure structures are provided to ensure accountability;
 - (c) use of the funding must be reported in all variance reports and to Budget Advisory Committee at the time of consideration of the 2006 capital budget; and

- (d) any unspent balance at year-end cannot be carried forward;
- (124) the revised cash flow projections of \$35.620 million in 2007, \$35.643 million in 2008, \$35.666 million in 2009 and \$35.328 million in 2010 for Facilities and Real Estate, be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits;
- (125) the Chief Corporate Officer report back to the Administration Committee and Budget Advisory Committee prior to the 2007 Budget process on the outcome of the Nathan Phillips Square design competition and revised project cost estimates; and
- (126) the Executive Director, Facilities and Real Estate report to the Administration Committee on the City looking at design-build contracts, rather than design contracts and build contracts.

Financial Services:

- (127) the 2006-2015 Financial Services capital program request with a total 10-year project cost of \$26.131 million be received;
- (128) the 2006 BAC Recommended Capital Budget for Financial Services with a total project cost of \$1.226 million and a 2006 cash flow of \$6.298 million and future year commitments of \$5.463 million be approved. The 2006 Recommended Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 3 new sub-projects with a 2006 total project cost of \$1.226 million that requires cash flow of \$0.438 million in 2006 and a future year commitment of \$0.583 million in 2007 and \$0.205 million in 2008;
 - (ii) 9 previously approved sub-projects with a 2006 cash flow of \$2.811 million and a future year commitment of \$2.484 million in 2007; and
 - (iii) 5 sub-projects from previously approved projects with carry forward funding from 2004 and prior years requiring 2006 cash flow of \$0.934 million and future year commitments of \$0.400 million in 2007, \$0.600 million in 2008 and \$1.136 million in 2009 which forms part of the affordability targets that requires Council to reaffirm its commitment; and
 - (b) 2006 approved cash flow for 7 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$2.115 million and into 2007 totalling \$0.055 million;

- (129) operating impacts of \$0.121 million for 2007, \$0.370 million in 2008, and savings of \$0.385 million for 2009 and costs of \$0.175 million in 2010 emanating from the approval of the 2006 Recommended Capital Budget be considered within the overall scope of the Financial Services' 2006 and future years' operating budget submissions; and
- (130) the revised cashflow projections of \$6.352 million in 2007, \$5.555 million in 2008, \$5.456 million in 2009 and \$2.550 million in 2010, be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits.

Fleet Services:

- (131) the 2006-2015 Fleet Services capital program request with a total 10-year project cost of \$182.622 million be received;
- (132) the 2006 BAC Recommended Capital Budget for Fleet Services with a total project cost of \$40.693 million and a 2006 cash flow of \$80.917 million be approved. The 2006 Recommended Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 17 new sub-projects with a 2006 total project cost of \$28.638 million that requires cash flow of \$28.638 million in 2006, with no future year commitments;
 - (ii) 12 previously approved sub-projects with a 2006 cash flow of \$12.055 million; and
 - (iii) 29 sub-projects from previously approved projects with carry forward funding from 2004 and prior years requiring 2006 cash flow of \$17.250 million which is funded from the Vehicle and Equipment Replacement Reserve; and
 - (b) 2006 approved cash flow for 18 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$22.974 million.
- (133) the Fleet Services Capital Budget be adjusted to agree with Programs' 2006 budgeted contributions to the Vehicles and Equipment Replacement Reserve to reflect any changes recommended to the contributions from the other Programs budgets during the 2006 Operating Budget process; and
- (134) the revised cash flow projections of \$21.221 million in 2007; \$28.207 million in 2008; \$26.989 million in 2009; and \$25.288 million in 2010 for Fleet Services be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with

appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan.

Information & Technology:

- (135) the 2006-2015 Information and Technology Capital Program request with a total 10-year project cost of \$55.065 million be received;
- (136) the 2006 BAC Recommended Capital Budget for Information and Technology with a total project cost of \$16.853 million and a 2006 cash flow of \$10.835 million be approved. The 2006 Recommended Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 21 new sub-projects with a 2006 total project cost of \$16.853 million that requires cash flow of \$5.905 million in 2006, and a future year commitment of \$3.711 million in 2007, \$3.402 million in 2008, \$2.375 million in 2009 and \$1.460 million in 2010;
 - (ii) 2 previously approved sub-projects with a 2006 cash flow of \$0.951 million, and future year commitments of \$1.040 million in 2007, \$1.000 million in 2008, \$2.379 million in 2009 and \$2.780 million in 2010; and
 - (iii) 5 sub-projects from previously approved projects with carry forward funding from 2004 and prior years requiring 2006 cash flow of \$2.616 million, and a future year commitment of \$0.908 million in 2007, which forms part of the affordability targets that requires Council to reaffirm its commitment; and
 - (b) 2006 approved cash flow for 4 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$1.363 million;
- (137) operating impacts of \$0.117 million in 2006 and \$0.728 million in 2007 emanating from the approval of the 2006 Recommended Capital Budget be considered within the overall scope of the Information and Technology 2006 and future years' operating budget submission;
- (138) the revised cash flow projections of \$9.121 million in 2007; \$10.047 million in 2008; \$10.079 million in 2009; and \$9.973 million for Information and Technology be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits;
- (139) as part of the 2007 Capital Budgets process, the City Manager and Deputy City Manager and Chief Financial Officer review all proposed Information and Technology Projects

across the City, to ensure Corporate and Program Information Technology projects are aligned and co-ordinated and that Information and Technology's sign-off be required for all I & T related projects proposed by Programs;

- (140) the Executive Director, Information and Technology report to the e-City Committee prior to the 2007 Capital Budget process with options on how to ensure value for money and maximum synchronization on the City of Toronto's computer systems with a third party analysis; and
- (141) the Executive Director, Information and Technology meet on a regular basis with Information and Technology Directors of agencies, boards, and commissions to discuss systems planning and budget issues.

CITY MANAGER

Human Resources:

- (142) the 2006-2015 Human Resources capital program request with a total 10-year project cost of \$2.116 million be received; and
- (143) the revised cash flow projections of \$0.603 million in 2008, \$0.592 million in 2009 and \$0.726 million in 2010 for Human Resources be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits.

OTHER CITY PROGRAMS

City Clerk's Office:

- (144) the 2006-2015 City Clerk's Office capital program request with a total 10-year project cost of \$39.514 million be received;
- (145) the 2006 BAC Recommended Capital Budget for the City Clerk's Office with a total project cost of \$1.681 million and a 2006 cash flow of \$3.796 million and future year commitments of \$1.210 million in 2007, \$0.060 million in 2007, \$0.068 million in 2009 and \$0.062 million in 2010 be approved. The 2006 Recommended Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 8 new sub-projects with a 2006 total project cost of \$1.681 million that requires cash flow of \$1.281 million in 2006 with future year

commitments of \$0.210 million in 2007, \$0.060 million in 2008, \$0.068 million in 2009 and \$0.062 million in 2010; and

- (ii) 1 previously approved sub-project with a 2006 cash flow of \$1.408 million and a future year commitment of \$1.000 million in 2007; and
- (b) 2006 approved cash flow for 1 previously approved sub-project with carry forward funding from 2005 into 2006 totalling \$1.107 million;
- (146) operating impacts of \$0.035 million in 2006, \$0.018 million in 2007, \$0.079 million in 2008 and \$0.130 million in 2009 emanating from the approval of the 2006 Recommended Capital Budget be considered within the overall scope of the City Clerk's 2006 and future years' operating budget submissions;
- (147) the revised cash flow projections of \$5.760 million in 2007, \$5.310 million in 2008, \$3.918 million in 2009 and \$1.332 million in 2010 for the City Clerk's Office be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits;
- (148) the City Clerk report back to the Budget Advisory Committee with a recommended option for the Relocation of the Offset Printing Facility in conjunction with the Spring 2006 review of the 5-Year Capital Plan, if possible, or prior to the beginning of the 2007 Capital Budget process; and should additional funding requirements be identified for 2006, the City Clerk report back to the Budget Advisory Committee in-year; and
- (149) the City Clerk report back to the Budget Advisory Committee once the additional requirements arising from the new City of Toronto Act are known, and the impact this may have on the Election Reserve to fund future capital projects.

Energy Retrofit Program:

- (150) the 2006-2015 Energy Retrofit Capital Program request with a total project cost of \$15.0 million be received;
- (151) the 2006 BAC Recommended Capital Budget for Energy Retrofit with a total project cost of \$6.0 million and a 2006 cash flow of \$14.003 million and future year commitments of \$5.103 million be approved. The 2006 BAC Recommended Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 1 new sub-project with a 2006 total project cost of \$6.0 million that requires cash flow of \$1.500 million in 2006 and a future year commitment of \$4.500 million in 2007; and

- (ii) 4 previously approved sub-projects with a 2006 cash flow of \$7.682 million and a future year commitment of \$0.603 million in 2007; and
 - (b) 2006 approved cash flow for 4 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$4.821 million;
- (152) \$15 million be earmarked for the second phase of the Energy Retrofit Program to be allocated to further retrofit projects in the period 2006 to 2009, as follows:
- (a) a total project cost of \$6.0 million for the Energy Retrofit Project of pools and community centres, financed by a low interest loan of \$1.5 million from the Federation of Canadian Municipalities and \$4.5 million City debt, including cash flow of \$1.5 million in 2006 and \$4.5 million in 2007, be authorized; and
 - (b) \$9.0 million in total project costs be earmarked for other projects in phase two of allocated to the Energy Retrofit Program with \$6.750 million to be funded from City debt and \$2.250 million from the previously approved low interest loan from the Federation of Canadian Municipalities' Green Municipal Investment Fund to be cash flowed as follows:; \$2.0 million in 2007, \$5.0 million in 2008 and \$2.0 million in 2009, with detailed allocations to be reported in the 2007 Capital Budget process;
- (153) a list of energy efficiency projects for the City's Programs and ABCs be prepared by the end of 2006 and submitted for consideration, along with applicable business cases for each project, as part of the 2007 capital budget process; and
- (154) that the revised cash flow projections of \$7.103 million in 2007; \$5.0 million in 2008; and \$2.0 million in 2009 for the Energy Retrofit Program be referred to the Deputy City Manager and Chief financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended firm 5-Year Capital Plan within Council's approved debt affordability limits.

Nathan Phillips Square:

- (155) the 2006-2015 Nathan Phillips Square capital program request with a total 10-year project cost of \$16.000 million be received;
- (156) the 2006 BAC Recommended Capital Budget for Nathan Phillips Square with a total project cost of \$0.550 million and a 2006 cash flow of \$0.550 million be approved;
- (157) the revised cash flow projections of \$1.500 million in 2007, \$4.650 million in 2008, \$4.650 million in 2009 and \$4.650 million in 2010 for Nathan Phillips Square, be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in

the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits;

- (158) the Chief Corporate Officer to report back to the Administration Committee and Budget Advisory Committee prior to the 2007 Budget process on the outcome of the Nathan Phillips Square design competition and revised project cost estimates;
- (159) \$16 million be recommended for the state of good repair for Nathan Phillips Square, and any additional expenditures be the subject of a further report on any sources of funding, including private/public partnerships or other orders of government;
- (160) the architect Viljo Revell be appropriately recognized in Nathan Phillips Square;
- (161) the recommendations in the recommendations section of the communication (November 2, 2005) from the Roundtable on a Beautiful City be referred to the Deputy City Manager and Chief Financial Officer for a report directly to City Council when this matter is considered; and
- (162) under no circumstances should the name "Nathan Phillips Square" be changed.

Union Station:

- (163) the 2006-2015 Union Station capital program request with a total 10-year project cost of \$20.461 million be received;
- (164) the 2006 BAC Recommended Capital Budget for Union Station with a total project cost of \$3.717 million and a 2006 cash flow of \$5.462 million and future year commitments of \$7.288 million be approved. The 2006 Recommended Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 1 previously approved sub-project with a 2006 cash flow of \$0.316 million and no future year commitments; and
 - (ii) 3 sub-projects with carry forward funding from 2005 (which were not debt funded) requiring 2006 cash flow of \$3.401 million and future year commitments of \$7.288 million, which forms part of the affordability targets that requires Council to reaffirm its commitment; and
 - (b) 2006 approved cash flow for 2 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$1.745 million;
- (165) the revised cash flow projections of \$4.857 in 2007; \$7.577 in 2008; \$4.451 in 2009 and \$5.337 in 2010 for Union Station be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the

Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits.

SPECIAL PURPOSE BODIES

Exhibition Place:

- (166) the 2006-2015 Exhibition Place Capital Program Request with a total 10-year project cost of \$39.140 million be received;
- (167) the 2006 BAC Recommended Capital Budget for Exhibition Place with a total project cost of \$15.125 million and a 2006 cash flow of \$16.050 million with no future-year commitments be approved. The 2006 BAC Recommended Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 38 new sub-projects with a 2006 total project cost of \$15.125 million that requires cash flow of \$15.125 million in 2006 with no future-year commitments; and
 - (ii) 1 sub-project from previously approved projects with funding carried forward from 2004 and prior years requiring 2006 cash flow of \$0.036 million, which forms part of the affordability targets that requires Council to reaffirm its commitment; and
 - (b) 2006 approved cash flow for 22 previously approved sub-projects with funding carried forward from 2005 into 2006 totalling \$0.889 million;
- (168) Exhibition Place report to the Deputy City Manager and Chief Financial Officer by February 2006 with further revisions to the revised cash flow projections of \$6.325 million in 2007, \$7.060 million in 2008, \$8.630 million in 2009 and \$6.500 million in 2010 to bring those projections in line with the debt affordability guidelines for 2007 to 2010; and
- (169) the Revised 5-Year Capital Plan for Exhibition Place be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within City Council's approved debt affordability limits.

Toronto and Region Conservation Authority:

- (170) the 2006-2015 Toronto and Region Conservation Authority capital program request with a total 10-year project cost of \$81.634 million, be received;

- (171) the 2006 BAC Recommended Capital Budget for Toronto and Region Conservation Authority with a total project cost of \$6.0 million and a 2006 cash flow of \$6.0 million and no future-year commitments be approved;
- (172) Toronto and Region Conservation Authority and Toronto Water report back to the Budget Advisory Committee by May 2006 and prior to the finalization of the City's Firm 5-Year Capital Plan with consistent recommendations for capital funding between these Programs over the 5-Year Capital Plan; and
- (173) the revised cash flow projections of \$6.316 million in 2007, \$6.592 million in 2008, \$6.742 million in 2009 and \$6.590 million in 2010 for Toronto and Region Conservation Authority be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within City Council's approved debt affordability limits.

Toronto Parking Enforcement Unit:

- (174) the 2006-2015 Toronto Parking Enforcement Unit capital program request with a total 10-year project cost of \$4.340 million be received;
- (175) the 2006 BAC Recommended Capital Budget for Toronto Parking Enforcement Unit with a project cost of \$0.434 million and a 2006 cash flow of \$1.934 million with no future year commits be approved. The 2006 Recommended Capital Budget consists of the following:
 - (a) New Cash Flow funding for the Vehicle & Equipment Replacement project with a 2006 project cost of \$0.434 million that requires cash flow of \$0.434 million in 2006; and
 - (b) 2005 approved cash flow for 1 previously approved project with carry forward funding from 2005 into 2006 totalling \$1.500 million;
- (176) the Vehicle & Equipment Replacement project be funded from the Vehicle & Equipment Reserve and that no new debt be issued to finance the 2006 cash flow requirements for the Parking Enforcement Unit Capital Program;
- (177) operating impacts of \$0.261 million for 2006 emanating from the approval of the 2006 Recommended Capital Budget be considered within the overall scope of the Parking Enforcement Unit 2006 Operating Budget;
- (178) total annualized net savings of approximately \$0.853 million with \$0.130 million net cost attributable to the Toronto Police Service, Parking Enforcement Unit; \$0.450 million savings to the Revenue Services Division; Parking Tag Operations and \$0.533 million increase in Parking Tag Revenue be considered within the overall scope of Parking

Enforcement Unit, Parking Tag Operations and Parking Tag Revenues' 2007 and future years' operating budget submissions;

- (179) the revised cash flow projections of \$0.434 million in 2007; \$0.434 million in 2008; \$0.434 million in 2009; and \$0.434 million in 2010 for Toronto Parking Enforcement Unit be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan; and
- (180) The Police Chief, in consultation with the Deputy City Manager & Chief Financial Officer, report to the Administration Committee in 2006 on the status of the implementation of the Handheld Parking Devices project.

Toronto Police Service:

- (181) the 2006-2015 Toronto Police Service capital program request with a total 10-year Capital Program project cost of \$221.305 million be received;
- (182) the 2006 BAC Recommended Capital Budget for Toronto Police Service with a total project cost of \$26.320 million and a 2006 cash flow of \$58.539 million and future year commitments of \$78.127 million be approved. The 2006 Recommended Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 16 new sub-projects with a 2006 total project cost of \$26.320 million that requires cash flow of \$19.567 million in 2006 and future year commitments of \$4.693 million in 2007; \$1.560 million in 2008; and \$0.500 million in 2009; and
 - (ii) 13 previously approved sub-projects with a 2006 cash flow of \$22.783 million and future year commitments of \$22.382 million in 2007; \$23.295 million in 2008; \$22.544 million in 2009; and \$3.153 million in 2010; and
 - (b) 2006 approved cash flow for 8 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$16.189 million;
- (183) operating impacts of \$2.948 million for 2006, and \$0.420 million for 2007 emanating from the approval of the 2006 Recommended Capital Budget be considered within the overall scope of the Toronto Police Service's 2006 and future years' operating budget submissions;
- (184) the revised cash flow projections of \$39.783 million in 2007, \$40.034 million in 2008, \$40.059 million in 2009 and \$40.033 million in 2010 for Toronto Police Service be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in

the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits; and

- (185) the Radio Communication System Replacement project be re-classified as a Corporate project in conjunction with the related radio system requirements of EMS and Fire Services, and the Fire Chief, in conjunction with the EMS and Toronto Police Service, be requested to report back to the Budget Advisory Committee by June 2006 on the findings of the Radio Communication System Replacement project feasibility study and any cash flow revisions required for the City's 5-Year Plan.

Public Health:

- (186) the 2006-1015 Public Health capital program request with a total 10 year project cost of \$21.7 million be received;
- (187) the 2006 BAC Recommended Capital Budget for Public Health with a total project cost of \$2.180 million and a 2006 cashflow of \$2.650 million and future year commitments totalling \$0.6 million be approved. The 2006 Recommended Capital Budget consists of the following:
 - (a) New Cash Flow Funding for two information and technology sub-projects and one Facilities sub-project, with a 2006 total project cost of \$2.180 million, that requires 2006 cashflow of \$1.580 million and a future year commitment of \$0.297 million in 2007 and \$0.303 million in 2008; and
 - (b) 2006 Approved cashflow for one previously approved sub-project, with carry forward funding from 2005 into 2006, totalling \$1.070 million;
- (188) operating impacts of \$0.145 million net for 2006 and \$0.127 million net for 2007 emanating from the approval of the 2006 Recommended Capital Budget be considered within the overall scope of Public Health's 2006 and future years' operating budget submissions;
- (189) the North York Civic Centre Dental Project be approved, and that annual operating savings of \$0.270 million be first applied to debt repayment and that the harmonization of senior dental services be deferred one year, until the project is fully repaid;
- (190) the Animal Services On-Line License Renewal System be deferred to 2007 with the possibility of transferring to the operating budget, pending a report on projected animal licensing revenues and the implementation plan with financial implications, to the Board of Health and the Budget Advisory Committee during the 2006 Operating Budget Process; and
- (191) the revised cashflow projections of \$3.1 million in 2007; \$3.7 million in 2008; \$3.2 million in 2009 and \$0.4 million in 2010 for Public Health, be deferred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate

staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits.

Toronto Public Library:

- (192) the 2006-2015 Toronto Public Library Capital program request with a total 10-year project cost of \$169.209 million be received;
- (193) the 2006 BAC Recommended Capital Budget for Toronto Public Library with a total project cost of \$9.533 million and a 2006 cash flow of \$14.478 million and future year commitments of \$14.752 million be approved. The 2006 Recommended Capital Budget consists of the following:
 - (a) Cash Flow Funding for:
 - (i) 5 new sub-projects with a 2006 total project cost of \$9.533 million that requires cash flow of \$4.668 million in 2006 and a future year commitment of \$2.392 million in 2007 and \$2.473 million in 2008; and
 - (ii) 7 previously approved sub-projects with a 2006 cash flow of \$8.978 million and a future year commitment of \$6.035 million in 2007 and \$3.852 million in 2008; and
 - (b) 2 previously approved sub projects with 2005 carry forward funding into 2006, for a total of \$0.832 million.
- (194) operating impacts of \$0.248 million for 2006, \$0.493 million for 2007 and \$0.548 million for 2008 emanating from the approval of the 2006 Recommended Capital Budget be considered within the overall scope of the Toronto Public Library's 2006 and future years' operating budget submissions;
- (195) for 2007-2010, the debt guidelines be set at \$11.0 million, and that Financial Planning staff review other reserve options to further reduce the debt requirements; and
- (196) that the revised cashflow projections of \$15.323 million in 2007; \$16.520 million in 2008; \$13.881 million in 2009 and \$15.127 million in 2010, for Toronto Public Library be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits.

Toronto Transit Commission:

- (197) the 2006-2015 Toronto Transit Commission capital program request with a total 10-year project cost of \$3,681.821 million be received;
- (198) the 2006 BAC Recommended Capital Budget for Toronto Transit Commission with a total project cost of \$1,068.679 million and a 2006 cash flow of \$572.761 million and future year commitments of \$1,181.693 million be approved. The 2006 Recommended Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 60 new sub-projects with a 2006 total project cost of \$1,068.679 million that requires cash flow of \$178.216 million in 2006, and future year commitments of \$412.310 million in 2007; \$185.548 million in 2008, \$109.388 million in 2009, \$182.317 million in 2010, and \$0.900 million in 2011; and
 - (ii) 75 previously approved sub-projects with a 2006 cash flow of \$394.545 million and future year commitments of \$131.007 million in 2007, \$71.568 million in 2008, \$86.002 million in 2009, and \$2.653 million in 2010;
- (199) operating impacts of \$0.940 million for 2006, \$0.313 million for 2007, \$0.302 million for 2008; \$0.056 million for 2009; and \$0.277 million in 2010 emanating from the approval of the 2006 Recommended Capital Budget be considered within the overall scope of the TTC's 2006 and future years' operating budget submissions;
- (200) 2006 Development Charge funding be approved subject to funds being available in the Development Charge Reserve Accounts;
- (201) all sub-projects with third-party financing be approved conditionally, subject to the receipt of such funding during 2006 and if such financing is not received, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs;
- (202) the Toronto Transit Commission, in consultation with the Deputy City Manager and Chief Financial Officer report back to the Budget Advisory Committee during consideration of the 2006 Capital Budget with projections relating to Federal and Provincial funding agreements consistent with the Revised 5-Year Capital Plan;
- (203) with respect to the St. Clair project that the (i) Chief General Manager, Toronto Transit Commission, in consultation with the General Manager, Transportation Services, report back to Budget Advisory Committee in 2006, upon resolution of the current court proceedings regarding St. Clair Ave. West Transit Improvements, on the status of this project and specifically on the total project cost (TTC and Transportation), cash flow projections and that the total cost (TTC and Transportation) of St. Clair West Avenue transit improvements be reflected in TTC's Revised 5-Year Capital Plan in order to better

represent and account for the City-wide cost of this major project to Council and the (ii) St. Clair right-of-way budget contained in the 2006 BAC Recommended Capital Budget and Revised 5-Year Capital Plan be approved in principle, subject to the Deputy City Manager and Chief Financial Officer reporting to the Policy and Finance Committee and Council on the exact figures;

- (204) using the budgeted sum of \$800,000 (as reflected in financial recommendations of the 2006 Recommended Capital Budget) to complete the engineering and design specifications for a new LRT vehicle, the TTC report back to City Council advising if and when they propose to purchase such new cars and the business case supporting such a purpose;
- (205) the TTC be authorized to split the life-extension order for the 196 CLRV's, providing that the cost of doing so does not exceed the total budgeted amount for the life-extension program, and if there is any risk of an increase to the cost of the CLRV life-extension program, as approved, that the TTC report to City Council no less than 60 days in advance of such costs being incurred to enable Council to consider this matter;
- (206) the Deputy City Manager and Chief Financial Officer, in consultation with TTC, to report back to Policy and Finance Committee and City Council, prior to the adoption of the 2006 Capital Budget, with an appropriate deferral to accommodate the increase referred to in the creation of engineering and design specifications for a new LRT vehicle;
- (207) the Toronto Transit Commission report back to the Budget Advisory Committee following the completion of the study entitled the *Strategic Plan for the Future of the Scarborough RT*, with options for accommodating its development within the Revised 5-Year Capital Plan and debt guidelines;
- (208) the Scarborough Rail Transit (SRT) placeholder for gross cash flows, contained in the Wrap-Up notes to Budget Advisory Committee related to the (i) purchase of 44 SRT cars and (ii) McCowan Yard accommodations for SRT Cars, be approved in principle subject to a report back to Budget Advisory Committee prior to making any commitments on either expenditure;
- (209) the Toronto Transit Commission report back to the Budget Advisory Committee in 2006 prior to the 2007 budget process detailing potential cost overruns and presenting options to completing the Fire Ventilation Upgrade project on time and within budget;
- (210) the Toronto Transit Commission report back to the Budget Advisory Committee on developments in the Ontario Vehicle Transit Program, once guidelines are issued by the Province of Ontario;
- (211) the Toronto Transit Commission report back to the Budget Advisory Committee by Spring 2006 detailing potential cost overruns and presenting options for completing the Mount Dennis Bus Facility on time and within budget;

- (212) the Toronto Transit Commission report back to the Budget Advisory Committee in 2006 prior to making any commitments on 220 bus purchases in 2007 for the 40-ft Low-Floor Diesel/Electric Hybrid program;
- (213) the Toronto Transit Commission report back to the Budget Advisory Committee in 2006 prior to making any commitments on 232 subway cars totalling \$755 million;
- (214) the Chief General Manager of the Toronto Transit Commission be requested to review its proposed 2007 budget schedules in order to align them more closely with the scheduled requirements of the City of Toronto's budget review process and report back to the Budget Advisory Committee by Spring 2006 on how this may be achieved; and
- (215) the revised cash flow projections of \$694.044 million in 2007; \$630.264 million in 2008; \$719.158 million in 2009; and \$659.675 million in 2010 be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits.

Toronto Zoo:

- (216) the 2006-2015 Toronto Zoo Capital Program request with a total 10-year project cost of \$116.894 million be received;
- (217) the 2006 BAC Recommended Capital Budget for the Toronto Zoo with a total project cost of \$13.682 million and a 2006 cash flow of \$7.254 million and future year commitments of \$9.853 million be approved. The 2006 BAC Recommended Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 9 new sub-projects with a 2006 total project cost of \$13.682 million that requires cash flow of \$4.519 million in 2006 and future year commitment of \$5.903 million in 2007 and \$3.260 million in 2008; and
 - (ii) 4 previously approved sub-projects with a 2006 cash flow of \$0.981 million and a future year commitment of \$0.690 million in 2007; and
 - (b) 2006 approved cash flow for 3 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$1.754 million;
- (218) operating impacts of \$0.111 million for 2006 and \$0.020 million for 2007, emanating from the approval of the 2006 BAC Recommended Capital Budget, be considered within the overall scope of the Toronto Zoo's 2006 and future years' operating budget submissions;

- (219) any additional debt funding for the North Zoo Site Redevelopment Project be contingent upon matching external financing being secured; and
- (220) the revised cash flow projections of \$8.190 million in 2007; \$5.650 million in 2008; \$6.1 million in 2009 and \$13.0 million in 2010 for the Toronto Zoo be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits.

Yonge-Dundas Square:

- (221) the 2006 BAC Recommended Capital Budget for Yonge-Dundas Square with a total project cost of \$0.120 million and a 2006 cash flow of \$0.370 million and no future year commitments, be approved. The 2006 BAC Recommended Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) one new project with a 2006 total project cost of \$0.120 million that requires cash flow of \$0.120 million in 2006 and no future year commitments; and
 - (b) 2006 approved cash flow for one previously approved project with carry forward funding from 2005 into 2006 totalling \$0.250 million;
- (222) operating impacts of \$(0.022) million for 2006 and \$(0.011) million for 2007 emanating from the approval of the 2006 Recommended Capital Budget be considered within the overall scope of the Yonge-Dundas Square's 2006 and future years' operating budget submissions; and
- (223) the Board of Management of Yonge-Dundas Square report to Budget Advisory Committee by May 2006 on its capital plan to maintain the Square in future years.

RATE SUPPORTED PROGRAMS

Toronto Parking Authority:

- (224) the 2006-2015 Toronto Parking Authority capital program request with a total 10-year project cost of \$133.821 million be received;
- (225) the 2006 BAC Recommended Capital Budget for the Toronto Parking Authority with a total project cost of \$29.954 million and a 2006 cash flow of \$38.285 million and future

year commitments of \$0.400 million be approved. The 2006 Recommended Capital Budget consists of the following:

- (a) New Cash Flow Funding for:
 - (i) 24 new sub-projects with a 2006 total project cost of \$29.954 million that requires cash flow of \$29.554 million in 2006 and a future year commitment of \$0.400 million in 2007; and
 - (ii) 7 sub-projects from previously approved projects with carry forward funding from 2004 and prior years requiring 2006 cash flow of \$4.242 million and no future year commitments; and
- (b) 2005 approved cash flow for 8 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$4.489 million;
- (226) incremental revenue of \$0 million in 2006 and \$2.282 million in 2007 resulting from the approval of the 2006 Recommended Capital Budget, be approved for inclusion in the 2006 and future year operating budgets; and
- (227) the revised cash flow projections of \$27.536 million in 2007; \$28.531 million in 2008; \$27.500 million in 2009; and \$20.700 million in 2010 for the Toronto Parking Authority be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan.

City of Toronto

2006 BAC Recommended Capital Budget

Development Charge Funded Projects by Ward

Ward / Program	Project	Sub - Project	2006		2007 - 2010	
			Gross	DC	Gross	DC
<u>York Centre</u>						
Toronto Public Library	Jane Sheppard Neighbourhood Library Reconstruction	Jane Sheppard Neighbourhood Library Reconstructio	0	0	1,482	500
Transportation	Keele/Wilson	Keele/Wilson	1,000	500	0	0
Sub-Total			1,000	500	1,482	500
<u>York West</u>						
City Planning	DEVELOPMENT CHARGE FUNDED STUDIES	YORK UNIVERSITY SECONDARY PLAN REVIEW	50	27	0	0
Sub-Total			50	27	0	0
<u>City Wide</u>						
City Planning	Development Charge Funded Studies	Environmental Assessment Transit Studies 2006	250	166	0	0
City Planning	Development Charge Funded Studies	Growth Studies (2006)	60	32	300	159
City Planning	Development Charge Funded Studies	Avenue Studies 2006	210	139	0	0
City Planning	Development Charge Funded Studies	ENVIRONMENTAL ASSESSMENTS RE:TRANSP. STRATE	83	55	0	0
City Planning	Intensification & Tall Building Location	Intensification & Tall Building Location Analysis	150	100	300	199
City Planning	New Zoning By-Law	NEW ZONING BY-LAW 2005 - 2007	1,151	153	2,679	356
Parks, Forestry & Recreation	Community Centres	CAMP(SGR) - Community Centre 2004	202	202	0	0
Parks, Forestry & Recreation	Facility Components	Investigation and Pre-Engineering FY2006	100	50	0	0
Parks, Forestry & Recreation	Facility Components	Various Bldgs & Parks-Accessibility Prog. FY2006	1,000	500	0	0
Parks, Forestry & Recreation	Outdoor Recreation Centres	North District Sports Fields Upgrades	131	131	0	0
Parks, Forestry & Recreation	Outdoor Recreation Centres	Skateboard Parks City Wide FY2006	500	250	0	0
Parks, Forestry & Recreation	Park Development	Master Planning (Pre-Eng)-Parks FY2006	200	100	0	0
Parks, Forestry & Recreation	Trails & Pathways	Toronto Bike Plan - CW Expansion (TBP) FY2006	500	250	0	0
Shelter, Support & Housing Administration	717 BROADVIEW	Development Charge Funding Allocation	67	67	0	0
Toronto Transit Commission	Funding Allocation Status 5	Funds Allocation - S2- Service Imp.	4,916	4,916	3,759	3,759
Toronto Public Library	Multi-branch Minor Reno Program 2006	Multi-branch Minor Reno Program 2006	1,710	79	0	0
Transportation	Advanced Traffic Signal Control	Advanced Traffic Signal Control	1,700	1,275	0	0
Transportation	Engineering Studies	Engineering Studies	1,150	400	0	0
Transportation	Gardiner from DVP to 427	Gardiner DVP to 427	5,934	434	2,600	0
Transportation	Growth Related Capital Works	City Wide Development Related	2,000	2,000	0	0
Transportation	Leslie / Sheppard	Leslie Sheppard - History 2005	1,200	1,200	0	0
Transportation	New Traffic Control Signals / Devices	New Traffic Control Signals / Devices	2,460	1,957	290	217
Transportation	Safety and Operational Improvements	Safety and Operational Improvements	500	250	0	0
Transportation	Signal Major Modifications	Signal Major Modifications	1,650	1,537	430	323
Transportation	Traffic Control - RESCU	Traffic Control - RESCU	683	512	2,817	2,113
Sub-Total			28,507	16,755	13,175	7,126
Grand Total			83,326	42,959	98,749	49,560

List of Attachments:

Appendix 1 (i)	2006 Capital Budget and Future Year Commitments – Including 2005 Carry-forwards
Appendix 1 (ii)	2006 Capital Budget and Future Year Commitments – Excluding 2005 Carry-forwards
Appendix 1 (iii)	2006 Capital Budget and Future Year Commitments – New & Change in Scope Projects
Appendix 1 (iv)	2006 Capital Budget and Future Year Commitments – Previously Approved Projects
Appendix 1 (v)	2005 Carry-forwards by Program and Financing Sources
Appendix 2	2006 Capital Budget by Financing Sources – Excluding 2005 Carry-forwards
Appendix 3	2006 Capital Budget Summary of Gross Expenditures by Program and Category – Excluding 2005 Carry-forwards
Appendix 4	2006 BAC Recommended Capital Budget and Future Year Commitments – Financing Sources by Year
Appendix 5	2006 Capital Budget and 2007 – 2015 Capital Program – Excluding 2005 Carry-forwards
Appendix 6	Additional Carry-forward Funding Adjustments for 2005 Previously Approved Projects
Appendix 7	Development Charge Funded Capital Projects by Ward
Appendix 8	Budget Advisory Committee Recommendations by Program
Appendix 9	Budget Advisory Committee Transmittal

November 21, 2005

Appendix 9

City of Toronto 2006 Capital Budget

Budget Advisory Committee Transmittal

Recommendations:

The Budget Advisory Committee recommended to the Policy and Finance Committee, and Council:

CITIZEN CENTRED SERVICES - A

1.1 *CHILDREN'S SERVICES*

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for Children's Services, as recommended by the Community Services Committee.

Community Services Committee Recommendation

The Community Services Committee recommended that the recommendations contained in the Analyst Briefing Notes pertaining to the 2006-2015 Capital Program for Children's Services be approved.

Capital Recommendations contained in the Briefing Notes for Children's Services

- (1) The 2006-2015 Children's Services capital program request with a total 10-year project cost of \$35.280million be received;
- (2) the 2006 Proposed Capital Budget for Children's Services with a total project cost of \$5.500 million and a 2006 cash flow of \$9.560 million be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:

- (i) 2 new sub-projects with a 2006 total project cost of \$5.500 million that requires cash flow of \$5.500 million in 2006 and a future year commitment of \$1.0 million in 2007;
 - (ii) 3 sub-projects from previously approved projects with carry forward funding from 2004 requiring 2006 cash flow of \$0.751 million.
- (b) 2005 approved cash flow for 3 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$3.309 million and incremental costs of \$0.110 in 2007;
- (3) new debt service costs of \$0.030 million in 2006 resulting from the approval of the 2006 Proposed Capital Budget be approved for inclusion in the 2006 and future years operating budgets;
- (4) approval of the \$4.0 million, representing the Provincial portion of the \$5.0 million gross expenditure for the Health and Safety/Playground project, be conditional on receiving this funding from the Province;
- (5) the revised cash flow projections of \$9.0 million in 2007, \$7.054 million in 2008, \$5.0 million in 2009 and \$5.0 million in 2010 for Children Services be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a Recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits; and
- (6) consideration of the \$1.0 million request for a Child Care Centre at 455 Dovercourt be deferred from 2006 to 2007 pending a report from the General Managers of Children Services and Social Services to Budget Advisory Committee by early 2006 on details of the architectural study and financial implications for the following:
 - (a) the proposed Childcare Centre on the ground floor at 455 Dovercourt; and
 - (b) the relocation of the Social Services office from 455 Dovercourt.

1.2 COURT SERVICES

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for Court Services, as recommended by the Administration Committee.

Administration Committee Recommendation

The Administration Committee recommended that the Capital Recommendations contained in the Analyst Briefing Notes pertaining to the 2006-2015 Capital Program for Court Services be approved.

Capital Recommendations contained in the Analyst Briefing Notes for Court Services

- (1) The 2006-2015 Court Services Division's Capital Program request with a total project cost of \$9.400 million be received;
- (2) the 2006 Proposed Capital Budget for Court Services with a total project cost of \$9.400 million for 3 new sub-projects and a 2006 cash flow of \$2.600 million and future year commitments of \$4.800 million in 2007 and \$2.000 million in 2006 be approved;
- (3) the Program reviews and confirms future 5-Year and 10-Year capital needs prior to the Deputy City Manager and Chief Financial Officer's review of the recommended Firm 5-Year Plan in the spring of 2006; and
- (4) the cash-flow projections of \$4.800 million in 2007 and \$2.000 million in 2008 for Court Services be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits.

1.3 CULTURE

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for Culture, as recommended by the Economic Development and Parks Committee, with the following adjustments:

- (1) adding \$75,000.00 for Franklin Carmichael Art Centre Retrofit;
- (2) adding \$750,000.00 for St. Lawrence Centre for the Arts for 2006 and \$750,000.00 for 2007; and
- (3) adding \$50,000.00 gross and net for the Fort York Renewal Project;
- (4) the Executive Director of Culture be requested to report back in 2006 before the 2007 capital budget commences, setting out a detailed critical path showing how the Fort York New Buildings proposals can be completed by the end of 2011 so the new facilities will be available for the celebrations of the Bicentennial of the War of 1812;
- (5) the five-year capital budget include the net costs of adding Fort York's New Buildings proposals for the years 2006-2010 contingent upon at least \$5.5 million being raised from outside sources (\$4 million fund-raising from the private sector plus \$1.5 million from other levels of government); and

- (6) staff of the Culture Division and the Heritage Preservation Services be requested to work with the Emery Village Heritage and Arts Committee to determine how best the City can help in the Heritage Committee's plans to build the replica Emery Elementary School.**

Action taken by the Committee:

The Budget Advisory Committee received the following communications for information:

- (i) (November 2005) from Joe Gill, Friends of Fort York, regarding the Fort York Renewal Project;
- (ii) (November 7, 2005) from David G. Wallett, General Manager, St. Lawrence Centre for the Arts, regarding the St. Lawrence Centre for the Arts Facility Renewal Project; and
- (iii) briefing note (November 17, 2005) from the Executive Director, Culture, entitled "EDPC November 9th Requests".

Economic Development and Parks Committee Recommendations

The Economic Development and Parks Committee recommended that the Capital Recommendations contained in the Analyst Briefing Notes pertaining to the 2006-2015 Capital Program for Culture be approved.

Capital Recommendations contained in the Analyst Briefing Notes for

- (1) The 2006-2015 Culture Capital Program request with a total 10-year project cost of \$96.633 million be received;
- (2) the 2006 Proposed Capital Budget for Culture with a total project cost of \$5.108 million and a 2006 cash flow of \$7.956 million and future year commitments of \$1.716 million be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 18 new sub-projects with a 2006 total project cost of \$5.108 million that requires cash flow of \$4.152 million in 2006 and a future year commitment of \$0.956 million in 2007;
 - (ii) 12 previously approved sub-projects with a 2006 cash flow of \$2.447 million and a future year commitment of \$0.760 million in 2007;

- (iii) 1 sub-project from previously approved projects with carry forward funding from 2004 into 2006 totalling \$0.373 million; which forms part of the affordability targets that requires Council to reaffirm its commitment; and
- (b) 2006 approved cash flow for 14 previously approved project with funding being carried forward from 2005 into 2006 totalling \$0.984 million;
- (3) the \$0.700 million of 2006 cash flow funding for the Guild Revitalization project be approved, subject to the conclusion of the final agreement between the City and the private sector partner;
- (4) new debt service costs of \$0.073 million in 2006 and incremental costs of \$0.310 million in 2007 and \$0.153 million in 2008 resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2005 and future year operating budgets;
- (5) the revised 5-Year Capital Plan with cash flow projections of \$7.425 million in 2007, \$4.830 million in 2008, \$5.900 million in 2009 and \$5.075 million in 2010 for Culture be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved affordability limits; and
- (6) all sub-projects with third party financing be approved conditionally, subject to the receipt of such funding during 2006 and if such financing is not received, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs.

1.4 *ECONOMIC DEVELOPMENT*

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for Economic Development, as recommended by the Economic Development and Parks Committee, with the following adjustment:

- (1) adding \$12,500.00 for 2006 for façade improvements to 335 Yonge Street; and**

Action taken by the Committee:

The Budget Advisory Committee:

- (1) requested the General Manager of Parks, Forestry and Recreation and the Acting Director of Economic Development to report to the Budget Advisory Committee during 2006 Operating Budget consideration in January on a joint cost share program

for tree watering with the BIAs in the amount of \$0.100 million net, \$0.200 million gross range; and

- (2) received the following communication and report:
 - (i) (October 6, 2005) from the City Clerk, entitled “Design and Implementation of a Commercial Facade Improvement Program (CFIP) for Business Improvement Areas”; and
 - (ii) (November 14, 2005) from the Deputy City Manager Sue Corke, entitled “Report on Proposed Increase to the Economic Development Capital Budget for Facade Improvement in the Downtown Business Improvement Area (BIA)”.

Economic Development and Parks Committee Recommendations

The Economic Development and Parks Committee recommended that the Capital Recommendations contained in the Analyst Briefing Notes pertaining to the 2006-2015 Capital Program for Economic Development be approved.

Capital Recommendations contained in the Analyst Briefing Notes for Economic Development.

- (1) The 2006-2015 Economic Development Capital Program request with a total 10-year project cost of \$73.448 million be received,
- (2) the 2006 Proposed Capital Budget for Economic Development with a total project cost of \$5.498 million and a 2006 cash flow of \$6.293 million and future year commitments of \$2.515 million be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 3 new projects with a 2006 total project cost of \$5.498 million that requires cash flow of \$4.045 million in 2006 and a future year commitment of \$1.453 million in 2007; and
 - (ii) 3 previously approved projects with a 2006 cash flow of \$0.976 million and a future year commitment of \$1.045 million in 2007; and
 - (b) 2006 approved cash flow for 1 previously approved project with carry forward funding from 2005 into 2006 totalling \$1.272 million;

- (3) new debt service costs of \$0.104 million in 2006 and incremental costs of \$0.433 million in 2007 and \$0.185 million in 2008 resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2005 and future year operating budgets;
- (4) all sub-projects with third party financing be approved conditionally, subject to the receipt of such funding during 2006 and if such financing is not received, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs; and
- (5) the Revised 5-Year Capital Plan for Economic Development with cash flow projections of \$5.380 million in 2007, \$5.323 million in 2008, \$5.041 million in 2009 and \$5.029 million in 2010 for Economic Development be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved affordability limits.

1.5 *EMERGENCY MEDICAL SERVICES*

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for Emergency Medical Services, as recommended by the Community Services Committee, including technical adjustments.

Action taken by the Committee:

The Budget Advisory Committee requested:

- (1) the General Manager of Emergency Medical Services to submit to the Deputy City Manager and Chief Financial Officer, for inclusion in the 5-year Capital Plan for the spring of 2006, forecasted capital costs to fund the ongoing capital replacement program of Public Access Defibrillation (PADs) on behalf of the City;
- (2) the General Manager of Emergency Medical Services, in consultation with the Deputy City Manager and Chief Financial Officer, to report to the Budget Advisory Committee as part of the 2006 Operating Budget process on the annual operating costs required to manage the support of the PADs on behalf of the City; and
- (3) received the briefing note dated November 17, 2005, from the Chief General Manager, Emergency Medical Services, entitled "Public Access Defibrillation".

Community Services Committee Recommendations:

The Community Services Committee recommended that the Capital Recommendations contained in the Analyst Briefing Notes pertaining to the 2006-2015 Capital Program for Emergency Medical Services be approved.

Capital Recommendations contained in the Analyst Briefing Notes for Emergency Medical Services

- (1) The 2006-2015 Emergency Medical Services Capital Program Request with a total 10-year project cost of \$121.597 million be received;
- (2) the 2006 Proposed Capital Budget for Emergency Medical Services with a total project cost of \$5.248 million and a 2006 cash flow of \$7.531 million and future year commitments of \$2.478 million be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 6 new sub-projects with a 2006 total project cost of \$5.248 million that requires cash flow of \$3.440 million in 2006 and a future year commitment of \$1.808 million in 2007;
 - (ii) 4 previously approved sub-projects with a 2006 cash flow of \$1.6 million and future year commitment of \$0.570 million in 2007 and \$0.100 million in 2008; and
 - (iii) 1 sub-project from previously approved projects with carry forward funding from 2004 and prior years requiring 2006 cash flow of \$0.080 million; and
 - (b) 2006 approved cash flow for 7 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$2.411 million;
- (3) new debt service costs of \$0.139 million in 2006 and incremental costs of \$0.583 million in 2007, \$0.265 million in 2008, and \$0.011 million in 2009 resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2006 and future year operating budgets;
- (4) expenditures for 2006 for the Station 17 (Bathurst and Work Downs) Project be deferred pending a report from the General Manager of Emergency Medical Services to the Budget Advisory Committee in early 2006 on the financial and related impacts of this project, associated with the proposed Centralized Book-On Station Project, on the Revised 5-Year Capital Plan;

- (5) the revised cash flow projections of \$6.548 million in 2007, \$7.812 million in 2008, \$7.869 million in 2009 and \$7.168 million in 2010 for Emergency Medical Services be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits; and
- (6) the Radio Communication System Replacement project be re-classified as a Corporate priority and that EMS requirements, as well as the similar joint requirements of Toronto Fire Services and Police Services, be considered as separately managed program.

1.6 HOMES FOR THE AGED

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for Homes for the Aged, as recommended by the Community Services Committee, with the following adjustments:

- (1) **adopt Recommendation (2)(b) of the Community Services Committee, contained in the communication (November 8, 2005) from the Committee, as follows:**

“(2)(b)request the Province of Ontario to fund 100 percent of the capital portion of the Homes for the Aged budget of \$25 million over five years.”

Community Services Committee Recommendation

The Community Services Committee recommended that:

- (a) the recommendations contained in the Analyst Briefing Notes pertaining to the 2006-2015 Capital Program for Homes for the Aged be approved, conditional on additional comments provided by a sub-committee of the Community Services Committee whose comments will be forwarded directly to the Budget Advisory Committee; and
- (b) the Province of Ontario be requested to fund 100 percent of the capital portion of the Homes for the Aged budget of \$25 million over 5 years.

Capital Recommendations contained in the Analyst Briefing Notes for Homes for the Aged

- (1) The 2006-2010 Homes for the Aged capital program request with a five year project cost of \$27.2 million be received;

- (2) the 2006 Proposed Capital Budget for the Homes for the Aged with a total project cost of \$5.0 million with a 2006 cash flow of \$7.2 million and no future year commitments be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) new cash flow funding for 2 new subprojects, with total 2006 project cost of \$5.0 million that requires cash flow of \$5.0 million in 2006, with no future year commitments; and
 - (b) 2006 approved cash flow for 2 previously approved projects with carry forward funding from 2005 into 2006 totalling \$2.2 million; and
- (3) the Revised 5-Year Capital Budget projections of \$5.0 million in 2007, \$5.0 million in 2008, \$5.0 million in 2009 and \$5.0 million in 2010 for Homes for the Aged, be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits.

1.7 *PARKS, FORESTRY AND RECREATION*

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for Parks, Forestry and Recreation, as recommended by the Economic Development and Parks Committee, with the following adjustments:

- (1) increase funding by \$0.5 million to \$1.0 million for CAMP (SGR) ORC Sports Fields as requested in the Program's original submission;**
- (2) increase of \$150,000.00 to accelerate the expansion of the parking lot at Edgehill House to 2006 from 2010;**
- (3) increase the scope of the Humber Arboretum Nature Centre Construction project by \$0.6 million, with cash flow of \$0.3 million in 2007 and \$0.3 million in 2008, conditional on matching funding from Humber College; and further, the General Manager of Parks, Forestry and Recreation be requested to report to the Economic Development and Parks Committee in April 2006 on the renewal of the existing joint venture agreement with Humber College and the Toronto and Region Conservation Authority on the operation of the Humber Arboretum;**
- (4) technical adjustment to correct a cash flow error by increasing the 2006 budget for North Rexdale Parks Priority Site by \$0.1 million and reducing the 2007 by a corresponding amount;**

- (5) adding \$120,000.00 to the 2006 Capital Budget for Grange Park as it is non debt funded;
- (6) adding \$100,000.00 to the 2006 Capital Budget for Lindy Lou Park as it is non-debt funded;
- (7) the following sub-projects are to be further reviewed and considered as part of the Five-Year Capital Plan review to be completed in the Spring of 2006:

	\$
Huron Park	84,000.00;
Bellevue Square Park	20,000.00;
Taddle Creek Park	1,100,000.00;
Sibelius Park	250,000.00;
St. Patrick Square Park	77,000.00;
Joseph Tyrell Park	20,000.00;
Walmer Road Circle Park	37,000.00;
Clarence Square Park	200,000.00;
Harbourfront CC Pool	300,000.00;
Humber Sheppard CC	500,000.00;
Strathburn Park – waterplay area	Not defined presently;
Gord and Irene Risk CC Addition	360,000.00; and
Ireland Park	130,000.00 gross and zero net;
(All subject to availability of S.45 and S.37 funds)	

- (8) an adjustment to the cash flow and timing of the funding for the Lord Dufferin Pool (Pool # 84) be made to apply \$2 million of S.37 funding now received by the City from the Trump International Hotel and Tower development, so that the final scope can be determined in 2006 requiring cash flow of \$250,000.00 (zero net impact);
- (9) adding a new Change of Scope sub-project adjusting the Allan Gardens Greenhouse and Park Master Plan (SF #109) by increasing its scope by \$400,000.00 gross, \$400,000.00 net to develop a fenced off dogs leash-free area and to complete the outdoor children's education garden;
- (10) reduction of \$200,000.00 in the 2006 budget for Eglinton Pond (EI #180), and an increase of \$200,000.00 in the 2007 budget;
- (11) adding \$225,000.00 gross, net zero, for Victoria Memorial Park (Park #378) to the 2006 Capital Budget with a corresponding reduction in the 2008 budget; and

- (12) add back \$0.145 Million for forestry section vehicles to deal with tree maintenance backlog; with a further Capital impact of \$0.305 million in FY2007, which relates to the balance of requests identified for FY2007;**
- (13) add \$250,000.00 to increase funding to \$1.5 Million for Various Parks as requested in the Program's original submission.**

Action taken by the Committee:

The Budget Advisory Committee:

- (1) requested the General Manager of Parks, Forestry and Recreation and the Acting Director of Economic Development to report to the Budget Advisory Committee during 2006 Operating Budget consideration in January 2006, on a joint cost share program for tree watering with the BIAs in the amount of \$0.100 million net, \$0.200 million gross range;
- (2) requested the General Manager, Parks, Forestry and Recreation, in consultation with staff of Toronto Water, Transportation Services and the Toronto Region and Conservation Authority, to submit a Briefing Note to the Economic Development and Parks Committee on the level of Ravine and Watercourse Management Services that will be undertaken in the 2006 fiscal year, given the level of capital and operating expenditures; and
- (3) received the following:
 - (a) communication (October 13, 2005) from Councillor Jane Pitfield, Ward 26 Don Valley West, entitled "Capital Budget Submissions: Jenner Jean-Marie Funding";
 - (b) report (November 17, 2005) from the General Manager, Parks, Forestry and Recreation, entitled "2006 Capital Budget – Parks, Forestry and Recreation"; and
 - (c) briefing note (November 17, 2005) from the General Manager, Parks, Forestry and Recreation, entitled "Response to Questions Posed at the Budget Advisory Committee Meeting of 17 November 2005".

Economic Development and Parks Committee Recommendations

The Economic Development and Parks Committee recommended that the Capital Recommendations contained in the Analyst Briefing Notes pertaining to the 2006-2015 Capital Program for Parks, Forestry and Recreation be approved.

**Capital Recommendations contained in the Analyst Briefing Notes
for Parks, Forestry and Recreation**

- (1) The 2006-2015 Parks, Forestry and Recreation capital program request with a total 10-year project cost of \$859.860 million be received;
- (2) the 2006 Proposed Capital Budget for Parks, Forestry and Recreation with a total project cost of \$60.691 million and a 2006 cash flow of \$83.661 million and future year commitments of \$16.982 million be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 67 new sub-projects with a 2006 total project cost of \$60.691 million that requires cash flow of \$46.609 million in 2006 and a future year commitment of \$9.450 million in 2007 and \$4.632 million in 2008;
 - (ii) 18 previously approved sub-projects with a 2006 cash flow of \$11.283 million and a future year commitment of \$2.900 million in 2007; and
 - (iii) 27 sub-projects from previously approved projects with carry forward funding from 2004 and prior years requiring 2006 cash flow of \$5.691 million, which forms part of the affordability target that requires Council to reaffirm its commitment; and
 - (b) 2006 approved cash flow for 63 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$20.078 million;
- (3) new debt service costs of \$1.174 million in 2006 and incremental costs of \$4.483 million in 2007, \$0.733 million in 2008 and \$0.269 million in 2009 resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2006 and future year operating budgets;
- (4) submitted operating impacts of \$0.619 million in 2006 and \$0.134 million in 2007 that emanate from the approval of the 2006 Proposed Capital Budget be considered within the overall scope of Parks, Forestry and Recreation's 2006 and future years' operating budget submissions;
- (5) the revised cash flow projections of \$48.175 million in 2007; \$51.088 million in 2008; \$55.634 million in 2009 and \$58.847 million in 2010 for Parks, Forestry and Recreation be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended firm 5-Year Capital Plan within Council's approved debt affordability limits;

- (6) Parks, Forestry and Recreation identify and submit to the Chief Financial Officer by February 2006 the full operating impacts for all projects in its Revised 5-Year Capital Plan;
- (7) Parks, Forestry and Recreation continue to monitor future year projects that are eligible for Development Charge funding and modify the five-year plan to incorporate this financing source;
- (8) the Capital Emergency Fund sub-project be approved with funding of \$0.500 million for 2006 with the following conditions:
 - (a) projects funded must be demonstrable emergencies presenting a safety or security hazard, or impacting current operations, with a potential for significant damage resulting from the continuation of the problem identified;
 - (b) all projects charged to the fund must be reported to Finance staff to ensure structures are provided to ensure accountability;
 - (c) use of the funding must be reported in all variance reports and to Budget Advisory Committee at the time of consideration of the 2007 capital budget; and
 - (d) any unspent balance at year-end cannot be carried forward;
- (9) funding for any “Clean and Beautiful City” Initiative items that arise during the capital budgetary process be contingent upon approval of the corresponding requests in Parks, Forestry and Recreation’s 2006 Operating Budget. Furthermore, if additional new equipment is required to implement the current 2005 Clean and Beautiful commitments, a separate change-of-scope request must be developed; and
- (10) all sub-projects with third-party financing be approved conditionally, subject to the receipt of such funding during 2006 and if such financing is not forthcoming, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs.

1.8 *SHELTER, SUPPORT AND HOUSING ADMINISTRATION*

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for Shelter, Support and Housing Administration, as recommended by the Community Services Committee, including technical adjustments, with the following adjustments:

- (1) Recommendation (3)(b) of the Community Services Committee, contained in the communication (November 8, 2005) from the Committee, as follows:**

“3(b) request the Province of Ontario to pay 100 percent of the \$21.6 million needed and restore the historical funding arrangement prior to amalgamation.”

Action taken by the Committee:

The Budget Advisory Committee:

- (1) referred the following recommendation of the Advisory Committee on Homeless and Socially Isolated Persons attached to the communication (November 16, 2005) from Councillor Jane Pitfield, Co-Chair, to the General Manager, Shelter, Support and Housing Administration for consideration and report to the Community Services Committee as part of the 2007 budget process:

“That Shelter, Support and Housing Administration have an allocation of capital funds to implement a shelter development strategy in 2006 that would include shelters that are accessible in other parts of the City (outside of Scarborough and Downtown) for identified groups.”; and

- (2) received the communication (November 16, 2005) from Councillor Jane Pitfield, Co-Chair, Homeless and Socially Isolated Committee, regarding the Community Services Budget.

Community Services Committee Recommendations

The Community Services Committee recommended that:

- (a) the recommendations contained in the Analyst Briefing Notes pertaining to the 2006-2015 Capital Program for Shelter, Support and Housing Administration be approved, conditional on additional comments provided by a sub-committee of the Community Services Committee whose comments will be forwarded directly to the Budget Advisory Committee; and
- (b) the Province of Ontario be requested to pay 100 percent of the \$21.6 million needed and restore the historical funding arrangement prior to amalgamation.

Capital Recommendations contained in the Analyst Briefing Notes for Shelter, Support and Housing Administration.

- (1) The 2006-2015 Shelter, Support, and Housing Administration capital program request with a total 10-year project cost of \$37.969 million be received;
- (2) the 2006 Proposed Capital Budget for Shelter, Support, and Housing Administration with a total project cost of \$2.200 million and a 2006 cash flow of \$8.579 million

and future year commitments of \$8.600 million be approved. The 2006 Proposed Capital Budget consists of the following:

- (a) New Cash Flow Funding for:
 - (i) 7 new and change in scope subprojects with a 2006 total project cost of \$2.200 million that requires cash flow of \$1.221 million in 2006 and a future year commitment of \$0.979 million in 2007;
 - (ii) 8 previously approved sub-projects with a 2006 cash flow of \$4.844 million and a future year commitment of \$2.861 million in 2007; \$0.912 million in 2008; \$2.024 million in 2009; \$0.912 million in 2010; and \$0.912 million in 2011;
 - (iii) 1 sub-project from previously approved projects with carry forward funding from 2004 and prior years requiring 2006 cash flow of \$0.100 million, which forms part of the affordability targets that requires Council to reaffirm its commitment; and
- (b) 2006 approved cash flow for 7 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$2.414 million;
- (3) new debt service costs of \$0.158 million in 2006 and incremental costs of \$0.676 million in 2007; \$0.388 million in 2008; \$0.161 million in 2009; and \$0.250 million in 2010 resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2006 and future year operating budgets;
- (4) operating impacts in the Shelter, Support, and Housing Administration Operating Budget of \$0.482 million for 2006; \$2.583 million for 2007 emanating from the approval of the 2006 Capital Budget be considered within the overall scope of the Shelter, Support and Housing Administration's 2006 and future year's operating budget submissions; and
- (5) that the revised cash flow projections \$5.939 million in 2007, \$4.362 million in 2008, \$4.534 million in 2009 and \$5.278 million in 2010 for Shelter, Support and Housing Administration, be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits.

1.9 SOCIAL SERVICES

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for Social Services, as recommended by the Community Services Committee.

Community Services Committee Recommendation

The Community Services Committee recommended that the Capital Recommendations contained in the Analyst Briefing Notes pertaining to the 2006-2015 Capital Program for Social Services be approved.

Capital Recommendations contained in the Analyst Briefing Notes for Social Services.

It is recommended that \$1.0 million request for a Child Care Centre at 455 Dovercourt Road be deferred from 2006 to 2007 pending a report from the General Managers of Social Services and Children's Services to Budget Advisory Committee by early 2006 on details of the architectural study and financial implications for the following:

- (a) the proposed Childcare Centre on the ground floor at 455 Dovercourt Road; and
- (b) the relocation of the Social Services office from 455 Dovercourt Road.

1.10 TOURISM

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for Tourism, as recommended by the Economic Development and Parks Committee.

Economic Development and Parks Committee Recommendations

The Economic Development and Parks Committee recommended that the Capital Recommendations contained in the Analyst Briefing Notes pertaining to the 2006-2010 Capital Program for Tourism be approved.

Capital Recommendations contained in the Analyst Briefing Notes for Tourism

- (1) The 2006 Proposed Capital Budget for Tourism consisting of one new project with a total project cost of \$0.300 million and a 2006 cash flow of \$0.300 million be approved;
- (2) new debt service costs of \$0.009 million in 2006 and incremental costs of \$0.033 million in 2007 resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2005 and future year operating budgets;
- (3) the revised cash flow projections of \$0.500 million in 2007, \$0.080 million in 2008, \$0.080 million in 2009 and \$0.080 million in 2010 for Tourism be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved affordability limits; and

- (4) the Canadian Walk of Fame-Phase 2 project be approved conditionally, subject to the receipt of \$0.150 million in third party financing during 2006 and if such financing is not received, the priority and funding be reassessed by City Council relative to other City-financed priorities and needs.

1.11 3-1-1 CUSTOMER SERVICE STRATEGY

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for the 3-1-1 Customer Service Strategy, with the following adjustments:

- (1) **the adoption of the recommendations of the Administration Committee in the communication (November 9, 2005), entitled “3-1-1 Customer Service Strategy: 2006 Capital Budget Request and 2007/8 Projected Budget Estimates”.**

Administration Committee

The Administration Committee recommended the adoption of the 2006-2015 Capital Recommendations contained in the Analyst Briefing Notes pertaining to the 3-1-1 Customer Service Strategy.

Capital Recommendations contained in the Analyst Briefing Notes for the 3-1-1 Customer Service Strategy

- (1) The 2006-2015 3-1-1 Customer Service Strategy capital program request with a total 10-year project cost of \$25.176 million be received;
- (2) the 2006 Proposed Capital Budget for 3-1-1 Customer Service Strategy with a total project cost of \$25.176 million and a 2006 cash flow of \$6.724 million and future year commitments of \$18.452 million be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) New Cash Flow Funding for 8 new sub-projects with a 2006 total project cost of \$25.176 million that requires cash flow of \$6.724 million in 2006 and future year commitments of \$15.486 million in 2007 and \$2.966 million in 2008; and
 - (b) 2006 approved cash flow for 4 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$1.215 million;
- (3) new debt service costs of \$0.202 million in 2006 and incremental costs of \$1.204 million in 2007, \$1.792 million in 2008 and \$0.326 million in 2009 resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2006 and future year operating budgets; and

- (4) the revised cash flow projections of \$15.486 million in 2007 and \$2.966 million in 2008 be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits.

CITIZEN CENTRED SERVICES - B

1.12 BUSINESS SUPPORT SERVICES

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for Business Support Services, as recommended by the Planning and Transportation Committee.

Action taken by the Committee:

The Budget Advisory Committee:

- (1) requested the Acting Executive Director of Municipal Licensing and Standards, as part of the 2007 Capital Budget submission, to report on establishing a feature within the IBMS system whereby third party advertising signs can be computerized, automated and as publicly accessible as possible; and
- (2) received the briefing note (November 17, 2005) from the Deputy City Manager Fareed Amin, entitled "Business Support Services Division Issues Referred to 2006 Capital Budget".

Planning and Transportation Committee Recommendations

The Planning and Transportation Committee recommended that the Capital Recommendations contained in the Analyst Briefing Notes pertaining to the 2006-2015 Capital Program for Business Support Services be approved.

Capital Recommendations contained in the Analyst Briefing Notes for Business Support Services

- (1) The 2006-2015 Business Support Services capital program request with a total 10-year project cost of \$7.207 million be received;
- (2) the 2006 Proposed Capital Budget for Business Support Services with a total project cost of \$1.207 million and 2006 cash flow of \$1.659 million be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:

- (i) 4 new sub-projects with a 2006 total project cost of \$1.207 million that requires cash flow of \$1.207 million in 2006 and no future year commitments; and
 - (ii) 3 previously approved sub-projects with a 2006 cash flow of \$0.340 million and no future year commitments; and
- (b) 2006 approved cash flow for 3 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$0.112 million;
- (3) new debt service costs of \$0.036 million in 2006 and incremental costs of \$0.132 million in 2007 resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2005 and future year operating budgets;
- (4) the revised cash flow projections of \$1.5 million in 2007; \$1.5 million in 2008; \$1.5 million in 2009 and \$1.5 million in 2010 for Business Support Services be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits; and
- (5) the Deputy City Manager review the strategic direction of IBMS as it relates to IT requirements for the City Planning, Building, and Municipal Licensing and Standards Division and report back to the Deputy City Manager and Chief Financial Officer by February 2006 on the future year allocation of the \$1.5 million envelope included in years 2007-2010 of Business Support Systems Five-year Plan to ensure revised cash flow projections can be incorporated into the Deputy City Manager and Chief Financial Officer's review of the Five-Year Capital Plan.

1.13 CITY PLANNING

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for City Planning, as recommended by the Planning and Transportation Committee.

Action taken by the Committee:

The Budget Advisory Committee:

- (1) requested the Chief Planner and Executive Director, City Planning, to provide a briefing note to the Budget Advisory Committee wrap-up meeting or the Policy and Finance Committee wrap-up meeting on Councillor Mihevc's request to add \$250,000.00 gross, zero net, to the Planning Capital Budget for the Environmental Assessment Study on transportation issues on Kingston Road and Eglinton Avenue and the financial impact; and

- (2) received the briefing note (November 10, 2005) from Deputy City Manager Fareed Amin, entitled “Proposed 2006 Civic Improvement Capital Projects and Project Selection Criteria”.

Planning and Transportation Committee Recommendations

The Planning and Transportation Committee recommended that the Capital Recommendations contained in the Analyst Briefing Notes pertaining to the 2006-2015 Capital Program for City Planning be approved.

Capital Recommendations contained in the Analyst Briefing Notes for City Planning

- (1) The 2006-2015 City Planning capital program request with a total 10-year project cost of \$58.449 million be received;
- (2) the 2006 Proposed Capital Budget for City Planning with a total project cost of \$3.549 million and 2006 cash flow of \$6.715 million and future year commitments of \$2.341 in 2007 and \$1.038 million in 2008 be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 8 new sub-projects with a 2006 total project cost of \$3.549 million that requires cash flow of \$2.849 million in 2006 and a future year commitment of \$0.700 million in 2007;
 - (ii) 6 previously approved sub-projects with a 2006 cash flow of \$1.424 million and future year commitments of \$1.641 million in 2007, and \$1.038 million in 2008; and
 - (iii) 1 sub-projects from previously approved projects with carry forward funding from 2004 and prior years requiring 2006 cash flow of \$0.200 million and no future year commitment, which forms part of the affordability targets that requires Council to reaffirm its commitment; and
 - (b) 2006 approved cash flow for 14 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$2.242 million;
- (3) new debt service costs of \$0.114 million in 2006 resulting from the approval of the 2006 Proposed Capital Budget with incremental costs of \$0.471 million in 2007, \$0.221 million in 2008, and \$0.099 million 2009 be approved for inclusion in the 2006 operating budget;

- (4) the 2006 Development Charge Funding be approved subject to funds being available in the Development Charge Reserve Accounts;
- (5) operating impacts in the Parks, Forestry, and Recreation Budget Operating Budget of \$0.065 million for 2006 for streetscape enhancement and tree maintenance emanating from the approval of the 2006 Capital Budget for City Planning be considered within the overall scope of the Parks, Forestry, and Recreation 2006 and future years' operating budget submissions; and
- (6) the revised cash flow projections of \$5.466 million in 2007; \$5.451 million in 2008; \$5.330 million in 2009; and \$5.337 million in 2010 for the City Planning Division be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended firm Five-Year Capital Plan within Council's approved debt affordability limits.

1.14 CROSS-DIVISIONAL PROJECTS

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for Cross-Divisional Projects, as recommended by the Works Committee.

Works Committee Recommendations

The Works Committee recommended that the Capital Recommendations contained in the Analyst Briefing Notes pertaining to the 2006-2015 Capital Program for Cross-Divisional Projects be approved.

Capital Recommendations contained in the Analyst Briefing Notes for Cross-Divisional Projects

- (1) The 2006-2015 Cross-Divisional Projects capital program request with a total 10-year project cost of \$23.296 million be received;
- (2) the 2006 Proposed Capital Budget for Cross-Divisional Projects with a total project cost of \$3.124 million and a 2006 cash flow of \$5.002 million and future year commitments of \$2.608 million be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 11 new sub-projects with a 2006 total project cost of \$3.124 million that requires cash flow of \$2.228 million in 2006 and a future year commitment of \$0.896 million in 2007;

- (ii) 6 previously approved sub-projects with a 2006 cash flow of \$0.351 million and a future year commitment of \$1.502 million in 2007; and
 - (iii) 2 sub-projects from previously approved projects with carry forward funding from 2004 and prior years requiring 2006 cash flow of \$0.695 million and future year commitment of \$0.210 million in 2007, which forms part of the affordability targets that requires Council to reaffirm its commitment; and
- (b) 2006 approved cash flow for 6 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$1.728 million;
- (3) new debt service cost of \$0.090 million in 2006 and incremental costs of \$0.397 million in 2007 and \$0.247 million in 2008 resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2006 and future year operating budgets;
- (4) operating impacts of \$0.025 million for 2006 and \$0.290 million for 2007 emanating from the approval of the 2006 Proposed Capital Budget be considered within the overall scope of the related Programs' 2006 and future years' operating budget submissions;
- (5) the revised cash flow projections of \$3.361 million in 2007, \$3.000 million in 2008, \$3.000 million in 2009 and \$3.000 million in 2010 for Cross-Divisional Projects be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits;
- (6) once the IT Implementation Project is completed, the Deputy City Manager report to Budget Advisory Committee with a revised 2007-2010 Capital Plan for IT projects, which is required to be strategically aligned at the Program and Corporate level, and conforming to the debt guideline; and
- (7) the Deputy City Manager report back to the Director of Financial Planning prior to the 2007 budget process on the result of asset reviews and the plan of transferring the ownership of the Asset Preservation capital budget with the intention of providing increased accountability and management.

1.15 EMERGENCY MANAGEMENT PLAN

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for the Emergency Management Plan, as recommended by the Community Services Committee.

Community Services Committee Recommendations

The Community Services Committee recommended that the Capital Recommendations contained in the Analyst Briefing Notes pertaining to the 2006-2015 Capital Program for the Emergency Management Plan be approved.

Capital Recommendations contained in the Analyst Briefing Notes for the Emergency Management Plan

- (1) the 2006 Proposed Capital Budget for the Emergency Management Plan with a total project cost of \$0 million and a 2006 cash flow of \$0.570 million consists of 1 previously approved sub-project with carry forward funding; and
- (2) the Emergency Management Plan Capital Budget be discontinued and closed once the Emergency Back-up Systems project is complete.

1.16 FIRE SERVICES

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for Fire Services, as recommended by the Community Services Committee, with the following adjustments:

- (1) **adoption of the recommendations in the Recommendations Section of the report (July 18, 2005) from the Deputy City Manager, entitled “Transfer of the Corporate Emergency Management Capital Program”.**

Action taken by the Committee:

The Budget Advisory Committee:

- (1) with respect to the report requested by the Community Services Committee on November 8, 2005, from the Fire Chief on opportunities to generate revenue towards the capital costs of the Water/Ice Rescue Simulator by providing training to other emergency service providers:
 - (i) requested the Fire Chief to postpone submitting the report until the 2007 Capital Budget process; and
 - (ii) requested the Fire Chief and Deputy City Manager to request the Coast Guard to participate and invest in this endeavour;
- (2) received the report (September 12, 2005) from the Deputy City Manager, entitled “Request for In-Year Capital Budget Funding for Federally Cost-Shared Heavy Urban Search and Rescue (HUSAR) Program Equipment Acquisition”; and

- (3) received the briefing note (November 16, 2005) from the Chief Corporate Officer, entitled "2756 Old Leslie Street".

Community Services Committee Recommendation

The Community Services Committee recommended that the Capital Recommendations contained in the Analyst Briefing Notes pertaining to the 2006-2015 Capital Program for Fire Services be approved.

Capital Recommendations contained in the Analyst Briefing Notes for Fire Services

- (1) The 2006-2015 Toronto Fire Services Capital Program request with a total 10-year project cost of \$68.838 million be received;
- (2) the 2006 Proposed Capital Budget for Toronto Fire Services with a total project cost of \$9.981 million and a 2006 cash flow of \$11.095 million and future year commitments of \$6.125 million in 2007 and \$3.215 million in 2008 be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 12 new sub-projects with a 2006 total project cost of \$9.981 million that requires cash flow of \$4.869 million in 2006 and future year commitments of \$3.241 million in 2007 and \$1.871 million in 2008;
 - (ii) all subprojects with new future year commitments be further reviewed during the 2006 Capital Budget Process and deferred where possible.
 - (iii) 7 previously approved sub-projects with a 2006 cash flow of \$5.252 million and future year commitments of \$2.884 million in 2006 and \$1.344 million in 2007;
 - (iv) 2006 approved cash flow for 1 previously approved sub-project with carry forward funding from 2005 into 2006 totalling \$0.973 million;
 - (v) that a further amount of \$0.976 million in 2005 carry forward funding for 5 previously approved sub-projects be confirmed by the Program and added to the required 2006 cash flow to reflect a total carry forward funding of \$1.949 million;
- (3) new debt service costs of \$0.165 million in 2006 and incremental costs of \$0.685 million in 2007, \$0.323 million in 2008 and \$0.090 million in 2009 resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2006 and future year operating budgets;

- (4) Operating impacts in the Toronto Fire Services Operating Budget of \$0.107 million for 2006, \$0.060 million for 2007 and \$0.060 million for 2008 emanating from the approval of the 2006 Capital Budget be considered within the overall scope of the Toronto Fire Services 2006 and future years operating budget submissions;
- (5) all sub-projects with third party financing be approved conditionally, subject to the receipt of such funding during 2006 and if such financing is not received, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs;
- (6) the Chief of Toronto Fire Services report back to the Deputy City Manager and the Chief Financial Officer on a costing and priority framework to be developed by Spring of 2006 for managing the growth demands and public expectations associated with the Toronto Fire Services various strategic reports, its SOGR backlog and its asset audits and that needs be reviewed collectively in order to revise the Toronto Fire Services 2006-2010 Capital Plan at a sustainable debt funding level;
- (7) the revised cash flow projections of \$9.038 million in 2007, \$8.767 million in 2008, \$5.300 million in 2009 and \$5.300 million in 2010 for Toronto Fire Services be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits;
- (8) the Radio Communication System Replacement project be re-classified as a Corporate project in conjunction with the related radio system requirements of EMS and Toronto Police Services and the Toronto Fire Services required cash flow of \$36.667 million for 2009 be reallocated out of the capital program of Toronto Fire Services;
- (9) the Fire Chief, in consultation with the Steering Committee and the Chief Financial Officer, confirm detailed project cost and cash flows by program for the Corporate Radio Communication System Replacement project by June 2006 as part of the scheduled revisiting of the 4-Year Capital Plan; and
- (10) the Chief of Toronto Fire Services in consultation with the Deputy City Manager and Chief Financial Officer report back to Budget Advisory Committee as part of the 2006 Budget Process on alternative funding for the Harbourfront Public Education and Training Centre project that may include the possibility of funding from the Toronto Waterfront Revitalization Corporation.

1.17 SOLID WASTE MANAGEMENT SERVICES

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for Solid Waste Management Services.

Works Committee Recommendation

The Works Committee recommended that the Capital Recommendations contained in the Analyst Briefing Notes pertaining to the 2006-2015 Capital Program for the Solid Waste Management Services be approved, subject to amending the 2006 Capital Program to accommodate an expenditure of \$160,000.00 for the purchase of approximately 8,800 green bins for free distribution to residents; that this expenditure be accommodated within the existing 2006 proposed Capital Budget cash flow of \$25.268 million for Solid Waste Management Services by deferring \$160,000.00 from the 2006 cash flow to 2007 in the Capital Project, CSW004-Waste Diversion Facilities; and further that this action be subject to the approval of an additional associated operating impact of \$70,000.00, which will be considered as a new and enhanced service item in the 2006 Operating Budget for Solid Waste Management Services and in the event that the new/enhanced service is not approved the 2006 Capital deferral be reversed.

Capital Recommendations contained in the Analyst Briefing Notes for Solid Waste Management Services

- (1) The 2006-2015 Solid Waste Management Services Capital Program request with a total 10-year project cost of \$253.973 million be received;
- (2) the 2006 Proposed Capital Budget for Solid Waste Management Services with a total project cost of \$10.361 million and a 2006 cash flow of \$25.268 million and future year commitments of \$36.931 million be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 13 new and change-in-scope sub-projects with a 2006 total project cost of \$10.361 million that requires cash flow of \$10.361 million in 2006 and no future year commitment; and
 - (ii) 13 previously approved sub-projects with a 2006 cash flow of \$10.478 million and a future year commitment of \$33.489 million in 2007; and
 - (b) 2006 approved cash flow for 7 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$4.429 million;

- (3) new debt service costs of \$0.416 million in 2006 and incremental costs of \$2.343 million in 2007, \$3.102 million in 2008, and \$0.379 million in 2009, resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2006 and future year operating budgets;
- (4) incremental operating impacts in the Solid Waste Management Services Operating Budget of \$(0.450) million for 2006, \$(0.097) million for 2007, \$(0.172) million in 2008, \$8.092 million in 2009, and \$0.925 million in 2010, emanating from the approval of the 2006 Capital Budget be considered within the overall scope of the 2006 and future years' operating budget submissions;
- (5) the revised cash flow projections of \$63.448 million in 2007, \$57.013 million in 2008, \$21.384 million in 2009, and \$33.849 million in 2010 for Solid Waste Management Services be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in Spring 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits, and outlining the impact the recommended Capital Plan would have on achieving the 2010 Diversion targets;
- (6) the Acting General Manager, Solid Waste Management Services report back to the Budget Advisory Committee in the Spring of 2006 with a list of Council decisions since June 2005 impacting Solid Waste Management Services, and an assessment of how these decisions impact the Program's ability to meet the 2008 to 2012 Diversion targets and time lines, as outlined in its Council-approved Business Plan;
- (7) the Acting General Manager, Solid Waste Management Services report back to the Budget Advisory Committee in the Spring of 2006 on operational challenges related to sites, site locations, and Environmental Assessments, for the construction of new waste management facilities, and how these challenges may impact the Program's ability to meet the diversion targets within the timelines assumed; and
- (8) the 2006 Proposed cash flow of \$0.562 million associated with the Diversion Facilities Collection Vehicles be approved conditional upon the approval of the Solid Waste Management Services 2006 Operating Budget.

1.18 *TRANSPORTATION SERVICES*

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for Transportation Services, with the following adjustments:

- (1) **adopt Recommendation (2)(a) and (b) of the Works Committee contained in the communication (November 10, 2005) from the Committee, as follows:**

- “(2) that City Council adopt the Capital Recommendations contained in the Analyst Briefing Notes pertaining to the 2006-2015 Capital Program for Transportation Services; subject to amending the 2006 Capital Program:**
 - (a) by transferring \$500,000.00 from the Steeles Avenue East/Kennedy Road Grade Separation Project to the Cycling Infrastructure Project; and also**
 - (b) by increasing the 2006 net cash flow of \$2.2 million for the Cycling Infrastructure Project in the amount of \$300,000.00, and that this funding be offset by a corresponding reduction in the 2006 net cash flow for the Ellesmere, Warden-Kennedy project; and”;**
- (2) adopt Recommendation (2)(c) of the Works Committee contained in the communication (November 10, 2005) from the Committee, subject to amending the recommendation by deleting the word “accommodated” and replacing it with the word “considered”, so that the recommendation now reads as follows:**
 - “(c) that the Bloor Street Transformation Project include measures to greatly enhance bicycle safety, such as the Gomberg Memorial Bloor Street bike lane, and that this be considered within the current project”;**
- (3) adopt the Appendix B, entitled “Transportation Services – 2006 Proposed Bikeway Projects - \$3.0 Million”, attached to the report (October 20, 2005), headed “2006 Cycling Infrastructure Funding Options”, from the General Manager, Transportation Services, subject to the General Manager giving consideration to including Vaughan Road in the 2006 Bike Plan;”;**
- (4) adopt the technical adjustments for Transportation Services contained in the Wrap-Up Notes to Budget Advisory Committee on November 16, 2005;**
- (5) adopt the following technical adjustments:**
 - A. Replace Recommendations (2), (3) and (9) in the Analyst Briefing Notes to read:**
 - “(2) the 2006 Proposed Capital Budget for Transportation Services with a total project cost of \$278.309 million and a 2006 cash flow of \$276.633 million and future year commitments of \$62.259 million in 2007, \$37.901 million in 2008 and \$8.730 million in 2009 be approved. The 2006 Proposed Capital Budget consists of the following:**
 - (a) New Cash Flow Funding for:**

- (i) **60 new sub-projects with a 2006 total project cost of \$278.309 million that requires cash flow of \$198.430 million in 2006 and future year commitments of \$56.529 million in 2007, \$17.500 million in 2008 and \$5.600 million in 2009;**
 - (ii) **28 previously approved sub-projects with a 2006 cash flow of \$47.248 million and future year commitments of \$5.730 million in 2007, \$20.401 million in 2008 and \$3.130 million in 2009;**
 - (iii) **2006 approved cash flow for 27 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$30.955 million; and**
- (3) **new debt service costs of \$4.950 million in 2006 and incremental costs of \$19.439 million in 2007, \$5.346 million in 2008, \$2.455 million in 2009 and \$0.652 in 2010 resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2006 and future year operating budgets;**
- (9) **the revised cash flow projections of \$239.946 million in 2007, \$280.904 million in 2008, \$295.807 million in 2009 and \$313.593 million in 2010 for Transportation Services be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits; and".**

Action taken by the Committee:

The Budget Advisory Committee:

- (a) referred communication (ix) (November 7, 2005) from Councillor Joe Mihevc, Ward 21, St. Paul's, referred to in the communication (November 10, 2005) from the Works Committee on the 2006-2015 Capital Programs under its purview, to Toronto Hydro for consideration;
- (b) referred the following part (1) of the motion by Councillor Pitfield, contained in the communication (November 4, 2005) from the Policy and Finance Committee and the Budget Advisory Committee, to the Deputy City Manager and Chief Financial Officer for a report to the Budget Advisory Committee prior to the 2007 Budget process:

- “(1) as part of the capital budget approval process, a Gantt chart be submitted for each proposed capital project, providing a schedule showing a timeline of targeted completion dates, to justify the need for budget dollars”;
- (c) referred the following part (2) of the motion by Councillor Pitfield, contained in the communication (November 4, 2005) from the Policy and Finance Committee and the Budget Advisory Committee, to the Executive Director, Facilities and Real Estate for a report to the Administration Committee:
 - “(2) the City Manager be requested to report on the City looking at design build contracts, rather than design contracts and build contracts”; and
- (d) referred the following part (3) of the motion by Councillor Pitfield, contained in the communication (November 4, 2005) from the Policy and Finance Committee and the Budget Advisory Committee, to the Deputy City Manager and Chief Financial Officer for a report to the Budget Advisory Committee:
 - “(3) the net effect on the reserves/reserve funds including transferred into and out of reserves/reserve funds be expressed for each program in 2006 capital budget.”; and
- (e) received the following:
 - (i) communication (September 14, 2005) from the Works Committee, entitled “Toronto Bike Plan – Three-Year Implementation Strategy”;
 - (ii) communication (November 4, 2005) from the Policy and Finance Committee and the Budget Advisory Committee, entitled “2006-2010 Capital Budget and Preliminary Plan”; and
 - (iii) briefing note (November 17, 2005) from the General Manager, Transportation Services, entitled “Transportation Services Capital Budget Adjustments to BAC Wrap-up”.

Works Committee Recommendations

The Works Committee recommended that the Capital Recommendations contained in the Analyst Briefing Notes pertaining to the 2006-2015 Capital Program for Transportation Services be approved, subject to amending the 2006 Capital Program:

- (a) by transferring \$500,000.00 from the Steeles Avenue East/Kennedy Road Grade Separation Project to the Cycling Infrastructure Project; and also

- (b) by increasing the 2006 net cash flow of \$2.2 million for the Cycling Infrastructure Project in the amount of \$300,000.00, and that this funding be offset by a corresponding reduction in the 2006 net cash flow for the Ellesmere, Warden-Kennedy project; and
- (c) that the Bloor Street Transformation Project include measures to greatly enhance bicycle safety, such as the Gomberg Memorial Bloor Street bike lane, and that this be accommodated within the current project.

Capital Recommendations contained in the Analyst Briefing Notes for Transportation Services

- (1) The 2006-2015 Transportation Services Capital Program request with a total 10-year project cost of \$2.527 billion be received;
- (2) the 2006 Proposed Capital Budget for Transportation Services with a total project cost of \$303.979 million and a 2006 cash flow of \$259.514 million and future year commitments of \$73.259 million in 2007, \$34.230 million in 2008 and \$8.730 million in 2009 be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 61 new sub-projects with a 2006 total project cost of \$303.979 million that requires cash flow of \$200.350 million in 2006 and future year commitments of \$68.529 million in 2007, \$29.500 million in 2008 and \$5.600 million in 2009;
 - (ii) all subprojects with new future year commitments be further reviewed during the 2006 Capital Budget Process and deferred where possible.
 - (iii) 28 previously approved sub-projects with a 2006 cash flow of \$47.248 million and future year commitments of \$4.730 million in 2007, \$4.730 million in 2008 and \$3.130 million in 2009; and
 - (iv) 2006 approved cash flow for 27 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$11.916 million;
- (3) new debt service costs of \$4.950 million in 2006 and incremental costs of \$19.789 million in 2007, \$6.662 million in 2008, \$2.568 million in 2009 and \$0.652 million in 2010 resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2006 and future year operating budgets;

- (4) operating impacts in the Transportation Services Operating Budget of \$0.270 million for 2006 and \$0.270 million for 2007 emanating from the approval of the 2006 Proposed Capital Budget be considered within the overall scope of the Transportation Services 2006 and future years operating budget submissions;
- (5) 2006 Development Charge funding be approved subject to funds being available in the Development Charge Reserve Accounts;
- (6) the General Manager Transportation Services report back to the Budget Advisory Committee during the review of the 2006 Proposed Capital Budget on specific adjustments to be made to the 2006 cash flow in order to meet the 2006 proposed funding levels;
- (7) all sub-projects with third party financing be approved conditionally, subject to the receipt of such funding during 2006 and if such financing is not received, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs;
- (8) the General Manager, Transportation Services, report back to the Deputy City Manager and Chief Financial Officer on a costing and priority framework to be developed by Spring 2006 for managing the growth demands and public expectations associated with the Transportation Services various strategic reports, its SOGR backlog and its asset audits and that needs be reviewed collectively in order to revise the Transportation Services 2006-2010 Capital Plan at a sustainable debt funding level;
- (9) the revised cash flow projections of \$251.646 million in 2007, \$292.904 million in 2008, \$295.807 million in 2009 and \$313.593 million in 2010 for Transportation Services be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits;
- (10) the General Manager Transportation Services, in consultation with the Chief General Manager Toronto Transit Commission, report back to Budget Advisory Committee in 2006 or upon resolution of the current court proceedings related to St. Clair Avenue West Transit Improvements, on the status of this project and specifically on the total project cost and cash flow projections;
- (11) in the event that the project for the Dufferin Jog Elimination not proceed in 2006, that Transportation Services be authorized to re-allocate the approved funding for this project to State of Good Repair projects as prioritized by the Program;

- (12) the 2006 proposed funding of \$1.000 million gross and net for the Bloor Street Transformation project preliminary design phase be approved conditional upon City Council approval of the establishment of the new BIA and its first budget and further that no funds be committed until Council approval of the new BIA and its budget occurs; and
- (13) the funding for the Bloor Street Transformation project, which is initially funded by the City through the issuance of debt, be recovered, including debt service charges, from the new BIA by imposition of its new levy on the new BIA as directed by Council.

1.19 WATERFRONT REVITALIZATION INITIATIVE

The Budget Advisory Committee recommended the adoption of the Capital Recommendations contained in the Analyst Briefing Notes for the Waterfront Revitalization Initiative, as recommended by Planning and Transportation Committee.

Planning and Transportation Committee Recommendation

The Planning and Transportation Committee recommended that the Capital Recommendations contained in the Analyst Briefing Notes pertaining to the Waterfront Revitalization Initiative be approved.

Capital Recommendations contained in the Analyst Briefing Notes for the Waterfront Revitalization Initiative

- (1) The 2006-2015 Waterfront Revitalization Initiative Capital Program request with a total 10-year cash flow of \$448.974 million for previously approved projects be received;
- (2) the 2006 Proposed Capital Budget for Waterfront Revitalization Initiative requires a 2006 cash flow of \$43.731 million and future year commitments of \$405.243 million be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) New Cash Flow funding for 17 previously approved sub-projects with a 2006 cash flow of \$43.731 million and future year commitments of \$59.080 million in 2007; \$68.174 million in 2008; \$40.472 million in 2009; and \$34.688 million in 2010, and \$202.829 million in years 2011-2015;
- (3) new debt service costs of \$1.307 million in 2006 and incremental costs of \$6.565 million in 2007; \$8.544 million in 2008; \$8.713 million in 2009; \$5.493 million in 2010; and \$3.816 million in 2011, resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2006 and future year operating budgets;

- (4) the total 2006 cash flow of \$2.053 million for the Front Street Extension (\$0.753 million); Front Street Pedestrian Bridge (\$0.300 million); and Gardiner Expressway EA (\$1.000 million) not be expended until a final decision is made by City Council on the future of the Front Street Extension/Gardiner Expressway/Lake Shore Corridor;
- (5) the Revised 2006-2010 Capital Plan and 2011-2015 Forecast for the Waterfront Revitalization Initiative be brought forward for review when Council considers the future of the Front Street Extension/Gardiner Expressway/Lake Shore Corridor;
- (6) the revised cash flow projections of \$59.080 million in 2007, \$68.174 million in 2008; \$40.4720 million in 2009; and \$34.688 million in 2010 for Waterfront Revitalization Initiative be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits;
- (7) the Deputy City Manager for the Waterfront Revitalization Initiative and the Deputy City Manager and Chief Financial Officer report to Budget Advisory Committee in the Fall of 2006 on the process to identify operating budget impacts to City Programs, Agencies, Boards and Commissions resulting from the approval of the 2006 Proposed Capital Budget for Waterfront Revitalization Initiative and the 5-Year Capital Plan; and
- (8) the Deputy City Manager for the Waterfront Revitalization Initiative report to Budget Advisory Committee when specific scope and funds allocation of \$97.790 million beyond 2010 are determined by the three orders of governments for the initiatives relating to the Water's Edge Promenade; the introduction of transit into the Portlands; and other transportation and servicing projects in both the Portlands and in the western section of the Waterfront.

1.20 END OF LEASE/SUSTAINMENT

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for the End of Lease/Sustainment, as recommended by the Administration Committee.

Action taken by the Committee:

The Budget Advisory Committee:

- (1) requested that in future, prior to any refresh of Information and Technology equipment for the Councillors' Offices, a small working group of Councillors be struck and consulted on any further acquisition; and

- (2) received the briefing note (November 16, 2005) from the Chief Corporate Officer, entitled "Colour Printers/Photocopiers".

Administration Committee Recommendation

The Administration Committee recommended the adoption of the 2006-2015 Capital Recommendations contained in the Analyst Briefing Notes for the End of Lease/Sustainment.

Capital Recommendations contained in the Analyst Briefing Notes for the End of Lease/Sustainment

- (1) The 2006-2015 End of Lease/Sustainment capital program request with a total 10-year project cost of \$98.587 million be received;
- (2) the 2006 Proposed Capital Budget for the Post-End of Lease Sustainment with a total project cost of \$16.138 million and a 2006 cash flow of \$18.938 million with no future year commitments be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) New Cash Flow Funding for 1 new sub-project with a 2006 total project cost of \$16.138 million that requires cash flow of \$16.138 million in 2006 with no future year commitment;
 - (b) 2006 approved cash flow for 3 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$2.800 million;
- (3) the revised cash flow projections of \$18.977 million in 2007, \$18.335 million in 2008, \$23.751 million in 2009 and \$21.386 million in 2010 for the End of Lease/Sustainment Program be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits;
- (4) approval for the Asset Sustainment funding strategy as described in this briefing note, be approved including the following funding strategy as follows:
 - (a) funding of the Technology Asset Sustainment for the purpose of providing capital funding for the City's long-term sustainment strategy for routine replacement of technology assets at the end of their established life, be from the Information and Technology Equipment Reserve XQ1508;

- (b) the Information and Technology Equipment Reserve be administered by the Information and Technology Division;
- (c) the balance of the 2005 under spending from the Technology End of Lease Strategy be deposited in the Information and Technology Equipment Reserve XQ1508;
- (d) financing for the asset sustainment be from an annual contribution of \$17.500 million in the Non Program operating budget that was previously budgeted to finance the lease payments on the equipment replaced through the End of Lease Strategy; an additional program annual contribution of \$0.619 million residing in the Non Program operating budget and annual contributions of \$1.182 million from Public Health's operating budget be reallocated to the Information and Technology Equipment Reserve XQ1508. (See table, page 13);
- (e) funding for the Information and Technology 2006 Technology Asset Management project ITP906883 in the amount of \$1.022 million be funded from the Information and Technology Equipment Reserve XQ1508; and
- (f) the appropriate City officials be authorized and directed to take necessary action to give effect thereto, and that leave be granted for the introduction of any necessary bills in Council to give effect thereto.

1.21 *FACILITIES AND REAL ESTATE*

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for Facilities and Real Estate, as recommended by the Administration Committee, with the following adjustment:

- (1) **adoption of the recommendations of the Administration Committee and the Planning and Transportation Committee contained in the communication (November 8, 2005) from the Committee, subject to deleting Recommendation (1) and replacing it with the following:**
 - “(1) City Council adopt the staff recommendations in the Recommendations Section of the report (October 26, 2005) from the Deputy City Manager and Chief Financial Officer as amended, to provide that \$16 million be recommended for the state of good repair for Nathan Phillips Square, and any additional expenditures be the subject of a further report on any sources of funding, including private/public partnerships or other orders of government;”.**

Administration Committee Recommendation

The Administration Committee recommended the adoption of the 2006-2015 Capital Recommendations contained in the Analyst Briefing Notes for Facilities and Real Estate.

Capital Recommendations contained in the Analyst Briefing Notes for Facilities and Real Estate

- (1) The 2006-2015 Facilities and Real Estate capital program request with a total 10-year project cost of \$204.689 million be received;
- (2) the 2006 Proposed Capital Budget for Facilities and Real Estate with a total project cost of \$38.060 million and a 2006 cash flow of \$38.067 million and future year commitments of \$31.010 million be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 98 new sub-projects with a 2006 total project cost of \$38.060 million that requires cash flow of \$17.283 million in 2006 and future year commitments of \$11.736 million in 2007, \$1.378 million in 2008, \$0.545 million in 2009 and \$0.545million in 2010; and
 - (ii) 29 previously approved sub-projects with a 2006 cash flow of \$18.509 million and future year commitments of \$9.623 million in 2007; \$6.021 million in 2008, and \$1.162 million in 2009; and
 - (b) 2006 approved cash flow for 3 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$2.275 million;
- (3) new debt service costs of \$1.074 million in 2006 and incremental costs of \$4.578 million in 2007, \$2.572 million in 2008, \$0.865 million in 2009 and \$0.204 million in 2010 resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2006 and future year operating budgets;
- (4) the sub-projects for Capital Emergencies be approved with funding of \$1.394 million for 2006 with the following conditions:
 - (i) projects funded must be demonstrable emergencies presenting a safety or security hazard, or impacting current operations, with a potential for significant damage resulting from the continuation of the problem identified;
 - (ii) all projects charged to the fund must be reported to Finance staff to ensure structures are provided to ensure accountability;

- (iii) use of the funding must be reported in all variance reports and to Budget Advisory Committee at the time of consideration of the 2006 capital budget; and
- (iv) any unspent balance at year-end cannot be carried forward;
- (5) the revised cash flow projections of \$35.620 million in 2007, \$35.643 million in 2008, \$35.666 million in 2009 and \$35.328 million in 2010 for Facilities and Real Estate, be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits; and
- (6) the Chief Corporate Officer to report back to the Administration Committee and Budget Advisory Committee prior to the 2007 Budget process on the outcome of the Nathan Phillips Square design competition and revised project cost estimates.

1.22 FINANCIAL SERVICES

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for Financial Services, as recommended by the Administration Committee.

Administration Committee Recommendation

The Administration Committee recommended the adoption of the 2006-2015 Capital Recommendations contained in the Analyst Briefing Notes for Financial Services.

Capital Recommendations contained in the Analyst Briefing Notes for Financial Services

- (1) The 2006-2015 Financial Services capital program request with a total 10-year project cost of \$26.131 million be received;
- (2) the 2006 Proposed Capital Budget for Financial Services with a total project cost of \$1.226 million and a 2006 cash flow of \$6.298 million and future year commitments of \$3.408 million be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 3 new sub-projects with a 2006 total project cost of \$1.226 million that requires cash flow of \$0.438 million in 2006 and a future year commitment of \$0.583 million in 2007 and \$0.205 million in 2008;

- (ii) 9 previously approved sub-projects with a 2006 cash flow of \$2.811 million and a future year commitment of \$2.484 million in 2007;
 - (iii) 5 sub-projects from previously approved projects with carry forward funding from 2004 and prior years requiring 2006 cash flow of \$0.934 million and future year commitments of \$0.400 million in 2007, \$0.600 million in 2008 and \$1.136 million in 2009 which forms part of the affordability targets that requires Council to reaffirm its commitment; and
- (b) 2006 approved cash flow for 7 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$2.115 million;
- (3) new debt service costs of \$0.082 million in 2006 and incremental costs of \$0.394 million in 2007, \$0.414 million in 2008, \$0.297 million in 2009 and \$0.079 million in 2010 resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2006 and future year operating budgets;
- (4) operating impacts of \$0.121 million for 2007, \$0.370 million in 2008, and savings of \$0.385 million for 2009 and costs of \$0.175 million in 2010 emanating from the approval of the 2006 Capital Budget be considered within the overall scope of the Financial Services' 2006 and future years' operating budget submissions; and
- (5) the revised cash flow projections of \$6.297 million in 2007, \$5.555 million in 2008, \$5.456 million in 2009 and \$2.550 million in 2010, be referred to the Deputy City Manager & Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits.

1.23 FLEET SERVICES

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for Fleet Services, as recommended by the Administration Committee.

Action taken by the Committee:

The Budget Advisory Committee received the briefing note (November 15, 2005) from the Chief Corporate Officer, entitled "Carry-Forward Requests".

Administration Committee Recommendation

The Administration Committee recommended the adoption of the 2006-2015 Capital Recommendations contained in the Analyst Briefing Notes for Fleet Services.

Capital Recommendations contained in the Analyst Briefing Notes for Fleet Services

- (1) The 2006-2015 Fleet Services capital program request with a total 10-year project cost of \$184.465 million be received;
- (2) the 2006 Capital Budget for Fleet Services with a total project cost of \$40.693 million and a 2006 cash flow of \$82.760 million be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 17 new sub-projects with a 2006 total project cost of \$28.638 million that requires cash flow of \$28.638 million in 2006, with no future year commitments;
 - (ii) 12 previously approved sub-projects with a 2006 cash flow of \$12.055 million; and
 - (iii) 7 sub-projects from previously approved projects with carry forward funding from 2004 and prior years requiring 2006 cash flow of \$16.886 million which is funded from the Vehicle and Equipment Replacement Reserve; and
 - (b) 2006 approved cash flow for 16 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$25.181 million;
- (3) the Fleet Services Capital Budget be adjusted to agree with Programs' 2006 budgeted contributions to the Vehicles and Equipment Replacement Reserve to reflect any changes recommended to the contributions from the other Programs budgets during the 2006 Operating Budget process; and
- (4) the revised cash flow projections of \$21.221 million in 2007; \$28.207 million in 2008; \$26.989 million in 2009; and \$25.288 million in 2010 for Fleet Services be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan.

1.24 INFORMATION AND TECHNOLOGY

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for Information and Technology, as recommended by the Administration Committee.

Action taken by the Committee:

The Budget Advisory Committee:

- (1) requested the Executive Director, Information and Technology, to report to the e-City Committee prior to the 2007/2010 Capital budget approval with options on how to ensure value for money and maximum synchronization on the City of Toronto's computer systems with a third party analysis; and
- (2) requested the Executive Director, Information and Technology, to meet on a regular basis with Information and Technology Directors of agencies, boards and commissions to discuss systems planning and budget issues.

Administration Committee Recommendation

The Administration Committee recommended the adoption of the 2006-2015 Capital Recommendations contained in the Analyst Briefing Notes for Information and Technology.

Capital Recommendations contained in the Analyst Briefing Notes for Information and Technology

- (1) The 2006-2015 Information and Technology Capital Program request with a total 10-year project cost of \$55.065 million be received;
- (2) the 2006 Proposed Capital Budget for Information and Technology with a total project cost of \$18.991 million and a 2006 cash flow of \$10.714 million be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 24 new sub-projects with a 2006 total project cost of \$18.991 million that requires cash flow of \$5.759 million in 2006, and a future year commitment of \$3.711 million in 2007, \$3.402 million in 2008, \$2.375 million in 2009 and \$1.460 million in 2010;
 - (ii) 2 previously approved sub-projects with a 2006 cash flow of \$0.941 million, and future year commitments of \$1.040 million in 2007, \$1.200 million in 2008, \$2.379 million in 2009 and \$2.780 million in 2010; and

- (iii) 6 sub-projects from previously approved projects with carry forward funding from 2004 and prior years requiring 2006 cash flow of \$3.713 million, and a future year commitment of \$0.908 million in 2007, which forms part of the affordability targets that requires Council to reaffirm its commitment; and
- (b) 2006 approved cash flow for 4 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$1.242 million;
- (3) new debt service costs of \$0.254 million in 2006 and incremental costs of \$0.930 million in 2007 resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2006 and future year operating budgets;
- (4) operating impacts in the Information and Technology Operating Budget of \$0.117 million in 2006 and \$0.728 million in 2007 emanating from the approval of the 2006 Proposed Capital Budget be considered within the overall scope of the Information and Technology 2006 and future years operating budget submission;
- (5) the revised cash flow projections of \$9.121 million in 2007; \$10.047 million in 2008; \$10.079 million in 2009; and \$9.973 million for Information and Technology be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits; and
- (6) as part of the 2007 Capital Budgets process, the City Manager and Deputy City Manager and Chief Financial Officer's will review all proposed Information and Technology Projects across the City, to ensure Corporate and Program Information Technology projects are aligned and co-ordinated. Information and Technology's sign-off will be required for all Information and Technology related projects proposed by the Programs.

CITY MANAGER

1.25 HUMAN RESOURCES

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for Human Resources, as recommended by the Administration Committee.

Administration Committee Recommendation

The Administration Committee recommended the adoption of the 2006-2015 Capital Recommendations contained in the Analyst Briefing Notes for Human Resources.

**Capital Recommendations contained in the Analyst Briefing Notes
for Human Resources**

- (1) The 2006-2015 Human Resources capital program request with a total 10-year project cost of \$2.116 million be received; and
- (2) the revised cash flow projections of \$0.000 million in 2007, \$0.603 million in 2008, \$0.592 million in 2009 and \$0.726 million in 2010 for Human Resources be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits.

OTHER CITY PROGRAMS

1.26 CITY CLERK'S OFFICE

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for the City Clerk's Office, as recommended by the Administration Committee.

Administration Committee Recommendation

The Administration Committee recommended the adoption of the 2006-2015 Capital Recommendations contained in the Analyst Briefing Notes for the City Clerk's Office.

Capital Recommendations contained in the Analyst Briefing Notes for City Clerk's Office

- (1) The 2006-2015 City Clerk's Office capital program request with a total 10-year project cost of \$39.514 million be received;
- (2) the 2006 Proposed Capital Budget for the City Clerk's Office with a total project cost of \$13.736 million and a 2006 cash flow of \$3.796 million and future year commitments of \$1.210 million in 2007, \$0.060 million in 2007, \$0.068 million in 2009 and \$0.062 million in 2010 be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 8 new sub-projects with a 2006 total project cost of \$13.736 million that requires cash flow of \$1.281 million in 2006 with future year commitments of \$0.210 million in 2007, \$0.060 million in 2008, \$0.068 million in 2009 and \$0.062 million in 2010; and

- (ii) 1 previously approved sub-project with a 2006 cash flow of \$1.408 million and a future year commitment of \$1.000 million in 2007; and
 - (b) 2006 approved cash flow for 1 previously approved sub-project with carry forward funding from 2005 into 2006 totalling \$1.107 million;
- (3) new debt service costs of \$0.055 million in 2006 and incremental costs of \$0.230 million in 2007 and \$0.110 million in 2008 resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2006 and future year operating budgets;
- (4) operating impacts in the City Clerk's Operating Budget of \$0.035 million in 2006, \$0.018 million in 2007, \$0.079 million in 2008 and \$0.130 million in 2009 emanating from the approval of the 2006 Proposed Capital Budget be considered within the overall scope of the City Clerk's 2006 and future years' operating budget submissions;
- (5) the revised cash flow projections of \$5.760 million in 2007, \$5.310 million in 2008, \$3.918 million in 2009 and \$1.332 million in 2010 for the City Clerk's Office be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits;
- (6) the City Clerk's Division be requested to report back to the Budget Advisory Committee with a recommended option for the Relocation of the Offset Printing Facility in conjunction with the Spring 2006 review of the 5-Year Capital Plan, if possible, or prior to the beginning of the 2007 Capital Budget process. Should additional funding requirements be identified for 2006, the City Clerk should report back to the Budget Advisory Committee in-year; and
- (7) the City Clerk's Division be requested to report back to the Budget Advisory Committee once the additional requirements on the Election Reserve, arising from the new City of Toronto Act are known, on the potential to fund future years' capital requirements from the Election Reserve.

1.27 ENERGY RETROFIT PROGRAM

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for the Energy Retrofit Program, as recommended by the Administration Committee, with the following adjustments:

- (1) adoption of the staff recommendations in the Recommendations Section of the report (October 26, 2005) from the Deputy City Manager and Chief Financial Officer on the Energy Retrofit and request for additional funding.**

Action taken by the Committee:

The Budget Advisory Committee received the briefing note (November 16, 2005) from the Chief Corporate Officer, entitled "Energy Savings Estimate".

Administration Committee Recommendation

The Administration Committee recommended the adoption of the 2006-2015 Capital Recommendations contained in the Analyst Briefing Notes for the Energy Retrofit Program.

Capital Recommendations contained in the Analyst Briefing Notes for the Energy Retrofit Program

- (1) The 2006-2015 Energy Retrofit Capital Program request with a total project cost of \$15.0 million be received;
- (2) the 2006 Proposed Capital Budget for Energy Retrofit with a total project cost of \$6.0 million and a 2006 cash flow of \$14.003 million and future year commitments of \$5.103 million be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 1 new sub-project with a 2006 total project cost of \$6.0 million that requires cash flow of \$1.500 million in 2006 and a future year commitment of \$4.500 million in 2007; and
 - (ii) 4 previously approved sub-projects with a 2006 cash flow of \$7.682 million and a future year commitment of \$0.603 million in 2007;
 - (b) 2006 approved cash flow for 4 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$4.821 million;
- (3) new debt service costs of \$0.215 million in 2006 and incremental costs of \$0.893 million in 2007, and \$0.385 million in 2008, resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2005 and future year operating budgets and be recovered from energy savings within the Operating Budget of each Division/ABC receiving ERP funding;

- (4) the Chief Corporate Officer provides a detailed status report for the five previously approved projects to the Budget Advisory Committee in November 2005 detailing the annual cash flow, energy savings, energy cost savings and debt servicing for each project;
- (5) a list of energy efficiency projects for City's Divisions and ABCs be prepared by the end of 2006 and submitted for consideration, along with applicable business cases for each project, as part of the 2007 capital budget process; and
- (6) that the revised cash flow projections of \$7.103 million in 2007; \$5.0 million in 2008; and \$2.0 million in 2009 for the Energy Retrofit Program be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended firm 5-Year Capital Plan within Council's approved debt affordability limits.

1.28 UNION STATION

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for Union Station, as recommended by the Administration Committee.

Administration Committee Recommendation

The Administration Committee recommended the adoption of the 2006-2015 Capital Recommendations contained in the Analyst Briefing Notes pertaining to Union Station.

Capital Recommendations contained in the Analyst Briefing Notes for Union Station

- (1) The 2006-2015 Union Station capital program request with a total 10-year project cost of \$20.461 million be received;
- (2) the 2006 Proposed Capital Budget for Union Station with a total project cost of \$7.649 million and a 2006 cash flow of \$5.462 million and future year commitments of \$7.288 million be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 1 previously approved sub-project with a 2006 cash flow of \$0.316 million and no future year commitments; and

- (ii) 3 sub-projects with carry forward funding from 2005 (which were not debt funded) requiring 2006 cash flow of \$3.401 million and future year commitments of \$7.288 million, which forms part of the affordability targets that requires Council to reaffirm its commitment; and
- (b) 2006 approved cash flow for 2 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$1.745 million;
- (3) new debt service costs of \$0.112 million in 2006 and incremental costs of \$0.532 million in 2007, \$0.540 million in 2008 and \$0.330 million in 2009 resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2006 and future year operating budgets; and
- (4) the revised cash flow projections of \$4.857 million in 2007; \$7.577 million in 2008; \$4.451 million in 2009 and \$5.337 million in 2010 for Union Station be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits.

SPECIAL PURPOSE BODIES

1.29 EXHIBITION PLACE

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for Exhibition Place.

Capital Recommendations contained in the Analyst Briefing Notes for Exhibition Place

- (1) The 2006-2015 Exhibition Place Capital Program Request with a total 10-year project cost of \$39.140 million be received;
- (2) the 2006 Proposed Capital Budget for Exhibition Place with a total project cost of \$15.125 million and a 2006 cash flow of \$15.125 million with no future-year commitments be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 38 new sub-projects with a 2006 total project cost of \$14.625 million that requires cash flow of \$14.625 million in 2006 with no future-year commitments;

- (ii) 2 previously approved sub-projects with a 2006 cash flow of \$0.500 million;
 - (iii) 1 sub-project from previously approved projects with funding carried forward from 2004 and prior years requiring 2006 cash flow of \$0.036 million, which forms part of the affordability targets that requires Council to reaffirm its commitment; and
- (b) 2006 approved cash flow for 22 previously approved sub-projects with funding carried forward from 2005 into 2006 totalling \$0.889 million;
- (3) new debt service costs of \$0.455 million in 2006 and incremental costs of \$1.668 million in 2007 resulting from the approval of the 2006 Proposed Capital Budget for Exhibition Place, be approved for inclusion in the 2006 and future-year operating budgets;
- (4) Exhibition Place report, during the Budget Advisory Committee Capital Budget Review process in November 2005, on the impact that the energy retrofit projects have had on the Program's capacity to deliver other capital projects;
- (5) Exhibition Place report to the Deputy City Manager and Chief Financial Officer by February 2006 with further revisions to the revised cash flow projections of \$6.325 million in 2007, \$7.060 million in 2008, \$8.630 million in 2009 and \$6.500 million in 2010 to bring those projections in line with the debt affordability guidelines for 2007 to 2010; and
- (6) the Revised 5-Year Capital Plan for Exhibition Place be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within City Council's approved debt affordability limits.

1.30 TORONTO AND REGION CONSERVATION AUTHORITY

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for the Toronto and Region Conservation Authority.

Capital Recommendations contained in the Analyst Briefing Notes for the Toronto and Region Conservation Authority

- (1) The 2006-2015 Toronto and Region Conservation Authority Capital Program Request with a total 10-year project cost of \$81.634 million, be received;
- (2) the 2006 Proposed Capital Budget for Toronto and Region Conservation Authority with a total project cost of \$6.0 million and a 2006 cash flow of \$6.0 million and no

future-year commitments be approved. The 2006 Proposed Capital Budget consists of the following:

- (a) New Cash Flow Funding for 30 new sub-projects with a 2006 total project cost of \$6.0 million that requires cash flow of \$6.0 million in 2006 and no future-year commitments;
- (3) new debt service costs of \$0.090 million in 2006 and incremental costs of \$0.330 million in 2007, resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2006 and future-year operating budgets;
- (4) Toronto and Region Conservation Authority and Toronto Water report back to the Budget Advisory Committee by May 2006 and prior to the finalization of the City's Firm 5-Year Capital Plan with consistent recommendations for capital funding between these Programs over the 5-Year Capital Plan; and
- (5) the revised cash flow projections of \$6.316 million in 2007, \$6.592 million in 2008, \$6.742 million in 2009 and \$6.590 million in 2010 for Toronto and Region Conservation Authority be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within City Council's approved debt affordability limits.

1.31 *TORONTO PARKING ENFORCEMENT UNIT*

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for the Toronto Parking Enforcement Unit.

Capital Recommendations contained in the Analyst Briefing Notes for the Toronto Parking Enforcement Unit

- (1) The 2006-2015 Parking Enforcement Unit Capital Program request with a total 10-year project cost of \$4.340 million be received;
- (2) the 2006 Proposed Capital Budget for Parking Enforcement Unit with a project cost of \$0.434 million and a 2006 cash flow of \$1.934 million with no future year commits be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) New Cash Flow funding for Vehicle and Equipment Replacement project with a 2006 project cost of \$0.434 million that requires cash flow of \$0.434 million in 2006; and
 - (b) 2005 approved cash flow for 1 previously approved project with carry forward funding from 2005 into 2006 totalling \$1.500 million;

- (3) the Vehicle and Equipment Replacement project be funded from the Vehicle and Equipment Reserve and that no new debt be issued to finance the 2006 cash flow requirements for the Parking Enforcement Unit Capital Program;
- (4) operating impacts of \$0.261 million for 2006 attributable to the Toronto Police Service, Parking Enforcement Unit, emanating from the approval of the 2006 Proposed Capital Budget be considered within the overall scope of the Parking Enforcement Unit 2006 Operating Budget;
- (5) total annualized net savings of approximately \$0.853 million with \$0.130 million net cost attributable to the Toronto Police Service, Parking Enforcement Unit; \$0.450 million savings to the Revenue Services Division; Parking Tag Operations and \$0.533 million increase in Parking Tag Revenue be considered within the overall scope of Parking Enforcement Unit, Parking Tag Operations and Parking Tag Revenues 2007 and future years' operating budget submissions;
- (6) the revised cash flow projections of \$0.434 million in 2007; \$0.434 million in 2008; \$0.434 million in 2009; and \$0.434 million in 2010 for Parking Enforcement Unit be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan; and
- (7) the Police Chief, in consultation with the Deputy City Manager and Chief Financial Officer, report to the Administration Committee in 2006 on the status of the implementation of the Handheld Parking Devices project.

1.32 TORONTO POLICE SERVICE

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for the Toronto Police Service, with the following adjustments:

- (1) **Recommendations (2) and (2)(a)(i) be amended to read:**
 - “(2) the 2006 Proposed Capital Budget for Toronto Police Service with a total project cost of \$36.691 million and a 2006 cash flow of \$58.539 million and future year commitments of \$27.075 million in 2007; \$24.855 million in 2008; \$23.044 million in 2009; and \$3.153 million in 2010; be approved. The 2006 Proposed Capital Budget consists of the following:**
 - (a) New Cash Flow Funding for:**
 - (i) 16 new sub-projects with a 2006 total project cost of \$26.320 million that requires cash flow of \$19.567 million in 2006 and future year commitments of \$4.693 million in 2007; \$1.560 million in 2008; and \$0.500 million in 2009;”;**

- (2) **Recommendations (3) and (4) in the Analyst Briefing Notes be deleted and replaced with the following:**
- “(3) new debt service costs of \$0.915 million in 2006 and incremental costs of \$4.169 million in 2007; \$3.724 million in 2008; \$3.425 million in 2009; \$2.629 million in 2010; and \$0.347 million in 2011 resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion on the 2006 and future year operating budgets; and**
 - (4) operating impacts in the Toronto Police Service Operating Budget of \$2.948 million for 2006, and \$0.420 million for 2007 emanating from the approval of the 2006 Capital Budget be considered within the scope of the Toronto Police Service’s 2006 and future years’ operating budget submissions;”;**
- (3) **the following Recommendation (8) be deleted:**
- “(8) New and Change in Scope Projects with future year commitments (HRMS, In-Car Camera, and Digital Video Asset Management II) be reviewed with Financial Planning staff prior to the finalization of the 2006 Capital Budget;”;** and
 - (4) \$1.4 million be added to the Toronto Police Capital Budget to fund SmartZone and CentraCom upgrades with cost recovery from Emergency Medical Services and Fire Services.**

Action taken by the Committee:

The Budget Advisory Committee received the briefing note (November 15, 2005) from the Toronto Police Service, entitled “Toronto Police Service 2006-2015 Capital Program – Response to City Analyst Briefing Notes”.

Capital Recommendations contained in the Analyst Briefing Notes for the Toronto Police Service

- (1) The 2006-2015 Toronto Police Service Capital Program request with a total 10-year Capital Program project cost of \$221.305 million be received;
- (2) the 2006 Proposed Capital Budget for Toronto Police Service with a total project cost of \$36.691 million and a 2006 cash flow of \$58.539 million and future year commitments of \$32.300 million in 2007; \$30.001 million in 2008; \$23.044 million in 2009; and \$3.153 million in 2010; be approved. The 2006 Proposed Capital Budget consists of the following:

- (a) New Cash Flow Funding for:
 - (i) 16 new sub-projects with a 2006 total project cost of \$36.691 million that requires cash flow of \$19.567 million in 2006 and future year commitments of \$9.918 million in 2007; \$6.706 million in 2008; and \$0.500 million in 2009; and
 - (ii) 13 previously approved sub-projects with a 2006 cash flow of \$22.783 million and future year commitments of \$22.382 million in 2007; \$23.295 million in 2008; \$22.544 million in 2009; and \$3.153 million in 2010;
- (b) 2006 approved cash flow for 8 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$16.189 million;
- (3) new debt service costs of \$0.915 million in 2006 and incremental costs of \$4.326 million in 2007; \$4.453 million in 2008; \$3.991 million in 2009; \$2.629 million in 2010; and \$0.347 million in 2011 resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2006 and future year operating budgets;
- (4) operating impacts in the Toronto Police Service Operating Budget of \$2.645 million for 2006, and \$0.420 million for 2007 emanating from the approval of the 2006 Capital Budget be considered within the overall scope of the Toronto Police Service's 2006 and future years' operating budget submissions;
- (5) Toronto Police Service be requested to report back to the Budget Advisory Committee during consideration of the 2006 Capital Budget on the status of negotiations with the Department of National Defence on potential cost sharing for the new Training Facility cost, as the capital budget does not reflect any potential cost-sharing recoveries from any partnership for the New Training Facility;
- (6) Toronto Police Service be requested to report back to the Budget Advisory Committee during the consideration of the 2006 Capital Budget, on the reasons for the \$2.000 million over-expenditure in 43 Division in 2005;
- (7) Toronto Police Service be requested to report back to the Budget Advisory Committee during consideration of the Capital Budget on the status of any SmartZone and CentraCom Upgrade cost-sharing agreements, securing funding from EMS and Fire, and any amendments to cash flow to accommodate the proposed need in all associated Programs;
- (8) New and Change in Scope Projects with future year commitments (HRMS, In-Car Camera, and Digital Video Asset Management II) be reviewed with Financial Planning staff prior to the finalization of the 2006 Capital Budget;

- (9) the revised cash flow projections of \$39.783 million in 2007, \$40.034 million in 2008, \$40.059 million in 2009 and \$40.033 million in 2010 for Toronto Police Service be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits; and
- (10) Toronto Police Service, in conjunction with Fire and EMS, be requested to report back to the Budget Advisory Committee in the Spring of 2006 on the findings of the Radio Communication System Replacement project feasibility study and any cash flow revisions required for the City's 5-Year Plan.

1.33 TORONTO PUBLIC HEALTH

The adoption Capital Recommendations contained in the Analyst Briefing Notes for Public Health.

Action taken by the Committee:

The Budget Advisory Committee received the communication (July 18, 2005) from the Board of Health, entitled "Toronto Public Health 2006-2010 Capital Plan and Budget Submission".

Board of Health Recommendations

The Board of Health recommended that:

- (1) the 2006–2010 Toronto Public Health Capital Plan and Budget totalling \$19,032.2 thousand as detailed in Appendix 1, "Toronto Public Health 2006 – 2010 Capital Budget and Plan" be endorsed;
- (2) ten new Information and Technology and six new Facilities sub-projects with a total project cost of \$19,032.2 thousand and 2006 cash flow of \$6,165.0 thousand and future year commitments of \$5,615.4 thousand for 2007, \$4,074.8 thousand for 2008, \$2,849.0 thousand for 2009, and \$328.0 thousand for 2010, be approved;
- (3) one previously approved project with a carry forward cash flow from 2005 to 2006 totalling \$1,070.0 thousand be approved;
- (4) an amount of \$134.2 thousand be contributed to the Public Health Efficiency Reserve Fund for five years starting in 2007 for the purpose of offsetting the cost of the Animal Services On-line Licence Renewal project; and

- (5) the operating impacts of \$414.4 thousand for 2006, \$593.6 thousand for 2007, \$562.5 thousand for 2008, \$42.2 thousand for 2009, and \$657.1 thousand for 2010, totalling \$2,269.8 thousand as detailed in Appendix 2, "Toronto Public Health 2006 – 2010 Operating Impact of Capital" within the overall scope of Toronto Public Health 2006 and future years' operating budget submissions be approved.

Capital Recommendations contained in the Analyst Briefing Notes for Public Health

- (1) The 2006-1015 Public Health capital program request with a total 10-year project cost of \$21.7 million be received;
- (2) the 2006 Proposed Capital Budget for Public Health with a total project cost of \$13.1 million and a 2006 cash flow of \$2.7 million and future year commitments totalling \$10.4 million be approved. The Proposed 2006 Capital Budgets consists of the following:
 - (a) New Cash flow Funding for two information and technology sub-projects and one SOGR sub-project with a 2006 total project cost of \$2.180 million, that requires 2006 cash flow of \$1.580 million and a future year commitment of \$0.300 million in both 2007 and 2008; and
 - (b) 2006 Approved cash flow for one previously approved sub-project, with carry forward funding from 2005 into 2006, totalling \$1.1 million;
- (3) Operating impacts in the Public Health Operating Budget of \$0.145 million net for 2006 and \$0.127 million net for 2007 emanating from the approval of the 2006 Capital Budget be considered within the overall scope of Public Health's 2006 and future years' operating budget submissions;
- (4) New debt service costs of \$0.028 million in 2006 and incremental costs of \$0.110 million in 2007, \$0.042 million in 2008 and \$0.033 million in 2010, resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2006 and future year operating budgets;
- (5) the revised cash flow projections of \$3.1 million in 2007; \$3.7 million in 2008; \$3.2 million in 2009 and \$0.4 million in 2010 for Public Health, be deferred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits;
- (6) the North York Civic Centre Dental Project be approved, and that annual operating savings of \$0.270 million be first applied to debt repayment and that the harmonization of senior dental services be deferred one year, until the project is fully repaid; and

- (7) the Animal Services On-Line License Renewal System be deferred to 2007 with the possibility of transferring to the operating budget, pending a report on projected animal licensing revenues and the implementation plan with financial implications, to the Board of Health and the Budget Advisory Committee during the 2006 Operating Budget Process.

1.34 TORONTO PUBLIC LIBRARY

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for the Toronto Public Library, with the following adjustments:

- (1) the Toronto Public Library Capital Budget be increased by \$1.0 million to \$11.0 million in 2006, with the increase funded from reserve; and
- (2) for 2007-2010, the debt guidelines be set at \$11.0 million, and Financial Planning staff review other reserve options to further reduce the debt requirements.

Capital Recommendations contained in the Analyst Briefing Notes for the Toronto Public Library

- (1) The 2006-2015 Toronto Public Library Capital program request with a total 10-year project cost of \$169.209 million be received;
- (2) the 2006 Proposed Capital Budget for Toronto Public Library with a total project cost of \$9.533 million and a 2006 cash flow of \$13.114 million and future year commitments of \$14.752 million be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) Cash Flow Funding for:
 - (i) 5 new sub-projects with a 2006 total project cost of \$9.533 million that requires cash flow of \$3.668 million in 2006 and a future year commitment of \$2.392 million in 2007 and \$2.473 million in 2008; and
 - (ii) 7 previously approved sub-projects with a 2006 cash flow of \$8.978 million and a future year commitment of \$6.035 million in 2007 and \$3.852 million in 2008; and
 - (b) 2 previously approved sub projects with 2005 carry forward funding into 2006, for a total of \$0.868 million;

- (3) new debt service costs of \$0.300 million in 2006 and incremental costs of \$1.100 million in 2007, resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2005 and future year operating budgets;
- (4) operating impacts in the Toronto Public Library Operating Budget of \$0.197 million for 2006, \$0.485 million for 2007 and \$0.540 million for 2008 emanating from the approval of the 2006 Capital Budget be considered within the overall scope of the Toronto Public Library's 2006 and future years' operating budget submissions;
- (5) that the revised cash flow projections of \$13.823 million in 2007; \$15.020 million in 2008; \$12.381 million in 2009 and \$13.627 million in 2010, for Toronto Public Library be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits; and
- (6) that the Toronto Public Library Board report to Budget Advisory Committee on recommended option to achieve the unallocated reduction of \$1.0 million gross and debt for 2006.

1.35 TORONTO TRANSIT COMMISSION

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for the Toronto Transit Commission, with the following adjustments:

- (1) **the 2006 Recommended TTC Capital Budget include the life-extension program of the 196 CLRV's, as was originally presented;**
- (2) **the sum of \$800,000.00 be added to the 2006 capital budget for the purpose of creating engineering and design specifications for a new LRT vehicle;**
- (3) **once the engineering and design specifications are complete, the TTC report back to City Council advising if and when they propose to purchase such new cars and the business case supporting such a purpose;**
- (4) **the TTC be authorized to split the life-extension order for the 196 CLRV's, providing that the cost of doing so does not exceed the total budgeted amount for the life-extension program and if there is any risk of an increase to the cost of the CLRV life-extension program, as approved, that the TTC report to City Council no less than 60 days in advance of such costs being incurred to enable Council to consider this matter;**

- (5) the St. Clair right-of-way budget contained in the Wrap-Up Notes to Budget Advisory Committee be approved in principle, subject to the Deputy City Manager and Chief Financial Officer reporting to the Policy and Finance Committee and Council on the exact figures; and**
- (6) the Scarborough Rail Transit (SRT) placeholder for gross cash flows, contained in the Wrap-Up notes to Budget Advisory Committee related to the: (i) purchase of 44 SRT cars; and (ii) McCowan Yard accommodations for SRT Cars, be approved in principle, subject to a report back to Budget Advisory Committee prior to making any commitments on either expenditure.**

Action taken by the Committee:

The Budget Advisory Committee

- (1) requested the Deputy City Manager and Chief Financial Officer, in consultation with TTC, to report back to Policy and Finance Committee and City Council, prior to the adoption of the 2006 Capital Budget, with an appropriate deferral to accommodate the increase referred to in the creation of engineering and design specifications for a new LRT vehicle;
- (2) requested the Deputy City Manager and Chief Financial Officer, to provide a briefing note to the Budget Advisory Committee final wrap-up meeting or the Policy and Finance Committee wrap-up meeting on any adjustments to the Toronto Transit Commission capital budget; and
- (3) received the following:
 - (a) motion tabled by Councillor Mihevc:
 - (i) that City Council approve the TTC plan to purchase new LRT vehicles subject to further review once the engineering work is done; and that the 5 10 year budgets be amended accordingly; and
 - (ii) further request the TTC to canvass other levels of government for financial support; and
 - (b) communication (September 20, 2005) from the Policy and Finance Committee, entitled "Procurement Authorization – Reserved Transit Lanes on St. Clair Avenue West (Phase One)".

Capital Recommendations contained in the Analyst Briefing Notes for the Toronto Transit Commission

- (1) Toronto Transit Commission submit a final 2006-2015 Capital Program request to the Financial Planning Division, after Commission approval, in accordance with the City of Toronto, “2006 Capital Budget Submission, Guidelines and Instructions” with consideration given to the completion of all supporting documentation;
- (2) Budget Advisory Committee be advised, in that the following recommendations may be subject to revision following the receipt of the final 2006-2015 Toronto Transit Commission capital program request;
- (3) the 2006-2015 Toronto Transit Commission Capital Program request with a total 10-year project cost of \$5,607.795 million be received;
- (4) the 2006 Proposed Capital Budget for Toronto Transit Commission with a 2006 cash flow of \$571.961 million be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 56 new projects with a cash flow of \$194.7 million in 2006; and
 - (ii) 68 previously approved projects with a 2006 cash flow of \$316.7 million; and
 - (b) 2005 approved cash flow for 44 previously approved projects with carry forward funding from 2005 into 2006 totalling \$60.6 million;
 - (c) the Deputy City Manager and Chief Financial Officer, in consultation with the Toronto Transit Commission, report back to the Budget Advisory Committee during consideration of the 2006 Capital Budget with total project costs and cash flow commitments resulting from the 2006 Proposed Capital Budget of \$571.961 million in 2006;
- (5) new debt service costs of \$4.901 million in 2006 and incremental costs of \$17.970 million in 2007 resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2006 and future year operating budgets;
- (6) operating impacts in the Toronto Transit Commission Operating Budget of \$0.940 million for 2006, \$0.313 million for 2007, and \$0.302 million for 2008; \$0.056 million for 2009; and \$0.277 million in 2010 emanating from the approval of the 2006 Proposed Capital Budget be considered within the overall scope of the TTC’s 2006 and future years’ operating budget submissions;

- (7) 2006 Development Charge funding be approved subject to funds being available in the Development Charge Reserve Accounts;
- (8) all sub-projects with third-party financing be approved conditionally, subject to the receipt of such funding during 2006 and if such financing is not received, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs;
- (9) the Toronto Transit Commission, in consultation with the Deputy City Manager and Chief Financial Officer report back to the Budget Advisory Committee during consideration of the 2006 Capital Budget with projections relating to Federal and Provincial funding agreements consistent with the Revised 5-Year Capital Plan;
- (10) the Chief General Manager Toronto Transit Commission, in consultation with the General Manager Transportation Services, report back to Budget Advisory Committee in 2006, upon resolution of the current court proceedings related to St. Clair Ave. West Transit Improvements, on the status of this project and specifically on the total project cost (TTC and Transportation), cash flow projections and that the total cost (TTC and Transportation) of St. Clair West Avenue transit improvements be reflected in TTC's Revised 5-Year Capital Plan in order to better represent and account for the City-wide cost of this major project to Council;
- (11) the Toronto Transit Commission report back to the Budget Advisory Committee following the completion of the study entitled the Strategic Plan for the Future of the Scarborough RT, with options for accommodating its development within the Revised 5-Year Capital Plan and debt guidelines;
- (12) the Toronto Transit Commission report back to the Budget Advisory Committee in 2006 prior to the 2007 budget process detailing potential cost overruns and presenting options to completing the Fire Ventilation Upgrade project on time and within budget;
- (13) the Toronto Transit Commission report back to the Budget Advisory Committee on developments in the Ontario Vehicle Transit Program, once guidelines are issued by the Province of Ontario;
- (14) the Toronto Transit Commission report back to the Budget Advisory Committee by Spring 2006 detailing potential cost overruns and presenting options for completing the Mount Dennis Bus Facility on time and within budget;
- (15) the Toronto Transit Commission report back to the Budget Advisory Committee in 2006 prior to making any commitments on 220 bus purchases in 2007 for the 40-ft Low-Floor Diesel/Electric Hybrid program;

- (16) the Toronto Transit Commission report back to the Budget Advisory Commission in 2006 prior to making any commitments on 232 subway cars totalling \$755 million;
- (17) the Chief General Manager of the Toronto Transit Commission be requested to review its proposed 2007 budget schedules in order to align them more closely with the scheduled requirements of the City of Toronto's budget review process and report back to the Budget Advisory Committee by Spring 2006 on how this may be achieved; and
- (18) the revised cash flow projections of \$693.634 million in 2007; \$629.404 million in 2008; \$629.877 million in 2009; and \$639.055 million in 2010 be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits.

1.36 TORONTO ZOO

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for the Toronto Zoo, with the following adjustment:

- (1) **\$2-Million from the OMERS savings be used by the Toronto Zoo to begin construction of the initial Tundra phase of the North Zoo Site Redevelopment Project and the 2006- 2010 cash flow be adjusted as presented with no change to the level of debt funding.**

Action taken by the Committee:

The Budget Advisory Committee received the following briefing notes:

- (a) (November 10, 2005) from the General Manager and CEO, Toronto Zoo, entitled "North Zoo Site Redevelopment"; and
- (b) (November 17, 2005) from the General Manager and CEO, Toronto Zoo, entitled "Application of OMERS Savings to the Toronto Zoo's Capital and Operating Budgets".

Capital Recommendations contained in the Analyst Briefing Notes for the Toronto Zoo

- (1) The 2006-2015 Toronto Zoo Capital Program request with a total 10-year project cost of \$116.894 million be received;
- (2) the 2006 Proposed Capital Budget for the Toronto Zoo with a total project cost of \$5.209 million and a 2006 cash flow of \$7.254 million and future year commitments

of \$1.390 million be approved. The 2006 Proposed Capital Budget consists of the following:

- (a) New Cash Flow Funding for:
 - (i) 8 new sub-projects with a 2006 total project cost of \$5.209 million that requires cash flow of \$4.519 million in 2006 and a future year commitment of \$0.700 million in 2007; and
 - (ii) 4 previously approved sub-projects with a 2006 cash flow of \$0.981 million and a future year commitment of \$0.690 million in 2007; and
- (b) 2006 approved cash flow for 3 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$1.754 million;
- (3) new debt service costs of \$0.165 million in 2006 and incremental costs of \$0.647 million in 2007 and \$0.153 million in 2008 resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2006 and future year operating budgets;
- (4) operating impacts of \$0.111 million for 2006 and \$0.020 million for 2007, emanating from the approval of the 2006 Proposed Capital Budget, be considered within the overall scope of the Toronto Zoo's 2006 and future years' operating budget submissions;
- (5) the revised cash flow projections of \$6.190 million in 2007; \$5.650 million in 2008; \$6.1 million in 2009 and \$13.0 million in 2010 for the Toronto Zoo be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan within Council's approved debt affordability limits; and
- (6) any additional debt funding for the North Zoo Site Redevelopment Project be contingent upon matching external financing being secured.

1.37 YONGE-DUNDAS SQUARE

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for Yonge-Dundas Square, as recommended by the Economic Development and Parks Committee.

Economic Development and Parks Committee Recommendations

The Economic Development and Parks Committee recommended that the Capital Recommendations contained in the Analyst Briefing Notes for Yonge-Dundas Square be approved.

Capital Recommendations contained in the Analyst Briefing Notes for Yonge-Dundas Square

- (1) The 2006 Proposed Capital Budget for Yonge-Dundas Square with a total project cost of \$0.120 million and a 2006 cash flow of \$0.370 million and no future year commitments, be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) one new project with a 2006 total project cost of \$0.120 million that requires cash flow of \$0.120 million in 2006 and no future year commitments; and
 - (b) 2006 approved cash flow for one previously approved project with carry forward funding from 2005 into 2006 totalling \$0.250 million;
 - (2) new debt service costs of \$0.004 million in 2006 and incremental costs of \$0.013 million in 2007 and \$0.000 million in 2008 resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2006 and future year operating budgets;
 - (3) operating impacts in the Yonge-Dundas Square Operating Budget of \$(0.022) million for 2006 and \$(0.011) million for 2007 emanating from the approval of the 2006 Capital Budget be considered within the overall scope of the Yonge-Dundas Square's 2006 and future years' operating budget submissions; and
 - (4) the Board of Management of Yonge-Dundas Square report to Budget Advisory Committee by May 2006 on its capital plan to maintain the Square in future years.

RATE SUPPORTED PROGRAMS

1.38 *TORONTO PARKING AUTHORITY*

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for the Toronto Parking Authority.

Capital Recommendations contained in the Analyst Briefing Notes for the Toronto Parking Authority

- (1) The 2006-2015 Toronto Parking Authority Capital Program request with a total 10-year project cost of \$133.821 million be received;
- (2) the 2006 Proposed Capital Budget for the Toronto Parking Authority with a total project cost of \$29.954 million and a 2006 cash flow of \$38.285 million and future year commitments of \$0.400 million be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 24 new sub-projects with a 2006 total project cost of \$29.954 million that requires cash flow of \$29.554 million in 2006 and a future year commitment of \$0.400 million in 2007; and
 - (ii) 7 sub-projects from previously approved projects with carry forward funding from 2004 and prior years requiring 2006 cash flow of \$4.242 million and no future year commitments; and
 - (b) 2005 approved cash flow for 8 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$4.489 million;
- (3) incremental revenue of \$0 million in 2006 and \$2.282 million in 2007 resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2006 and future year operating budgets; and
- (4) the revised cash flow projections of \$27.536 million in 2007; \$28.531 million in 2008; \$27.500 million in 2009; and, \$20.700 million in 2010 for the Toronto Parking Authority be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan.

1.39 WATER SUPPLY

(The 2006 Capital and Operating Budgets for Toronto Water will be considered by City Council at its meeting of December 5, 6, and 7, 2005 – which will be forwarded by the Policy and Finance Committee)

Capital Recommendations contained in the Analyst Briefing Notes for Toronto Water

- (1) The 2006-2015 Toronto Water capital program request with a total 10-year project cost of \$5,952.081 million be received;

- (2) the 2006 Proposed Capital Budget for Toronto Water with a total project cost of \$483.330 million and a 2006 cash flow of \$394.468 million and future year commitments of \$549.907 million be approved. The 2006 Proposed Capital Budget consists of the following:
 - (a) New Cash Flow Funding for:
 - (i) 224 new sub-projects with a 2006 total project cost of \$483.330 million that requires cash flow of \$105.780 million in 2006 and a future year commitment of \$144.153 million in 2007; \$110.918 million in 2008; \$79.853 million in 2009; and, \$42.626 million in 2010;
 - (ii) 88 previously approved sub-projects with a 2006 cash flow of \$210.709 million and a future year commitment of \$104.001 million in 2007; \$50.987 million in 2008; \$17.148 million in 2009; and, \$0.221 million in 2010; and
 - (iii) 3 sub-projects from previously approved projects with carry forward funding from 2004 and prior years requiring 2006 cash flow of \$1.081 million and no future year commitments; and
 - (b) 2005 approved cash flow for 116 previously approved sub-projects with carry forward funding from 2005 into 2006 totalling \$76.898 million;
- (3) the revised cash flow projections of \$441.631 million in 2007; \$574.814 million in 2008; \$589.240 million in 2009 and \$610.047 million in 2010 for Toronto Water be referred to the Deputy City Manager and Chief Financial Officer for review, in consultation with appropriate staff, and report back to the Budget Advisory Committee in the Spring of 2006 on a recommended Firm 5-Year Capital Plan;
- (4) incremental costs of \$0.300 million in 2006 and \$0.400 million in 2007 resulting from the approval of the 2006 Proposed Capital Budget, be approved for inclusion in the 2006 and future year operating budgets;
- (5) no new debt be issued to finance the 2006 cash flow requirement for the capital program and that the 2006 Proposed Toronto Water Capital Budget be fully funded from service charges, available reserve funds, including development charges and other revenues;

- (6) the Deputy City Manager and Chief Financial Officer and Deputy City Manager for Toronto Water, report back annually regarding the funding requirements for the implementation of the Wet Weather Flow Management Master Plan and the feasibility of alternative funding mechanisms prior to subsequent submissions of the Toronto Water Operating and Capital Budgets and in conjunction with the annual water rate process; the Parks, Forestry and Recreation Program, in consultation with Toronto Water, identify potential water efficiency strategies regarding its operations and that the General Manager of Parks, Forestry and Recreation report to the Budget Advisory Committee prior to the start of deliberations for the 2007 Capital Budget process, on the strategies to improve water efficiency and related costs of these initiatives; and
- (7) the Acting General Manager for Toronto Water report back to Budget Advisory Committee during the 2006 Capital Budget deliberations process on any financial implications arising from the “No-Fault Grant for Sewer Backups”.

Background:

The Budget Advisory Committee at its meetings held on November 10, 14, 16, 17, and 18, 2005, reviewed the 2006 Recommended Capital Program for the City of Toronto’s departments, agencies, boards and commissions, and recommended adoption of the reports listed in Appendix 9(A).

The Budget Advisory Committee received the following communications listed in Appendix 9(B) from the Standing Committees forwarding the 2006 Capital Recommendations for the programs under their purviews:

- (a) (November 9, 2005) from the Administration Committee, entitled “2006 Capital Budget”;
- (b) (November 8, 2005) from the Community Services Committee, entitled “2006-2010 Capital Budgets – Community Services Committee”;
- (c) (November 10, 2005) from the Economic Development and Parks Committee, entitled “2006 Capital Budget Economic Development and Parks Committee”;
- (d) (November 8, 2005) from the Planning and Transportation Committee, entitled “2006 Capital Budget Planning and Transportation Committee”;
- (e) (November 10, 2005) from the Works Committee, entitled “2006-2015 Capital Programs – Works Committee”.

The Budget Advisory Committee received the following:

- (a) reports with recommendations addressed to the Budget Advisory Committee listed in Appendix 9(B);

- (b) Briefing Notes to the Budget Advisory Committee listed in Appendix 9(C); and
- (c) reports and communications listed in Appendix 9(D), copies of which are on file in the office of the City Clerk.

for City Clerk

Merle MacDonald/mh

G:\sec\2006\Standing\BudgetAdv\Letters\20051118\Appendix 9.doc

No.	Appendix 9(A) (Capital Budget) Reports Recommended for Adoption by the Budget Advisory Committee
	CITIZEN CENTRED SERVICES - A
	3-1-1 Customer Service Strategy
(1)	(November 9, 2005) from the Administration Committee, entitled “3-1-1 Customer Service Strategy: 2006 Capital Budget Request and 2007/8 Projected Budget Estimates”
	CITIZEN CENTRED SERVICES - B
	Fire Services
(2)	(July 18, 2005) from Fareed M. Amin, Deputy City Manager, entitled “Transfer of the Corporate Emergency Management Capital Program”
	INTERNAL SERVICES
	<i>Facilities and Real Estate</i>
(3)	(November 8, 2005) from the Administration Committee and Planning and Transportation Committee, entitled “Framework for Nathan Phillips Square Design Competition and Capital Funding Forecast for Project Implementation”
	OTHER CITY PROGRAMS
	Energy Retrofit Program
(4)	(October 26, 2005) from the Deputy City Manager and Chief Financial Officer, entitled “Energy Retrofit Program Status and Request for Additional Funding”

(Communication dated November 9, 2005, addressed to the
Budget Advisory Committee from the Administration Committee)

Recommendation:

The Administration Committee recommended to the Budget Advisory Committee and Policy and Finance Committee that Council adopt the staff recommendations in the Recommendations Section of the report (October 24, 2005) from the 3-1-1 Deputy City Manager, as amended, by adding the following new Recommendation (7) and renumbering the remaining recommendations accordingly:

- “(7) the 3-1-1 Lead Deputy City Manager be requested to report quarterly to the e-City Committee on the implementation of the 3-1-1 Customer Service Strategy, including any proposed harmonization of business practices or service standards; and”.

Background:

The Administration Committee on November 7, 2005 considered the following:

- (i) report (October 24, 2005) from the 3-1-1 Deputy City Manager advising that Council directed that the findings and recommendations of the 3-1-1 Council-Staff Working Group (CSWG) be reported to the Budget Advisory Committee during the 2006 Capital and Operating Budget processes. The review, analysis and rationale of the CSWG in selecting its recommended 3-1-1 Service Model are presented along with CSWG recommendations respecting the 3-1-1 Implementation Plan and its associated 2006 capital budget. The projected 2007 and 2008 capital budget requirements for the 3-1-1 Customer Service Strategy are also identified.

Recommendations:

It is recommended that:

- (1) implementation of the different features of the 3-1-1 Customer Service Strategy be phased-in to optimize use of existing City resources and build early public confidence in 3-1-1 services;
- (2) approval be given to the CSWG recommended Scenario 3 Service Model detailed in Appendix 3;
- (3) 2006 capital funding for the 3-1-1 Customer Service Strategy detailed in Appendix 4 be approved in the amount of:
 - (a) \$2.464 million to retrofit Metro Hall Council Chamber for the 3-1-1 Contact Centre facility;

- (b) \$2.116 million for conversion of existing and non-documented content into easily searched, electronic form, and reviews of current business processes that will be initiated directly from the 3-1-1 operation in the future;
 - (c) \$0.500 million to develop the new self serve, service order function on the 3-1-1 service page on the City web site;
 - (d) \$0.4218 million for the preliminary development of the 3-1-1 core technology infrastructure;
 - (e) \$0.927 million for preliminary electronic integration of existing service order systems with the 3-1-1 Contact Centre system;
 - (f) \$0.100 million to design and develop training courses on technical and customer service skills for assigned 3-1-1 staff;
 - (g) \$0.015 million for 3-1-1 communications purposes; and
 - (h) \$0.180 million to obtain full-time Privacy Consultant services to conduct privacy impact assessments for the 3-1-1 initiative;
 - (4) the 3-1-1 Lead Deputy City Manager be directed to report on the lessons learned from the Contact Centre launch according to pre-determined success criteria;
 - (5) the 3-1-1 Lead Deputy City Manager identify a future working partnership of Council, senior staff, and 3-1-1 Contact Centre staff, to provide performance management oversight on 3-1-1/divisional service request outcomes and to monitor and recommend service improvements;
 - (6) the 3-1-1 Lead Deputy City Manager in consultation with the Mayor and Council-Staff Working Group (CSWG), report to Council by December 2005 on whether, or in what capacity, the CSWG should be continued given completion of its current mandate; and
 - (7) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.
- (ii) communication (December 6, 2004) from the City Clerk advising that City Council on November 30, December 1 and 2, 2004, referred Consolidated Clause 24 in Administration Committee Report 9, entitled "Improved Service to the Public through Introduction of '3-1-1' (All Wards)" back to the Administration Committee for further consideration; and
 - (iii) communication (October 31, 2005) from the e-City Committee recommending that the Administration Committee recommend to the Budget Advisory Committee and the Policy

and Finance Committee that City Council adopt the staff recommendations in the Recommendations Section of the report (October 24, 2005) from the 3-1-1 Lead Deputy City Manager, as amended by adding the following new recommendation (7) and renumbering the remaining recommendation accordingly:

“(7) the 3-1-1 Lead Deputy City Manager be requested to report quarterly to the e-City Committee on the implementation of the 3-1-1 Customer Service Strategy including any proposed harmonization of business practices or service standards; and”.

(Report dated October 24, 2005 from the 3-1-1 Deputy City Manager addressed to the e-City Committee and Administration Committee)

Purpose:

Council directed that the findings and recommendations of the 3-1-1 Council-Staff Working Group (CSWG) be reported to the Budget Advisory Committee during the 2006 Capital and Operating Budget processes. The review, analysis and rationale of the CSWG in selecting its recommended 3-1-1 Service Model are presented along with CSWG recommendations respecting the 3-1-1 Implementation Plan and its associated 2006 capital budget. The projected 2007 and 2008 capital budget requirements for the 3-1-1 Customer Service Strategy are also identified.

Financial Implications and Impact Statement:

The CSWG was directed to recommend implementation priorities, a preferred model to phase-in different service features, and associated 2005, 2006, 2007 and 2008 budgets for the approved 3-1-1 Customer Service Strategy. Council has already approved CSWG recommended 2005 capital funding in the amount of \$1.737 million for preliminary 3-1-1 preparation, and 2005 operating budget funding of \$0.503 million for the 3-1-1 Project Management Office.

Approval of this report will result in an additional 2006 capital funding requirement of \$6.724 million, and future commitments of \$15.4849 million for 2007 and \$2.9657 million for 2008 respectively. Capital funding requirements for 2006 and future commitments for 2007 and 2008 are included in the 2006 Proposed Corporate Capital Budget as a part of the 2006 Capital Budget process.

Similarly, the 2006 operating budget requirement for the 3-1-1 Project Management Office is to be considered in the 2006 Proposed Corporate Operating Budget as a part of the 2006 Operating Budget process.

The Deputy City Manager and Chief Financial Officer has reviewed this report and concurs with the financial impact statement.

Recommendations:

It is recommended that:

- (1) implementation of the different features of the 3-1-1 Customer Service Strategy be phased-in to optimize use of existing City resources and build early public confidence in 3-1-1 services;
- (2) approval be given to the CSWG recommended Scenario 3 Service Model detailed in Appendix 3;
- (3) 2006 capital funding for the 3-1-1 Customer Service Strategy detailed in Appendix 4 be approved in the amount of:
 - (a) \$2.464 million to retrofit Metro Hall Council Chamber for the 3-1-1 Contact Centre facility;
 - (b) \$2.116 million for conversion of existing and non-documented content into easily searched, electronic form, and reviews of current business processes that will be initiated directly from the 3-1-1 operation in the future;
 - (c) \$0.500 million to develop the new self serve, service order function on the 3-1-1 service page on the City web site;
 - (d) \$0.4218 million for the preliminary development of the 3-1-1 core technology infrastructure;
 - (e) \$0.927 million for preliminary electronic integration of existing service order systems with the 3-1-1 Contact Centre system;
 - (f) \$0.100 million to design and develop training courses on technical and customer service skills for assigned 3-1-1 staff;
 - (g) \$0.015 million for 3-1-1 communications purposes; and
 - (h) \$0.180 million to obtain full-time Privacy Consultant services to conduct privacy impact assessments for the 3-1-1 initiative;
- (4) the 3-1-1 Lead Deputy City Manager be directed to report on the lessons learned from the Contact Centre launch according to pre-determined success criteria;
- (5) the 3-1-1 Lead Deputy City Manager identify a future working partnership of Council, senior staff, and 3-1-1 Contact Centre staff, to provide performance management oversight on 3-1-1/divisional service request outcomes and to monitor and recommend service improvements;

- (6) the 3-1-1 Lead Deputy City Manager in consultation with the Mayor and Council-Staff Working Group (CSWG), report to Council by December 2005 on whether, or in what capacity, the CSWG should be continued given completion of its current mandate; and
- (7) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

Background:

- (a) The Approved 3-1-1 Customer Service Strategy

Council adopted the report entitled “3-1-1 Customer Service Strategy” as amended at its meeting of September 28, 29 and 30, 2004. The report described a single 3-1-1 access contact point and integrated (telephone, e-mail/fax, web and counter) service delivery model for customer service across all divisions. Significant service improvements for the public were adopted including:

- a single 3-1-1 telephone number and e-mail address to the City;
- inquiries to the 3-1-1 Contact Centre operation answered by staff on a 24/7 basis;
- an easily accessed, well-designed 3-1-1 service page on the City web site where the public can access all on-line services and request services on a 24/7 basis;
- more self-serve, user friendly options on the telephone/web site/at counters;
- highly trained, customer friendly staff to resolve issues or find the right person to do so;
- fewer transfers to staff external to the 3-1-1 Contact Centre;
- ability to submit a service request or inquiry in-person, on the phone or on-line;
- ability for the public and staff to initiate, look up, and track the status of service requests electronically, and provision to be made for similar Council Member office ability;
- ability to tell the public when City staff will respond to their request and what will be done;
- less voice mail and voice menus;
- requests are answered in a timely manner regardless of which access channel was used; and
- information provided on all 3-1-1 channels is consistent, accurate and up-to-date.

Council directed the Chief Administrative Officer (now the City Manager) to report on a phased-in 3-1-1 implementation plan. The report entitled, “Improved Service to the Public through the Introduction of 3-1-1”, was considered by Council at its meeting of November 30, December 1 and 2, 2004. Council referred the report back to the Administration Committee and, among other recommendations:

- established a 3-1-1 Council-Staff Working Group (CSWG) to recommend through the e-City and Administration Committees, the 3-1-1 implementation phases and associated budget; and
- requested the CAO in conjunction with the CSWG to submit a preliminary budget request in early 2005 for 3-1-1 project phases and associated capital, operating and consulting costs.

(b) Summary of 3-1-1 Budget Approvals to-Date

(i) 2005 3-1-1 Operating Budget:

Initial 3-1-1 CSWG recommendations to the Budget Advisory Committee (BAC) on January 31, 2005 were for 3-1-1 Project Management Office operating funds in the amount of \$503,102.00. CSWG concurrently removed capital funds from the 3-1-1 preliminary budget estimates for a Parks automated work order system, TMMS forestry system upgrade, and a forestry call centre, and recommended their addition to the capital budget of the Parks and Recreation division. All of these budget recommendations, among others, were adopted by Council at its Special Meeting of February 21, 22, 23, 24, 25, 28 and March 1, 2005.

(ii) 2005 3-1-1 Capital Budget:

At its Special Meeting in February and March 2005, Council recommended that the Chief Administrative Officer report to Council on CSWG recommendations for 3-1-1 capital requirements in 2005 and 2006 before the end of the second quarter of 2005. In the report entitled, "3-1-1 Customer Service Strategy: 2005 Capital Budget Request and 2006/2007 Capital Budget Progress Report", the CSWG recommended 2005 capital funding in the amount of \$1.687 million to implement 3-1-1 preparatory activities as follow:

- \$0.325 million to design and plan a 3-1-1 call centre facility located in the former Council Chamber at Metro Hall;
- \$0.817 million to assist all service divisions in front-end content development and business reviews related to capital infrastructure;
- \$0.360 million for an Information Architect to design the knowledge base for use by all 3-1-1 customer service teams and future direct use by the public;
- \$0.085 million for two technology procurement consultants to assist with criteria development and fairness monitoring, respectively; and
- \$0.100 million to design a 3-1-1 web page for easy access by the public to on-line services and to place service requests on a 24/7 basis.

At its meeting of July 19, 20, 21 and 26, 2005, Council adopted those recommendations among others, contained in Clause 26 of Administration Committee Report 6, as amended. Council further amended the report by approving an additional \$0.0505 million in funding for independent project plan validation. This resulted in a total 3-1-1 approved 2005 Capital budget of \$1.737 million.

Council directed that the future 2006 capital budget request include funding for the retrofitting of Metro Hall Council Chamber, and also directed the Council-Staff Working Group to report to the BAC during the 2006 Capital and Operating Budget processes on:

- Adjustments to implementation phase activities in the approved 3-1-1 design;
- A final 2006 capital budget request for the 3-1-1 initiative;
- 3-1-1 capital requirements for 2007 and future years; and
- 3-1-1 2006 and 2007 operating budget impacts.

Accordingly, this report requests a 2006 capital budget for the 3-1-1 Customer Service Strategy and presents the projected capital budget request for 2007 and 2008. The work, rationale, and analysis performed by the CSWG in collaboration with the 3-1-1 Project Management Office to recommend the 3-1-1 Service Model for implementation is also described.

Comments:

The 3-1-1 Customer Service Strategy will transform service delivery, efficiency, and effectiveness that result in:

- A “no wrong door” service to the public;
- Quick, accurate information for Council on ward activity; and
- Full service transaction data to better inform the allocation of resources;

(a) City of Toronto Context:

The City of Toronto serves a population of over 2.5 million people in forty-four municipal wards. There are over 40 divisions having a workforce of approximately 33,000 full-time equivalent positions. City agencies, boards and commissions have another 14,000 staff, approximately. About 8 percent (2,700) of the division-based staff respond to the public on the telephone, over the counter, or by e-mail, fax, or mail, as part of their regular duties. Each week, there are over 250,000 City web site visits, 45,000 people visit City counter locations, and the City processes approximately 170,000 calls and self-serve applications. Nine formal call centre teams provide specific menus of City services. The Social Services call centre functions as an intake and assessment unit for individuals seeking social assistance. Seven of the call centres (Tax and Water, Public Health, Court Services, Real Estate Customer Support, ‘EDCT’ Administration and Support, ‘WES’ Customer Support, and Parking Tags) provide specialized services. And, Access Toronto is the corporate-wide, general inquiry line for the City.

The public must search through more than 400 published City numbers listed in the Bell Canada Blue Pages and City web pages in order to make an inquiry or place a service request. While Access Toronto serves as the City’s general information line, calls often must be transferred to another divisional inquiry line for service. This is because the City lacks one corporate-wide system that stores all City program information and scripts, or is able to initiate and track customer service requests. The City currently does not have the full capacity to generate accurate compliance reports on performance. Many of the City’s customer service processes represent pre-amalgamation practices in that they are manual or unharmonized.

(b) Overview of the Council-Staff Working Group:

The Council-Staff Working Group (CSWG) was established to recommend 3-1-1 project implementation priorities, an implementation model for 3-1-1 services, and associated budget requirements. To-date, Council has approved 2005 operating and capital funding for 3-1-1 preparatory planning and design activities as recommended by the CSWG. In collaboration with the 3-1-1 Project Management Office (PMO), CSWG has conducted extensive analysis and assessment of current City systems, functions and performance. It has also reviewed potential City technology features, applications, and capability appropriate to the size and scope of the City. Furthermore, CSWG has documented its findings respecting best practice including that a phased in 3-1-1 implementation manages risks most effectively, and that other 3-1-1 jurisdictions recommend a “soft launch” (i.e., limited advertising).

Further detail on the CSWG purpose, membership, mandate, objectives and assessment activities since its inception in January 2005 is attached as Appendix 1.

CSWG Recommendations on 3-1-1 Service Model Implementation:

The CSWG focused on analysing, linking and synthesizing findings/data on City service standards, divisional states of readiness for 3-1-1, and associated budgetary priorities. It was recognized that either interim or long-term strategies are possible for 3-1-1 implementation depending on the extent of 3-1-1 Contact Centre integration with back-end (divisional) Work Order systems. Accordingly, CSWG asked 3-1-1 PMO staff to report on the following four Service Model options inclusive of operational, financial, and divisional 3-1-1 readiness details:

- Service Model 1: Consolidated 3-1-1 Contact Centre initially for General Inquiries only;
- Service Model 2: Consolidated 3-1-1 Contact Centre for General Inquiries and all service order requests for Solid Waste Management, Transportation, Toronto Water, and Forestry;
- Service Model 3: Consolidated 3-1-1 Contact Centre for General Inquiries and all service order requests for Solid Waste Management, Transportation, Toronto Water, Forestry and Municipal Licensing and Standards; and
- Service Model 4: Consolidated 3-1-1 Contact Centre for General Inquiries and all service order requests for Solid Waste Management, Transportation, Toronto Water, Forestry, Municipal Licensing and Standards, Parks and Recreation, and Revenue Services.

To determine the state of readiness of City divisions for 3-1-1 Service Model implementation, the PMO team conducted evaluation over several months that required:

- Research on other 3-1-1 municipalities, their challenges, and risk mitigation plans;
- Development of a City service standard inventory (standards, response times, tracking method, status categories tracked, and report types);
- Evaluation of current City work order systems based upon tracking capability;

- Assessment of existing service content, and divisional gap analysis; and
- Best practices on information and content management in the City

(a) Summary of Divisional Readiness Findings:

Each contributing division was evaluated on its state of 3-1-1 readiness based upon 15 criteria in three major areas: knowledge base content, service order readiness and transfer readiness. The divisions rated as the teams most ready to participate in full 3-1-1 implementation were Solid Waste Management, Transportation Services, and Toronto Water. They performed very strongly in 10 of 15 categories. Given their high state of readiness, the 3-1-1 PMO will work closely with those divisions in 2005 to address their content gaps as a priority. Toronto Public Health rated very strongly on content development, service order readiness, and the capacity to report accurate status information. The divisions of Municipal Licensing and Standards, and Parks and Recreation, require considerable development in electronic tracking capacity, transfer readiness or information management in order to achieve 3-1-1 readiness.

(b) Critical Divisional Activities to Prepare for 3-1-1 Implementation:

- Divisions will be required to convert all documented/ non-documented content into easily searched electronic form;
- Divisions will be required to develop/enhance their formal information management plan within a prescribed timeframe, ensuring accurate status information on service requests;
- Divisions will be required to review their customer service functions to ensure the right staffing levels, transfer protocols, and training to 3-1-1 operational team standards;
- Selected divisions will be conducting formal business process reviews to identify efficiencies and improve reporting mechanisms; and
- Changes will be required to reporting of status procedures so that updates are recorded within a prescribed timeframe after completion of all, or a specified stage, of a request.

Detailed findings on the overall state of readiness of City divisions in areas critical to 3-1-1 implementation are contained in Appendix 2.

(c) CSWG Implementation Recommendations:

CSWG 3-1-1 implementation recommendations are based on criteria to assess divisional readiness for implementation, examining and reducing the original 3-1-1 budget estimates, ensuring the use of current City staff to mitigate costs, and other critical factors. Some major enhancements of the 3-1-1 model will not be visible to the public, but will still involve intensive, City business transformation. This requires significant 3-1-1 planning, design and start-up activities that were commenced during 2005 and will continue to the end of 2006. Accordingly, CSWG has determined that a phased-in implementation over several years will best mitigate risk factors.

It is, therefore, recommended that implementation of the different features of the 3-1-1 Customer Service Strategy be phased-in to optimize use of existing City resources and build early public confidence in 3-1-1 services. In addition, based on its assessment of service volume, currently

documented content, service order readiness and transfer readiness, CSWG is recommending that approval be given to the Scenario 3 recommended Service Model detailed in Appendix 3.

The CSWG approved Service Model is characterized by:

- 3-1-1 service page having service order request capability;
- 3-1-1 Contact Centre that:
 - Provides general inquiry information;
 - Accepts and tracks service order requests for Solid Waste Management, Transportation, Toronto Water, Forestry and Municipal Licensing and Standards;
 - Consolidates several call centre general inquiry functions including Access Toronto;
 - Provides a single published number for easy public access;
 - Reduces transfers since 3-1-1 call-takers will answer 70 percent of calls at point of first contact;
- Access to the 3-1-1 knowledge base by Council members to assist with constituent inquiries;
- Initiation and electronic tracking of specific 3-1-1 service order requests by Council members on behalf of their constituents;
- Ward activity reporting; and
- Improved divisional information management.

CSWG Recommended 2006 Capital Budget for 3-1-1:

The original 3-1-1 capital budget estimate tabled at Council in November 2004 totalled \$46.8 million. Unlike the CSWG recommended Service Model, the original model assumed a consolidated contact centre providing a full menu of service order requests from all City divisions that provide front-line service to the public. The CSWG has selected 5 divisions to be included in their approved 3-1-1 Service Model and recommended the costs considered necessary for implementation. As a result, the CSWG total 3-1-1 budget estimate is nearly \$20.0 million less than original estimates. CSWG is recommending an estimated total 3-1-1 capital budget of \$26.9 million, and the operating budget is to be considered in the 2006 Proposed Corporate Operating Budget as a part of the 2006 Operating Budget process.

Appendix 4 presents the recommended 2006 and projected 2007 and 2008 capital budget breakdown details for the 3-1-1 Service Model approved by the CSWG. Each function contained in the recommended 2006 capital budget is described below along with the rationale for CSWG recommendations.

(a) 3-1-1 Contact Centre Facility:

Council approved the use of the former Council Chamber at Metro Hall for the 3-1-1 Contact Centre based on extensive assessment and rigorous criteria. Conversion of the Metro Hall Council Chamber (MHCC) for the 3-1-1 call centre is the most suitable and least expensive option and has operating costs about 60 percent less than other options. Capital funding in 2005 was approved for the design and planning of the MHCC retrofit.

A 3-1-1 Contact Centre Facility Plan and Design is in place that also allows for re-conversion of the MHCC to its original state. The design will be complete by early 2006, and construction will commence in mid-summer for completion by the end of 2006. Council directed that the recommended 3-1-1 capital budget for 2006 include the construction costs for the 3-1-1 Contact Centre. Accordingly, CSWG is recommending that 2006 capital funding in the amount of \$2.464 million be approved to retrofit MHCC and construct the 3-1-1 Contact Centre facility.

In 2007, capital funding of \$1.520 million is required for the remaining construction work, furniture and staff moves from other City locations.

(b) Content Documentation/Conversion and Business Process Reviews:

The usefulness of the 3-1-1 knowledge base depends on the quantity and quality of service and program content from all of the divisions contained in it. The documentation process is very labour intensive and must begin well in advance of 3-1-1 implementation to the public. Consolidation of internal inquiry lines requires specific service menus in order to reduce and add precision to call transfers. The same work will be required to consolidate e-mail addresses listed on the City web site. Staff must also identify comprehensive service lists and service standards for the 3-1-1 menu. Information across multiple repositories must be managed, integrated, and organized into electronic form in order to be searched easily by the 3-1-1 team. At present, there are significant gaps in documented content across all divisions including many of those identified as having a high state of 3-1-1 readiness as described in [Appendix 2 (a)]. This is consistent with the experience of other 3-1-1 municipalities in North America.

Business transformation is required to achieve the approved 3-1-1 Customer Service Strategy. The City is placing a strong emphasis on extensive business process reviews and re-engineering in all impacted divisions to modernize services and precisely diagnose problem areas. A future operating model for 3-1-1 must also be developed to identify shared service processes and partnerships with field operations. At present, response time standards and performance standards may vary significantly among programs within a single division as described in [Appendix 2 (b)]. Status information collected in the 3-1-1 system will be used to better allocate resources, diagnose service problems at source, and ensure consistent status reporting and job logging. A Business Process Review Specialist will train 3-1-1 functional teams, and divisional BPR leads on standard BPR methodology.

CSWG is recommending that 2006 capital funding in the amount of \$2.116 million be approved for critical knowledge base service content documentation and to initiate business processes reviews for impacted divisions. In 2007, capital funding of \$1.2525 million is required to complete outstanding reviews of Works business processes and implement identified changes prior to the 3-1-1 launch. In 2008, capital funding of \$0.318 million is required to complete the required business process reviews for Municipal Licensing and Standards prior to technology integration.

(c) 3-1-1 Web Service Page:

The new 3-1-1 service page will provide easy, streamlined access for the public to all City on-line services (e.g. parking permit renewals, parking ticket payments, and parks and recreation registrations). The 3-1-1 service page will be akin to a virtual counter service of one-stop shopping. The public will no longer have to search through the web site to find on-line services. American municipalities have found that the introduction of 3-1-1 on-line services has improved their overall capacity to process inquiries on a 24/7 basis and it allows municipalities to focus limited staff resources on more complex public inquiries.

The public will be able to e-mail inquiries to the 3-1-1 e-mail address for the City and expect a timely response. They will be able to request service through new self-serve options on the 3-1-1 service page and look up the status of their requests electronically.

CSWG is recommending that 2006 capital funding in the amount of \$0.500 million be approved for design and development of the 3-1-1 self serve service order function on the service page. In 2007, capital funding of \$0.7965 million is required to complete the technical installations, and finalize the design elements prior to launch.

(d) Core Technology Infrastructure and Service Order System Integration:

Discussion of the 3-1-1 technology capital budget must remain at a high-level since a large proportion of the total 3-1-1 budget will be for new technology installations and integration. The details must be kept confidential in order to avoid compromising the forthcoming technology Request for Proposal (RFP). Also, 3-1-1 business requirements for the new service model must be finalized to inform the 3-1-1 Technology RFP to be issued in 2006. Detailed analysis will reduce the risk of acquiring the wrong technology for the re-engineered procedures to meet new City needs and centralized call volumes. Technology infrastructure development work is commencing on 3-1-1 consolidated service access for the City web service page, central and specialized telephone service, and installation of automated service order systems.

A strong 3-1-1 model is highly dependent upon a well-designed physical space and effective use of technology. Capital investment is required for a new Service Quality Management system linked electronically to existing work order systems. Significant technology infrastructure development required to prepare for 3-1-1 service launches includes:

- Service Quality Management system;
- Computer/Telephony Integration;
- scripting functions to provide consistent responses and that indicate when to transfer calls;
- coding of types of service calls received to better track reasons/location of transfers;
- call listening features for quality assurance and to support employee coaching;
- E-mail management system to improve response quality/times and track request status;
- electronic linkages to existing service order systems;
- electronically issued "dockets" to track service requests/work orders;
- Staff Scheduling/Workforce Management system;

- centralized reporting systems; and
- privacy enhancing functions.

Once the outcome of the Technology RFP is known, any budget refinements will be presented for Council approval. The Core Technology budget estimate has been reduced by \$1.1 million since July 2005 due to CSWG removing Information Management infrastructure costs. In addition, CSWG reduced the number of licenses originally requested by divisions. Therefore, CSWG is recommending that 2006 capital funding in the amount of \$0.4218 million be approved for initial 3-1-1 core technology acquisition. CSWG is also recommending that 2007 capital funding in the amount of \$10.754 million and 2008 capital funding in the amount of \$2.3177 million be approved to build and complete all technology infrastructure requirements.

In addition, CSWG is recommending 2006 capital funding in the amount of \$.927 million to initiate integration between the new 3-1-1 system and former WES service order systems. CSWG is recommending a 2007 capital request of \$.500 million to complete the WES integration and initiate further integration work with the MLS service order system. The CSWG is recommending a 2008 capital request of \$.280 million to complete the work for the MLS integration.

(e) Human Resource Strategy:

3-1-1 job profiles must reflect critical customer service skills and qualifications. Human Resources staff will be working closely with CUPE Local 79, TCEU 416 and the 3-1-1 PMO to develop new job descriptions for the 3-1-1 team and finalize the 3-1-1 organizational structure. The call-taker team will be drawn from existing, full-time-equivalent positions in City customer service teams. Emphasis will be placed on creating ongoing career and training opportunities and strong staff retention rates. It is a primary goal of the City to ensure positive work satisfaction for the 3-1-1 teams and specialists.

Preparatory work will be undertaken well in advance of the late 2007 soft launch of the consolidated 3-1-1 Contact Centre as documented in the "Human Resource Plan, 3-1-1 Implementation, The People Plan". The 3-1-1 HR strategy lists detailed activities and steps covering HR speciality areas such as health and safety, ergonomics, job evaluation, and labour relations. Each of the following major components possesses their own plan:

- HR Communications Plan;
- Staffing and Workforce Transition Plan;
- Labour Relations Plan;
- Compensation Plan;
- Training Plan; and
- Change Management Plan.

An Integrated HR Plan is in place to co-ordinate HR project teams and to link with the 3-1-1 PMO and 3-1-1 Steering Committee. Risks have been pre-identified and union representatives will be engaged early to resolve potential jurisdictional or employee matters, such as working

hours. It is anticipated that intensive technical and customer service training for 3-1-1 Contact Centre and operations staff will include team-building, motivational and coaching elements.

CSWG is recommending that 2006 capital funding in the amount of \$0.100 million be approved to design and develop training courses on technical and customer service skills for 3-1-1 staff. In 2007, capital funding of \$0.397 million is required to fully train all 3-1-1 staff prior to moving to the 3-1-1 operation.

(f) Communication Strategy:

Formal communications will be timed to co-ordinate with 3-1-1 project milestones. This will require Corporate Communications, Human Resources, Labour Relations, and the 3-1-1 Corporate Project Lead, to take a co-ordinated approach to 3-1-1 communications planning and implementation. In particular, linkage with HR communication initiatives may require very specific messages. In contrast, communication with the public may involve a very broad range of 3-1-1 marketing and education activities.

Initial 3-1-1 communications will focus on general updates to staff, inter-departmental involvement, and the Mayor and Members of Council. At later stages, it is anticipated that internal communications may be directed specifically to affected staff groups and/or with reference to Human Resource communication initiatives. The Corporate Communications division has developed a Communication Plan to handle a wide range of 3-1-1 messages. Official spokespersons have already been identified. The Plan will include methods and means to address the expectations of various stakeholders such as the general public, residents and non-residents, Council members, Union representatives, other governments, City staff, and the media.

The CSWG agreed that 3-1-1 implementation using a preliminary “soft launch” (limited advertising) is preferable based on lessons learned from other 3-1-1 cities. Accordingly, CSWG is recommending that 2006 capital funding in the amount of \$0.015 million be approved for 3-1-1 communications purposes that arise. In 2007, capital funding of \$0.085 million is required for the preliminary communication strategy to support the public launch of 3-1-1 in early 2008. The CSWG is recommending a small 2008 capital request of \$0.050 million for special promotional events.

(g) Privacy Impact Assessment:

Council has directed staff to conduct privacy impact assessments (PIA) on all new systems prior to launch. This is because under the *Municipal Freedom of Information and Protection of Privacy Act*, the City is required to inform citizens of:

- What information the City is collecting;
- How the information is to be used by the City; and
- Who/what parties will use the information;

Full PIAs can identify what information it is possible to collect from the 3-1-1 system while protecting personal information appropriately. This ensures that proper permission, use and disclosure procedures for the public are in place. In this manner, expensive and legal risks associated with having to later interject process and system re-design can be avoided. PIA builds public confidence in City efforts to respect privacy while delivering responsive service.

Therefore, CSWG is recommending that 2006 capital funding in the amount of \$0.180 million be approved to obtain full-time Privacy Consultant services for the 3-1-1 initiative. In 2007, capital funding of \$0.180 million is required to complete outstanding privacy impact assessments to ensure compliance with Council directives.

3-1-1 Project Governance, Due Diligence and Accountability:

Project governance consists of processes and structures designed to ensure thorough project management, due diligence, and accountability to Council. The 3-1-1 initiative is described below in terms of its project compliance processes, the parties assigned responsibilities, its organizational structure, and the corporate checks and balances being established.

(a) 3-1-1 Project and Management Plans:

The 3-1-1 Project (the “Project”) will conform to formal project management practices. It will apply the tools and processes identified by the Corporate Project Management Initiative. Where resources are not available through that source, the 3-1-1 Project Management Office (PMO) will research and develop appropriate materials. The Project Management Plan of the 3-1-1 PMO consists of a Project Charter, Work Breakdown Structure, Critical Path Schedule, and Management Plans including:

- Scope/Change Management;
- Risk Management;
- Issues Management;
- Quality (Assurance) Management;
- Financial/Cost Tracking Management;
- Procurement Management;
- Human Resources/Labour Relations Management; and
- Communication Management.

The Project Plan is a formal document. It will reflect project adherence to all City management control and compliance procedures based on consultation with Internal Audit and Finance. The Project will be subject to regular reviews against prescribed milestones, quality assurance on the adequacy and cost effectiveness of project controls, and a formal approval process for changes and critical decisions. The 3-1-1 Project Plan may also be subject to a validation process conducted by an external, independent party.

The Project and its subsequent phases will be organized and managed in accordance with accepted project management practices. Accordingly, project management tools, processes and procedures used to manage the Project include, but are not limited to:

- Scope Management/Change Control Plan;
- Adherence to Project Plans;
- Status Reports;
- Status Meetings;
- Formal Meeting Agendas and Minutes;
- Issues Management Plan;
- Financial Management Plan;
- Deliverable and Document Standards;
- Quality Management Plan;
- Human Resource Management Plan; and
- Risk Management Plan.

An overall project charter and sub-charters are in place for the Project based upon the Council decisions in July 2005. At each new phase, the PMO will update the Project Charter to reflect newly approved deliverables and recommendations from CSWG and Council. In addition, sub-charters form part of the overall Project Management Plan and Project Charter. The purpose of sub-charters is to delegate limited authority to manage scope, time, cost and quality for a sub-section of the overall Project phase. Sub-charters will be created when the management of the deliverables is within a specific division. The PMO will manage all cross-divisional deliverables, but not sub-charters.

(b) 3-1-1 Project Governance Structure and Accountability:

Key 3-1-1 project governance roles and responsibilities not detailed on the Table below include:

(i) 3-1-1 Project Management Office (PMO):

The role of the PMO is to support the approved Customer Service Strategy through the planning, development and design of a permanent 3-1-1 operation. The approved PMO has full-time staff to provide a focal point for the discipline of project management and to support the City transition to a permanent 3-1-1 operation as follow:

- Corporate Lead (3-1-1 Project Director);
- Quality Assurance Lead (QA Lead);
- Policy/Procedure Lead (P/P Lead);
- Business Process Review Lead (BPR Lead);
- Two Subject Expert Leads (SE Leads);
- Financial Lead (F Lead) as required; and
- Two Administrative Support positions (AS).

(ii) 3-1-1 Project Management Team:

All assigned leads from the Work Package and the Sub-Project Charters comprise the Project Management Team. Each lead is responsible for the development of their own

work package (WP) or sub-charter, project plan and delivery of their specific milestones. All team members are required to report regularly to the 3-1-1 PMO on their progress.

(iii) 3-1-1 Resource Team:

Divisional representatives with subject matter expertise will provide advice and opinions on a specific matter under review by the 3-1-1 PMO. Their relationship is consultative to advance the quality of project products. In addition, active and long-term participation by union representatives on 3-1-1 advisory teams is necessary to achieve many of the best practices of other jurisdictions.

(iv) External Stakeholder Advisory Group

An external advisory group will be formed to include membership from 2-1-1, 9-1-1, Toronto Transit Commission and other appropriate agencies, boards and commissions. 3-1-1 PMO will consult with these groups on an ongoing basis to gain lessons learned from their initiatives, coordination of services and communications where appropriate and to ensure that they are well-informed on activities that could potentially impact their daily operations.

Organizational Unit	How are they affected, or how are they participating?
City Manager's Office	<u>Executive Sponsor Role</u> : City Manager performs this role due to the City-wide scope and impact of the 3-1-1 Project.
Deputy City Manager's Office	<u>Lead Deputy City Manager</u> : 3-1-1 Lead Deputy will assume overall responsibility for the budget of the 3-1-1 Project Management Office (PMO). Accordingly, responsibility for overall project delivery is directly within the Deputy City Manager's portfolio. <u>Project Director Role</u> : The 3-1-1 Corporate Lead functions as Project Director in the 3-1-1 PMO and is responsible for day-to-day Project Management, and internal/external project direction and activities.
Union Representatives (Locals 416, 79, COTAPSAI)	<u>Project Stakeholder</u> : Union Representatives will participate in forums and on advisory teams as required (e.g., Facility, and Training Advisory Teams).
All Divisions	<u>Project Stakeholder</u> : All City divisions will have content that is required for the Knowledge Base.
Corporate Communication	<u>Project Participant</u> : Responsible for developing the On-line Service page.
Divisions with Customer Service Interface	<u>Project Participant</u> : Specific divisions will have responsibility for partnership work with the 3-1-1 operation
Corporate Information & Technology	<u>Project Participant</u> : Corporate IT is responsible for the creation and evaluation of the Technical RFP, and oversight for the installation of the technology.

Corporate Facilities and Real Estate	<u>Project Participant</u> : Facilities and Real Estate is responsible for the Design and construction of the Contact Centre facilities
--------------------------------------	---

Executive Sponsor: Ultimate authority for providing approvals.

Participant: Active member on the Project Structure for decision making or consultation.

Stakeholder: Provides information/advice and receives communication on project status.

Appendix 5 contains details on the 3-1-1 Project Governance Roles and Responsibilities.

(c) Future 3-1-1 Project Accountability and Service Performance:

The CSWG in a successful collaboration with the 3-1-1 PMO, developed the 3-1-1 Service Model, implementation phases, divisional readiness and other critical information. The CSWG has now completed the mandate that it was given by Council. As described, there are many checks and balances built into the 3-1-1 Project to ensure ongoing due diligence, regular status reporting, and seeking the appropriate approvals from senior management and Council.

CSWG has identified that the future implementation of the Project requires that significant attention be paid to solutions and the management of risk. They have also identified steps to be taken following the 3-1-1 launch including full reporting on any continuing risks and the lessons learned from the Project. It is, therefore, recommended that the 3-1-1 Lead Deputy City Manager be directed to report on the lessons learned from the Contact Centre launch according to pre-determined success criteria.

There are two primary areas of improvement that 3-1-1 is intended to produce, one external and one internal. These are, respectively, service improvements seen and experienced by the public, as well as improved accountability and performance within City operations. Similar to the City of Baltimore, the CSWG is very interested in establishing a formal body comprised of Councillors, senior staff and dedicated 3-1-1 data analysts, to provide future oversight on 3-1-1 statistics and performance management. Suggested roles that would follow the launch of the consolidated 3-1-1 Contact Centre include:

- Regular meetings to review 3-1-1 generated management reports that track service order results and response times;
- Monitoring, troubleshooting, and recommending improvements to service response standards and processes; and
- Assessing divisional statistics such as productivity and service request completion rates.

It is, therefore, recommended that the 3-1-1 Lead Deputy City Manager identify a future working partnership of Council, senior staff, and 3-1-1 Contact Centre staff, to provide performance management oversight on 3-1-1/divisional service request outcomes and to monitor and recommend service improvements.

The CSWG has expressed an interest in performing a role in 3-1-1 implementation of significant operational project milestones that lay immediately ahead. The CSWG will be considering

appropriate options for their future role in the project in the next few weeks. It is, therefore, recommended that the 3-1-1 Deputy City Manager in consultation with the Mayor and the CSWG, report to Council by December 2005 on whether, or in what capacity, the CSWG should be continued given completion of its current mandate.

Conclusion:

Following its approval of the 3-1-1 Customer Service Strategy in September 2004, the City of Toronto Council established a 3-1-1 Council-Staff Working Group (CSWG) to recommend an appropriate Service Model, implementation plan, and associated operating and capital budgets. In this report, 3-1-1 benefits and service improvements for the public are reviewed, as are the critical components required to move City services in this new direction. The 3-1-1 Service Model will transform the City's service orientation to a citizen-centred approach with expanded public accessibility to information and services.

For the 2005 year, Council approved the CSWG operating budget recommendation of \$0.503 million to establish a 3-1-1 Project Management Office (PMO), as well as \$1.737 million in capital funding to implement 3-1-1 preparatory activities including:

- design and planning of a consolidated 3-1-1 contact centre facility;
- assisting all 3-1-1 service divisions in front-end content development and business reviews related to capital infrastructure;
- design of the knowledge base for use by 3-1-1 customer service teams and, later, the public;
- expertise for criteria development and fairness monitoring of the Technology RFP; and
- design of a web 3-1-1 Service Page to improve access to on-line services and offer service request features on a 24/7 basis.

CSWG undertook extensive analysis and assessment of current City systems, functions, performance, divisional state of readiness to implement 3-1-1, and potential customer service models. As a result, the CSWG is recommending a Service Model consisting of a consolidated 3-1-1 Contact Centre with the capacity to address City general inquiries and all service order requests for the divisions of Solid Waste Management, Transportation, Toronto Water, Forestry and Municipal Licensing and Standards.

When fully implemented, the new 3-1-1 service will establish the City as a municipal centre of excellence. Specifically, 3-1-1 will result in improved access and services designed from the perspective of the public. It will provide new electronic capacity to track the full customer service experience and make it easier for staff and Council members to resolve problems on behalf of the public when they occur.

To complete 3-1-1 preparatory activities and meet project implementation milestones, the CSWG is now recommending the required 2006 capital budget and the projected 2007 and 2008 capital budgets. Activities covered by the budget during 2006 will include the 3-1-1 Contact Centre retrofit and construction, completion of business process reviews to build the critical and essential 3-1-1 knowledge base and, design and development of the self-serve service order

function on the 3-1-1 web Service Page. Funding for the initial development of the significant core technology infrastructure required to prepare for future 3-1-1 service launches is also being recommended. It is important that processes and structures are designed in collaboration with the 3-1-1 PMO, the 3-1-1 Project Management Team, the 3-1-1 Resource Team, and the External Stakeholder Advisory Group and result in a fully integrated and accountable 3-1-1 implementation.

Contact Names:

Colleen Bell, Manager, Corporate Client Services Initiative, Executive Management Division, City Manager's Office, and 3-1-1 Corporate Lead, 3-1-1 Project Management Office, Office of the Deputy City Manager, Tel: 416-392-8374, E-mail: cbell@toronto.ca

Laurie McQueen, Sr. Corporate Management and Policy Consultant, Corporate and Strategic Policy Division, City Manager's Office, and 3-1-1 Policy Lead, 3-1-1 Project Management Office, Office of the Deputy City Manager, Tel: 416-392-8995, E-mail: lmcqueen@toronto.ca

Appendix 1

The 3-1-1 Council-Staff Working Group

I. CSWG Purpose, Membership and Mandate

CSWG Reporting Authority:

The 3-1-1 Council-Staff Working Group (CSWG) is a time-limited, advisory body established to undertake specific tasks that support the e-City Committee. The CSWG reports to the e-City Committee that has as its mandate to review, co-ordinate and make recommendations pertaining to corporate-wide information and technology services including 3-1-1 technology and on-line customer service initiatives.

(b) CSWG Membership Composition:

3-1-1 Council-Staff Working Group membership is as follows:

- Councillor Milczyn, Chair of the e-City Committee;
- Councillor Del Grande, appointed by the e-City Committee;
- Councillors Ashton, Balkissoon, Cowbourne, Minnan-Wong, Stintz and Watson, each appointed by one of the Standing Committees of Council;
- Mayor's Office representative;
- Shirley Hoy, City Manager;
- Sue Corke, 3-1-1 Deputy City Manager;
- Colleen Bell, 3-1-1 Corporate Lead;
- John Davies, Executive Director, Corporate Information and Technology; and
- Laurie McQueen, 3-1-1 Policy Lead.

Councillor Balkissoon was elected by the CSWG as Chair and Councillor Minnan-Wong as Co-Chair. The City Manager previously filled the role as senior management lead and Executive Sponsor, but delegated that role to Sue Corke, Deputy City Manager. Ms. Corke attends CSWG meetings and is responsible for overall 3-1-1 program management based on her interest and previous experience in implementing customer service initiatives at the Province of Ontario.

(c) Summary of CSWG Mandate:

In summary, the mandate of the CSWG is to make recommendations on implementing the 3-1-1 Council-approved project design for corporate-wide customer service improvements. To this end, CSWG has reviewed and recommended on the:

- Proposed components of each 3-1-1 implementation phase;
- Costs for each phase;
- Activities and resources needed from each division to identify and monitor front-line service standards;
- Preparedness of all divisions for a 3-1-1 system;
- Incorporation of multi-lingual 3-1-1 features; and
- Accessibility options for disabled persons in the development of 3-1-1 services.

(d) CSWG Meetings to-date:

The CSWG has met more than 20 times since January 2005. In addition, most CSWG members have participated in tours and site visits to 3-1-1 cities in the United States (Baltimore in February 2005 and Miami-Dade County in March 2005). CSWG members also attended demonstrations of internal City operations such as the WES call and dispatch centre and work order systems located at Ellesmere Yard, and a presentation by Access Toronto. CSWG members also attended seminars on topics of relevance such as e-Government, and a Vendor Information Session hosted by an independent industry association (ITAC) in July 2005.

II. CSWG Objectives and Assessment Activities

(a) CSWG Objectives:

The CSWG has undertaken significant and productive work since January 2005. Valuable progress has been made to successfully implement the approved 3-1-1 customer service strategy by recommending a 3-1-1 Service Model and budget for each of 2005, 2006, and 2007. From its inception, the CSWG has been focused and clear on stating that its objectives for a 3-1-1 system are to ensure:

- better customer service is provided at the best value for the public;
- 3-1-1 budget submissions are kept separate from other costs that should be a regular part of service improvements by City operations (e.g. developing service standards);
- 3-1-1 management tools measure productivity, percentage of times that teams meet established performance standards and accountability for each service requests from receipt to completion;

- Councillors obtain view/read capability for 3-1-1 service requests, status and outcomes in their respective wards to fully address public needs and priorities;
- systems that can remain unchanged for now are identified while planning occurs for their later integration with an advanced 3-1-1 system;
- 3-1-1 service benefits and costs are fully justifiable and understood by the public; and
- original estimates for the 3-1-1 budget are reviewed and reduced where appropriate.

Recommendations by CSWG to the Budget Advisory Committee are consistent with these objectives. The CSWG has removed divisional systems upgrades, work order system developments, and secondary call-taker consolidations from the original 3-1-1 capital budget request submitted by the former Executive Management Team. CSWG maintains such customer and operating service improvements should be budgeted by divisions irrespective of the 3-1-1 project. CSWG thus distinguishes divisional 3-1-1 preparation from divisional 3-1-1 readiness.

(b) Summary of CSWG Assessment Activities:

Extensive activity has been undertaken by CSWG to-date in collaboration with the 3-1-1 Project Management Office (PMO). Specifically, a wide range of detailed data, information, and analysis has been reviewed for all areas of 3-1-1 priority. CSWG is basing its recommendations for a detailed 3-1-1 project implementation plan and capital budget requests for 2005, 2006 and 2007, on findings from the following areas of focus:

- Examining (confidential) consultant reports on how to improve service using new technology that included design aspects relevant to 3-1-1 customer service like:
 - Assessing City call centre operations and technology;
 - Assessing City systems, functions and performance vis-à-vis best practices;
 - Types of features, applications, and capability appropriate for City services;
 - Analysis of best applications (i.e., prescribed responses for inquiries/requests);
 - Systems requirements to achieve integration with existing City technology;
 - Business cases supporting possible service improvement through new technology;
 - Recommendations for an implementation strategy for new technologies;
- attending demonstrations of current City stand-alone, work order systems;
- reviewing detailed surveys on 3-1-1 technology, response times and efficiencies gained, design/systems validation, best practices, operations, costs and lessons learned (from the least sophisticated to those with an extensive knowledge base and high-level electronic service request tracking);
- visiting the City of Baltimore renowned for its service request system, ability to track team performances in meeting specified service standards, improving their resource allocations, deploying staff more effectively, and being accountable to the public;
- visiting the County of Miami-Dade (closest to the proposed Toronto model) that transformed service by improving their business processes, building a comprehensive

- knowledge base for 3-1-1 staff (reduces transfers to other teams and precisely tracks service requests), consolidating the contact centre at one location, and linking electronically to one work order system to get service order requests to field crews faster;
- examining City call centre operations, and web site services including contact volume, transfers to other teams, response standards, and current operating costs;
 - assessing other matters related to the 3-1-1 City model including:
 - identification of all City services with direct contact with the public;
 - types of information and service requests received (by call centres, e-mail, web);
 - cost-benefits of a consolidated versus decentralized call centre facility;
 - review of transfer requirements (Level 2 teams of coordinated divisional specialists for highly technical, personal, or confidential requests);
 - examining the proposed City technology by category and service components; and
 - examining original 3-1-1 capital budget estimates in detail for each function.

Appendix 2

Detailed Findings on Divisional Readiness for 3-1-1 Implementation

To determine the state of readiness of City divisions to support 3-1-1 implementation, the 3-1-1 Project Management Office (PMO) team focused upon those divisions that would contribute significant content for the knowledge base and would process a high volume of service order requests. The use of different terminology and definitions made clear comparisons between the divisions a challenge. The PMO conducted its evaluation over several months and required the development and review of many source documents.

Each contributing division was evaluated on its state of 3-1-1 readiness based upon 15 criteria in three critical 3-1-1 areas: knowledge base content, service order readiness and transfer readiness. The divisions rated as the teams most ready to participate in full 3-1-1 implementation were Solid Waste Management, Transportation Services, and Toronto Water. They performed very strongly in 10 of 15 categories. Toronto Public Health also rated very strongly on content development, service order readiness, and the capacity to report accurate status information. The other two key divisions of Municipal Licensing and Standards, and Parks and Recreation, require considerable development in either electronic tracking capacity, transfer readiness or information management.

(a) Knowledge Base Content:

A critical success factor for 3-1-1 implementation is the ability of staff to access well-organized content in easily searched electronic form as a tool to respond to public inquiries. At present,

there are significant gaps in documented content across all divisions including many identified as having a high state of 3-1-1 readiness. Corporate Communications and Toronto Public Health are the only two divisions that have electronic information repositories. The remaining divisions store content in hard-copy binders subject to up-dates as required. In many cases, there is a reliance on long-term experienced staff to impart to the public information that is not formally documented. There are currently inconsistencies in staff responses within the same unit due to lack of documented content. Content development will be a major undertaking for the contributing divisions. The 3-1-1 Project Management Office will be putting plans in place to address content gaps in priority divisions.

(b) Service Standards:

All contributing divisions were able to provide an inventory of their legislated, divisional and informal service standards and response times. Most have very clear response times while a few have response times based upon a range (e.g., it will take 4-6 months for the issue to be resolved due to backlogs). Few divisions had service standards that are still under development.

Many service standards vary by season and the time of day or week. As one example, sod restoration may be requested after a water main repair. If the request is received in July, it will be addressed promptly. If the request is initiated in November, the request will logically be deferred to an appropriate time in the spring. Some services have cross-jurisdictional responsibilities and are not actually considered completed fully by the public until their provincial counterpart has fulfilled their duties. This poses a communication challenge as the public does not differentiate between levels of government and will usually return to their first point of contact for status information.

Service standards are set and measured for specific service areas. Divisions do not have a universal response time for multiple service areas (e.g., not all Transportation service requests are to be completed within five working days). Furthermore, response times for specific service areas also vary by districts where the service levels have not been harmonized.

(c) Tracking and Reporting:

The contributing divisions are using a combination of electronic tracking and manual monitoring. There is a minority of situations where there is no formal monitoring conducted at all. The three former WES divisions have the most robust reporting capability. The status of their individual service requests can be monitored according to three to four categories, namely, Open, Investigated, Scheduled or Closed. These divisions have the capability to produce aggregate compliance reports in response to customized requests, but compliance reporting as a standard procedure would require additional programming. Their service order systems also have the functionality to identify duplicate service order requests through an automated prompt or initiated by staff, which is a key consideration for early 3-1-1 implementation. Other City divisions do not have automated prompts or electronic functionality to identify duplicate service order requests. The former WES divisions have also been working on improving their audit trails for each service order request in each of their systems, but this component remains under development.

The remaining divisions often measure status categories simply as open or closed. Status information in some cases can only be reported on a manual basis. Forestry Services in the Parks and Recreation Division is able to measure on four status types because the information is collected electronically in the TMMS system. However, the remaining service areas in Parks and Recreation are on manual monitoring procedures.

(d) Information Management:

The priority of all divisions is always focused on the actual resolution of service order requests on the behalf of the public. Historically, completion of work has always taken precedence over the reporting of its status. The contributing divisions do not have strictly enforced policies and standards in place that prescribe timeframes for status information on individual requests to be updated in their systems. This gap impacts the City's capacity to be able to generate accurate reports on compliance measurements and to communicate current status outcomes to the public. Work may have been completed for several weeks while the current status in the system will indicate that it is yet to be done. Toronto Public Health and Toronto Water both have wireless pilots in place that allow their crews and inspection teams to enter status information electronically from the field. The accuracy of their status information has improved significantly since the start of those projects.

Divisions also define their status categories differently depending on the service area. The category "Completed" can mean that a formal inspection has taken place but the original complaint may not resolved. In other cases, "Completed" means that the work is done and the complaint has been fully resolved. Also, some divisions measure request stages more precisely than others (e.g., terms such as "Scheduled" or "Investigated" as opposed to the less precise term "Open"). Consistency in status definition must be considered on a corporate-wide basis so that the 3-1-1 call-takers can easily explain status information to the public regardless of the type of request. The inability to report electronically on compliance benchmarks with current information affects teams' ability to project improved response standards in the short-term. Compliance baselines need to be established before further improvements can be identified. Baselines will be identified and information plans developed through the business process reviews.

(e) Transfer Readiness:

The public will measure the 3-1-1 service experience in its entirety, not just at the first point of contact. The City has reviewed the lessons learned from the City of Los Angeles who focused on improving "the second point of contact" or transfer as well as the first. Their public's satisfaction levels with 3-1-1 improved once the transfer experience was addressed appropriately through training and reconfiguration of existing teams.

Not all of the divisions are currently supported by formal call centre operations with cross-trained staff. Municipal Licensing and Standards does not have a call centre. Municipal Licensing and Standards is planning to restructure their telephone services to better support required transfers. Many divisions have already begun to reduce the number of inquiry lines and

have started to consolidate customer service staff in cross-trained models of service delivery. Revenue Services and Toronto Public Health have established excellent best practices in this area.

Appendix 3

Comparison of 3-1-1 Service Model Scenarios 1 - 4

COMPARISON OF 3-1-1 MODEL OPTIONS				
	OPTION 1	OPTION 2	OPTION 3	OPTION 4
Service Description	General inquiry information for the entire City will be provided by 3-1-1 (5 Million calls annually) and at all 6 civic centre locations	General inquiry information for the entire City will be provided by 3-1-1 (5 Million calls annually) All service order requests for Solid Waste Management, Transportation, Toronto Water and Forestry will be initiated by the 3-1-1 team (approx. 250,000 annually)	General inquiry information for the entire City will be provided by 3-1-1 (5 Million calls annually) All service order requests for Solid Waste Management, Transportation, Toronto Water and Forestry and Municipal Licensing and Standards can be initiated and tracked by 3-1-1 (approx. 286,000 annually)	General inquiry information for the entire City will be provided by 3-1-1 (5 Million calls annually) All service order requests for Solid Waste Management, Transportation, Toronto Water and Forestry, Municipal Licensing and Standards, Parks and Recreation and Revenue Services can be initiated and tracked by 3-1-1 (approx. 401,000 annually)
Features	consolidated call centre on-line service page knowledge base access for 3-1-1 and Members of Council	consolidated call centre on-line service page with service order request function knowledge base access for 3-1-1 and Members of Council service order requests and tracking electronically for 3-1-1 and Members of Council	consolidated call centre on-line service page with service order request function knowledge base access for 3-1-1 and Members of Council service order requests and tracking electronically for 3-1-1 and Members of Council	consolidated call centre on-line service page with service order request function knowledge base access for 3-1-1 and Members of Council service order requests and tracking electronically for 3-1-1 and Members of Council
Cost – 2005-8	\$20.1 M	\$25.7 M	\$26.9 M	\$33.2 M

COMPARISON OF 3-1-1 MODEL OPTIONS				
	OPTION 1	OPTION 2	OPTION 3	OPTION 4
Service Improvements	<p>Over 400 published telephone numbers are collapsed to one published number for easy access for the public</p> <p>The public will be able to access City information directly from the 3-1-1 team instead of searching for the right number or being transferred</p> <p>The public will be able to access all on-line services on the 3-1-1 service page</p>	<p>Over 400 published telephone numbers are collapsed to one published number for easy access for the public</p> <p>The public will be able to access City information directly from the 3-1-1 team instead of searching for the right number or being transferred</p> <p>The public will be able to access all on-line services on the 3-1-1 service page</p> <p>The public will be able to initiate their own service requests on-line and track status on the 3-1-1 service page</p> <p>All service order requests for Solid Waste Management, Transportation, Toronto Water and Forestry can be initiated and tracked on behalf of the public by 3-1-1</p> <p>Members of Council will be able to initiate and track service order requests for Solid Waste Management, Transportation, Toronto Water and Forestry on behalf of their constituents</p>	<p>Over 400 published telephone numbers are collapsed to one published number for easy access for the public</p> <p>The public will be able to access City information directly from the 3-1-1 team instead of searching for the right number or being transferred</p> <p>The public will be able to access all on-line services on the 3-1-1 service page</p> <p>The public will be able to initiate their own service requests on-line and track status on the 3-1-1 service page</p> <p>All service order requests for Solid Waste Management, Transportation, Toronto Water and Forestry and Municipal Licensing and Standards can be initiated and tracked on behalf of the public by 3-1-1</p> <p>Members of Council will be able to initiate and track service order requests for Solid Waste Management, Transportation, Toronto Water, Forestry and Municipal Licensing and Standards on behalf of their constituents</p>	<p>Over 400 published telephone numbers are collapsed to one published number for easy access for the public</p> <p>The public will be able to access City information directly from the 3-1-1 team instead of searching for the right number or being transferred</p> <p>The public will be able to access all on-line services on the 3-1-1 service page</p> <p>The public will be able to initiate their own service requests on-line and track status on the 3-1-1 service page</p> <p>All service order requests for Solid Waste Management, Transportation, Toronto Water, Forestry, Municipal Licensing and Standards, Parks and Recreation and Revenue Services can be initiated and tracked on behalf of the public by 3-1-1</p> <p>Members of Council will be able to initiate and track service order requests for Solid Waste Management, Transportation, Toronto Water, Forestry, Municipal Licensing and Standards, Parks and Recreation and</p>

COMPARISON OF 3-1-1 MODEL OPTIONS				
	OPTION 1	OPTION 2	OPTION 3	OPTION 4
				Revenue Services on behalf of their constituents
Internal Efficiencies	<p>Consolidation of several call centre general inquiry functions including Access Toronto</p> <p>Reduced call transfers</p> <p>Electronic email management</p>	<p>Consolidation of several call centre general inquiry functions including Access Toronto</p> <p>Reduced call transfers</p> <p>Electronic email management</p> <p>Electronic tracking of service order requests from end to end</p> <p>Compliance to standard reports</p> <p>Ward activity reports</p> <p>Improved information management in divisions</p>	<p>Consolidation of several call centre general inquiry functions including Access Toronto</p> <p>Reduced call transfers</p> <p>Electronic email management</p> <p>Electronic tracking of service order requests from end to end</p> <p>Compliance to standard reports</p> <p>Ward activity reports</p> <p>Improved information management in divisions</p>	<p>Consolidation of several call centre general inquiry functions including Access Toronto</p> <p>Reduced call transfers</p> <p>Electronic email management</p> <p>Electronic tracking of service order requests from end to end</p> <p>Compliance to standard reports</p> <p>Ward activity reports</p> <p>Improved information management in divisions</p>
Project Risk	Low-Medium. Technology installation straightforward. No work order system integration required.	Low-Medium. Technology installation and integration will be managed through a phased-in approach. Experienced technical teams supporting mature systems.	Very high. Extensive work would have to be undertaken to re-engineer processes and upgrade the current licensing system or migrate to IBMS for MLS.	Very high. The project scope is very broad with a wide range of system and process maturity in the individual divisions.
Potential for Efficiencies and/or Savings	<p>Fewer transfers</p> <p>Better utilization of staff resources</p>	<p>Fewer transfers</p> <p>Better utilization of staff resources</p> <p>Reviews of all impacted service order processes will help to identify operational efficiencies, streamlined processes and compliance reporting requirements as part of the analysis.</p>	<p>Fewer transfers</p> <p>Better utilization of staff resources</p> <p>Reviews of all impacted service order processes will help to identify operational efficiencies, streamlined processes and compliance reporting requirements as part of the analysis.</p>	<p>Fewer transfers</p> <p>Better utilization of staff resources</p> <p>Reviews of all impacted service order processes will help to identify operational efficiencies, streamlined processes and compliance reporting requirements as part of the analysis.</p>

Appendix 4

Functional Breakdown of 3-1-1 Service Model
Capital Budget Cashflow 2005 – 2007

<u>Function</u>	2005 Cash-flow	2006 Cash-flow	2007 Cash-flow	2008 Cash-flow	TOTAL
KB Content Development and BPR	\$817,000	\$2,116,200	\$1,252,500	\$318,000	\$4,503,700
Facility Retrofit	\$325,000	\$2,464,100	\$1,519,600	\$0	\$4,308,700
3-1-1 Service Page	\$100,000	\$500,000	\$796,500	\$0	\$1,396,500
Information Architect	\$360,000	\$0	\$0	\$0	\$360,000
S/O System Integration	\$0	\$927,000	\$500,000	\$280,000	\$1,707,000
Core Technology	\$0	\$421,880	\$10,754,380	\$2,317,740	\$13,494,000
Training	\$0	\$100,000	\$397,000	\$0	\$497,000
Communications	\$0	\$15,000	\$85,000	\$50,000	\$150,000
RFP Expertise	\$135,000	\$0	\$0	\$0	\$135,000
Privacy Impact Assessment	\$0	\$180,000	\$180,000	\$0	\$360,000
Totals	\$1,737,000	\$6,724,180	\$15,484,980	\$2,965,740	\$26,911,900

KB: Knowledge Base

BPR: Business Process Review

S/O: Service Order
RFP: Request for Proposal

Appendix 5

3-1-1 Project Governance: Roles and Responsibilities

1. Deputy City Manager: 3-1-1 Designated Executive Sponsor

Project sponsors are executive or senior managers having a prime interest in the outcome of a project since the results will have a direct impact on the operations for which the project sponsor is responsible. Given the City-wide operating impact of the 3-1-1 project, it is appropriate that the City Manager have the role of Executive Sponsor. The 3-1-1 Project Management Office (PMO) budget originally was within the Office of the City Manager as a special addition. With the assignment of the 3-1-1 Program Management role to the Office of the 3-1-1 Lead Deputy City Manager in May 2005, the overall PMO budget accountability has been transferred accordingly.

2. 3-1-1 Steering Committee

The City Manager, all Deputy City Managers, the Chief Corporate Officer, the Executive Director of Human Resources, the Executive Director of Information and Technology are members of the Steering Committee. The committee provides high-level guidance and establishes a common vision for the project and scope to be covered. They will also be responsible for setting and managing expectations of the senior management team and setting the standards by which the project will be measured. Provide input, set priorities and approve scope for the initiative. They will analyze and make timely decisions on changes proposed by the project team and commit the required resources to the project. They will review and approve project work and progress through key milestones, take initiative to proactively identify and mitigate project risks and be ultimately responsible for the success of the project.

3. Corporate Lead: 3-1-1 Project Director

The Corporate Lead as 3-1-1 Project Director was assigned by the Executive Sponsor and will continue to have a direct reporting relationship to that position as required. Day-to-day reporting of the Corporate Lead will be to the Lead DCM. The Corporate Lead is responsible for the day-to-day management of the project and for all internal/external aspects of the project.

4. 3-1-1 Project Management Office (PMO)

The role of the PMO is to support the approved strategy through the planning, development and design of a permanent 3-1-1 operation. The 3-1-1 Project Management Office is comprised of the Corporate Lead (3-1-1 Project Director), Quality Assurance Lead (QA Lead),

Policy/Procedure Lead (P/P Lead), Business Process Review Lead (BPR Lead), two Subject Expert Leads (SE Leads), Financial Lead (F Lead) as required, and two Administrative Support positions (AS).

Team members are now fully dedicated to the 3-1-1 project with the exception of the Financial Lead (available later as required), the Policy/Procedures Lead (currently 75 percent to the PMO), the BPR Lead (later project stage), and one Administrative Support position (later project stage). Irrespective of any ongoing Divisional affiliations, all 3-1-1 PMO members will report to the Corporate Lead on their assigned 3-1-1 matters.

5. 3-1-1 Project Management Team

All assigned leads from the Work Package and the Sub-Project Charters comprise the Project Management Team. Each lead is responsible for the development of their work package (WP) or sub-charter, project plan and delivery of their specific milestones. All team members are required to report regularly on the progress of their sub-projects/WP to the 3-1-1 PMO.

6. 3-1-1 Resource Team

Cross-divisional representatives with subject matter expertise will provide advice and give opinions on a specific matter under review by the Project Management Team or 3-1-1 PMO. Their relationship is consultative in nature for the purposes of advancing the quality of project products.

(Consolidated Clause in Administration Committee Report 9, which was considered by City Council on November 30, December 1 and 2, 2004, entitled “Improved Service to the Public through Introduction of “3-1-1” (All Wards)”.)

City Council on November 30, December 1 and 2, 2004, referred this Clause back to the Administration Committee for further consideration.

Council also adopted the following:

“That:

- (1) a Councillor-Staff Working Group be struck with respect to 3-1-1, consisting of the Chair of the e-City Committee, one additional member of the e-City Committee and one member of each Standing Committee to be appointed by the Standing Committees;
- (2) the communication (undated) from Councillor Chow, entitled ‘Assessment of Multilingual Services Provided by the City of Toronto’, be referred to the Councillor-Staff Working Group on 3-1-1;
- (3) the following motion be referred to the Councillor-Staff Working Group on 3-1-1:

Moved by Councillor Minnan-Wong:

‘That City Council support the principle of a centralized call centre to City information and services’;

- (4) the Chief Administrative Officer, in conjunction with the Councillor-Staff Working Group on 3-1-1, be requested to submit a preliminary report, if necessary, in January 2005 for budget purposes, to the Administration Committee, through the e-City Committee, providing comprehensive details on the project layout of the components of each phase of the 3-1-1 initiative, with a detailed analysis of the costing of each phase, inclusive of Capital, Operating and consulting costs, and the resources needed from each Department to provide better front-line service standards and to investigate and include accessibility options for disabled people in the development of 3-1-1; and
- (5) the Chief Administrative Officer be requested to:
 - (a) submit, to the Administration Committee, a summary listing of the preparedness of all departments for a 3-1-1 system; and
 - (b) report to the Administration Committee on options on how to improve existing versus business services.”

Council also considered additional material, which is noted at the end of this Clause.

The Administration Committee:

- (A) submits the following staff Recommendations 1, 2 and 3 to City Council without recommendation:

“It is recommended that:

 - (1) the introduction of a Toronto “3-1-1” customer service model be phased-in over the next three years to successfully manage each phase of implementation, build early public confidence in the service, and allow for sufficient time to complete internal business process reviews;
 - (2) the “3-1-1” improved customer services contained in Appendix “A”, be implemented by a Phase One launch of the “3-1-1” Service Gateway on the City Web site in December, 2005; a Phase Two launch of the expanded services to be provided by telephone in June, 2006 and, a Phase Three enhancement of “3-1-1” programs and services by December 2007 as Council may direct for implementation;
 - (3) an external validation process on the “3-1-1” project plan and transition steps be implemented at a cost not to exceed \$60,000;”;

(B) recommends that City Council:

- (i) delete the following Staff Recommendation 4:
 - "(4) the amount of \$0.835 million be submitted for pre-approval for "3-1-1" business transformation and infrastructure development start-up activities in order to meet the Phase 1 launch of "3-1-1" Service Gateway on the Web site by December 2005;"
- (ii) adopt Staff Recommendations 5, 7 and 9:
 - "(5) the consolidated 2005, 2006 and 2007 estimated "3-1-1" capital budget requests outlined in Appendix "B" and the 2005 and 2006 estimated "3-1-1" operating budget requests outlined in Appendix "C" be forwarded to the Budget Advisory Committee for consideration;
 - (7) the Chief Administrative Officer report back to Council by the end of 2006 following the implementation of the "3-1-1" consolidated call centre on potential efficiencies and savings;
 - (9) the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.";
- (iii) adopt Staff Recommendation 6, subject to funds being available in subsequent years:
 - "(6) the Chief Administrative Officer report to Council on any amendments to the 2005, 2006 and 2007 "3-1-1" capital and the 2005 and 2006 operating budgets that impact on the introduction of the "3-1-1" service;"
- (iv) request the Chief Administrative Officer to consider and identify to Council ways to improve the current web site and find ways to make it easier to use without the expenditure of funds set out in this report; and
- (v) request the Chief Administrative Officer to give consideration to improving and advertising the Access Toronto number more extensively so as to encourage greater use of this service by the public.

Action taken by the Committee:

The Administration Committee:

- (1) requested that the report of the external consultant be submitted to City Council, subject to any confidentiality issues; and
- (2) received the report (November 8, 2004) from the Chief Administrative Officer regarding the Canadian Radio-television and Telecommunications Commission decision to approve

the “3-1-1” telephone code for non-emergency municipal services and to which staff Recommendation (8) in the report (November 3, 2004) from the Chief Administrative Officer refers.

A joint meeting of the Administration Committee and the e-City Committee was scheduled for 2:10 p.m. during the meeting of the Administration Committee. At 2:25 p.m. the joint meeting convened. However, the Works Committee was meeting at the same time as the Administration Committee and because some of the members of e-City Committee are also members of the Works Committee, it was not possible to maintain quorum long enough to continue the joint meeting. Consequently, the Administration Committee and e-City Committee referred the matter back to the Administration Committee for consideration and report to City Council.

The Administration Committee submits the report (November 3, 2004) from the Chief Administrative Officer.

Purpose:

This report outlines the next steps for the introduction of the “3-1-1” (non-emergency) service delivery strategy previously approved by Council. “3-1-1” will simplify public access to City services through a single gateway over the telephone and on the City Web site, using modernized, streamlined service processes, and by implementing an electronic tracking system to monitor all customer service requests from receipt to completion. Implementation over a three-year period will mitigate risk factors and allow maximum use of existing City resources, and minimize new resources required to introduce the full “3-1-1” service model.

Financial Implications and Impact Statement:

Capital investment to City systems is required to transform service delivery efficiency and effectiveness. A single, integrated “3-1-1” service model will provide “no wrong door” service to the public, quick, accurate information for Council on ward activity, and full service transaction data to better inform the allocation of resources. This will require a fundamental change toward a “customer first” orientation in service culture, operations and delivery.

Capital funding in the amount of \$46.809 million will be required for the total project; over the years 2005 to 2007. This includes start up costs of \$13.034 million (2005); service enhancement costs of \$26.524 million in (2006) and \$7.251 million in (2007). A pre-approval request has been submitted with the Corporate Pre-Approval Request Report in the amount of \$0.835 million. In addition, operating costs for the initiative will be \$1,636 million in 2005 and \$5.149 million for 2006.

The Chief Financial Officer and Treasurer has reviewed this report and concurs with the financial impact statement.

Recommendations:

It is recommended that:

- (1) the introduction of a Toronto “3-1-1” customer service model be phased-in over the next three years to successfully manage each phase of implementation, build early public confidence in the service, and allow for sufficient time to complete internal business process reviews;
- (2) the “3-1-1” improved customer services contained in Appendix “A”, be implemented by a Phase One launch of the “3-1-1” Service Gateway on the City Web site in December, 2005; a Phase Two launch of the expanded services to be provided by telephone in June, 2006 and, a Phase Three enhancement of “3-1-1” programs and services by December 2007 as Council may direct for implementation;
- (3) an external validation process on the “3-1-1” project plan and transition steps be implemented at a cost not to exceed \$60,000;
- (4) the amount of \$0.835 million be submitted for pre-approval for “3-1-1” business transformation and infrastructure development start-up activities in order to meet the Phase 1 launch of “3-1-1” Service Gateway on the Web site by December 2005;
- (5) the consolidated 2005, 2006 and 2007 estimated “3-1-1” capital budget requests outlined in Appendix “B” and the 2005 and 2006 estimated “3-1-1” operating budget requests outlined in Appendix “C” be forwarded to the Budget Advisory Committee for consideration;
- (6) the Chief Administrative Officer report to Council on any amendments to the 2005, 2006 and 2007 “3-1-1” capital and the 2005 and 2006 operating budgets that impact on the introduction of the “3-1-1” service;
- (7) the Chief Administrative Officer report back to Council by the end of 2006 following the implementation of the “3-1-1” consolidated call centre on potential efficiencies and savings;
- (8) the Chief Administrative Officer report to Council on the outcome of the Canadian Telecommunications and Radio-Television Commission (CRTC) “3-1-1” decision; and
- (9) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

Background:

Council adopted the CAO report entitled “3-1-1” Customer Service Strategy” at its meeting on September 28, 29 and 30, 2004, as amended by the e-City Committee and as further amended and recommended by the Administration Committee at its meeting of September 8, 2004. The report described a single (“3-1-1”) telephone number, e-mail, and internet access contact point and integrated service delivery model for customer service across all City departments. Accordingly, the Chief Administrative Officer in conjunction with the Commissioners was

directed to report to Council on a phased-in implementation plan to address strategy success factors and associated costs for inclusion in the 2005 budget submission.

In addition, the CAO was directed to report on ensuring that:

- Members of Council can track service request information;
- the “3-1-1” brand and service delivery is coordinated with neighbouring municipalities; and
- membership of the “3-1-1” Steering Committee includes the Mayor, or his designate.

This report outlines the steps proposed to achieve a successful “3-1-1” service delivery model. Challenges (including CRTC issues), benefits, project management structure, capital and operating budgets, and the proposed “3-1-1” organization are presented.

Comments:

1.0 Summary of Service Demand and Need for Corporate-wide “3-1-1” Implementation

The City of Toronto serves a population of over 2.5 million people in forty-four municipal wards. Service to the public is provided through six departments with an active permanent and part-time workforce of approximately 33,000 full-time equivalent positions, as well as a number of agencies, boards and commissions for a total of nearly 47,000 staff. Approximately 8% (2,700) of departmental staff currently respond to the public either on the telephone, over the counter, or by e-mail, fax, mail, as part of their regular duties. Each week, there are more than 250,000 City Web site visits and 45,000 people visit City counter locations. Also weekly, the City processes approximately 170,000 calls over 251 inquiry lines and self-serve applications. There are nine formal call centre teams providing specific menus of City services. The Social Services call centre functions as an intake and assessment unit for individuals seeking social assistance. There are seven call centres in departments (Tax and Water, Public Health, Court Services, Real Estate Customer Support, EDCT Administration and Support, WES Customer Support, and Parking Tags) providing specialized services. Access Toronto is the corporate general inquiry line for the City.

Currently, the public has to search through 251 City inquiry lines listed in the Bell Canada Blue Pages or City Web pages in order to make an inquiry or place a service request. While Access Toronto serves as the City’s general information line, calls often must be transferred to another departmental inquiry line for service. This is because the City lacks one corporate-wide system that stores all City program information and scripts; and to initiate and track customer service requests. The City does not currently have the capacity to generate management reports tracking services from request to completion for analysis. Many of the City’s customer service processes are still unharmonized, manual and represent pre-amalgamation practices.

2.0 “3-1-1” as the Foundation and Catalyst for Service and Management Excellence

The “3-1-1” model of service delivery improves how the public accesses City services and how services are provided to the public. It will help to establish Toronto as a municipal centre of excellence. A fully implemented, comprehensive “3-1-1” service contributes to resolving ward issues and enhances the City image due to:

- access and services are designed from the perspective of the public;
- there is new electronic capacity to track the full customer service experience which will make it easier for staff to resolve problems on behalf of the public when they occur;
- consistent and clear service standards for service response times and staff responsibilities;
- priority-setting based on improved information about demand and service needs;
- resource allocation that reflects service priorities; and
- enhanced collaboration with related government areas and community information centres.

2.1 Overview of the Proposed “3-1-1” Service Model

In its most simple terms, the proposed “3-1-1” service model is based on providing telephone callers, counter customers, or internet users, comprehensive, easy access to:

- general information on all City services and activities;
- requests for service/complaints; and
- self-serve or assisted service orders/transactions.

Telephone calls will only be transferred by the first “3-1-1” call-taker to staff specialists in departments when the:

- initial call-taker is unable to resolve the citizen’s request (estimated at only 30 percent of calls);
- caller requests a service that is not available through initial “3-1-1”;
- inquiry is of a medical, counseling, confidential or personal information nature;
- request requires specific technical expertise and/or interpretation; and
- call involves information privacy or legislative restrictions.

Similarly, the public will be able to access all City on-line services through a “3-1-1” one-stop access for service. The public will be able to e-mail all of their inquiries through one “3-1-1” e-mail address for the City and expect a timely response. The public will eventually be able to request service in a new self-serve option on the “3-1-1” service portal and look up the status of their requests electronically.

2.2 Tailoring Customer Service Through “3-1-1” to Meet Demand

In contrast to current City operations, “3-1-1” creates a “no wrong door” approach because it focuses on the needs of the public. They will no longer require an understanding of how each area of the City works to access services. The introduction of “3-1-1” will better organize public services in Toronto. This includes making it easy and consistent for the public to find and use services irrespective of the method of access they choose (namely, telephone, internet, in person, e-mail, fax, or mail).

- The “3-1-1” service model will be the ability to track service order requests from receipt to completion through a Customer Service Request tracking system.

3.0 Findings on Successful “3-1-1” Implementation

At present, seven of the ten largest American cities have implemented a “3-1-1” customer service strategy to better serve their constituents. Cities such as Chicago, New York and Baltimore have all taken a phased-in approach to implementation. This has been a deliberate choice in order to build early public confidence in “3-1-1” services, and allow for appropriate business process reviews to take place. In addition, most “3-1-1” cities have undertaken pre-testing for the technology. This ensures that systems problems are resolved before going public. This also permits time to fully train staff and give them experience in their new functions.

For example, the City of Baltimore implemented an in-house tracking system for service requests and orders in June 2000, a general inquiry service in March 2002, and an on-line option in May 2003. Similarly, the City of Chicago has been implementing new services and features for its “3-1-1” service over a five year period. Even municipalities with smaller operations, such as Halton Region, have taken a gradual approach over five years or longer. In this manner, each of the cities allowed adequate time to make the required internal adjustments (e.g., monitoring, reporting, service level agreements, resource allocation, training, staff performance, etc.).

An assessment of the project risks in Toronto was undertaken by Corporate Information and Technology and the CAO’s Office. Project schedules, cost, quality assurance, facility and equipment supports, and desired customer service improvement outcomes were reviewed. The potential risk factors identified include:

- insufficient analysis of current business processes to improve future service ;
- rushed development of business requirements for the Request for Proposal that could lead to inappropriate vendor selection;
- the potential need for extensive customization of systems requiring additional time;
- competing internal demands for City resources;
- inadequate time for strong staff training;
- service menu would be far more limited in an earlier launch; therefore negatively impacting public confidence in the new service;
- lack of full compliance with privacy legislation (system, cost and credibility impacts); and
- incomplete due diligence, testing, project design, facility renovations, and operations.

It was recognized that a balance was required between the need to achieve “3-1-1” customer service benefits as soon as possible, and the need to ensure that the City assumes only a moderate level of risk. Significant work and time is required for City programs and services to develop the content for the “knowledge base” that staff would be using to respond to inquiries.

There are, however, significant customer service improvements that can be offered to the public before full operation of the “3-1-1” telephone portion of service delivery. Launching a “3-1-1” service portal on the City Web site in late 2005 will provide significant benefits to the public.

Service Ontario recently launched the provincial version of the proposed “3-1-1” service portal for municipal services.

It is, therefore, recommended that the introduction of a Toronto “3-1-1” customer service model be phased-in over the next three years to successfully manage the scope of the strategy, build early public confidence in the service, and allow for appropriate internal business process reviews to take place.

4.0 “3-1-1” Service Changes and Benefits: What the Public Will See

The introduction of “3-1-1” at the City of Toronto will include six major, inter-dependent components as follow:

- (a) modernize how the public requests information and service from the City of Toronto through establishment of a single telephone point of contact where staff are equipped to respond to information requests and service orders (completion target June, 2006);
- (b) build a new “3-1-1” service portal on the City Web site to provide an easy one-stop access for the public and improve public use of on-line services (completion target December, 2005);
- (c) build an extensive, electronic knowledge base of information for “3-1-1” staff to use when responding to information and service requests about all city services and programs to ensure consistent, accurate answers every time for the public (completion target June, 2006);
- (d) consolidate existing staff resources to better respond to “3-1-1” enquiries and provide service 24 hours a day, 7 days a week (completion target June, 2006);
- (e) create a Customer Service Request system linked electronically to existing work order systems to collect and track information about service demands, response times and results to plan and direct resources where they will have the greatest impact on public services (completion target June, 2006); and
- (f) expand, add, or enhance “3-1-1” services as Council may direct for implementation beyond June of 2006.

Implementation of each component is subject to Council approval based on reviews of how service is delivered, provision of adequate budget, staff training and other factors. Not every major enhancement of the “3-1-1” model will be visible to the public, but will still involve intensive, City business transformation (such as determining response time standards for specific requests).

It is, therefore, recommended that the “3-1-1” customer service improvements contained in Appendix “A”, be implemented beginning with a Phase One launch of the “3-1-1” service portal on the City Web site in December, 2005, followed by a Phase Two launch of enhanced services

provided over the telephone in June, 2006. A Phase Three expansion of “3-1-1” programs and services after June, 2006 may be considered by Council for future implementation.

4.1 Phase One: Year 2005 “3-1-1” Service Portal on the City Web Site

The new service portal will provide easy, streamlined access for the public to existing and new “3-1-1” on-line services. The “3-1-1” service portal will be akin to a virtual counter service of one-stop shopping. The public will not longer have to search through the Web site to find these services and the one-stop access approach to improve public use. American municipalities have found that the introduction of “3-1-1” on-line services has improved their overall capacity to process inquiries on a 24/7 basis and has been a complementary service to their “3-1-1” staff-supported telephone service. The implementation of on-line services allows municipalities to focus limited staff resources on more complex public inquiries.

A summary of the benefits and new features of the improved service access on the City web site follows:

By December 2005:

- easy, one-stop access to “3-1-1” on-line services;
- on-line services re-designed to be more user friendly; and
- better use of less expensive on-line services by the public.

By September 2006:

- a single, simple “3-1-1” e-mail address for the public to use for all inquiries;
- the public does not have to know how the City is organized to find the right e-mail address; and
- “3-1-1” staff will ensure that all e-mail requests requiring additional expertise, are transferred for response to the right staff every time with a timely response back to the public.

4.2 Phase Two: Year 2006 Modernized Telephone Service

In June 2006, a consolidation of several call centre services including Access Toronto will result in the launch of one centralized call centre operation to be launched with the following features:

- a single, simple telephone number (“3-1-1” versus 251 City inquiry lines);
- 24/7 access to all City, non-emergency information and services;
- 24/7 electronic access to service order status information for Water and Wastewater, Transportation Services and Waste Management services;
- more inquiries will be resolved on the first call;
- accurate information, precise transfers due to the staff using a new, sophisticated knowledge base;
- consistent complaint handling standards;
- monitored progress on transactions from start to finish;
- fairness and equitable treatment for all callers/users;

- well-trained staff; and
- clearly articulated service standards on all services for citizens.

Starting in June 2006, the public will only have to make one call to “3-1-1” staff to request and check the status of service order requests for the following services:

- a) Water and Wastewater
 - blocked sewer service line;
 - locate sewer line ;
 - sewer service line, tree root reimbursement drain grant ;
 - water service line, turn on ; and
 - water service line, fix leak ;
- b) Solid Waste Management
 - white goods (appliance) pick-up appointments;
 - garbage not picked-up;
 - mail-out of collection calendar;
 - yard waste not picked-up; and
 - re-cycling not picked-up;
- c) Transportation Services
 - miscellaneous snow issues (road, laneway, sidewalk, etc.) ;
 - inoperable street lighting;
 - roadway pot hole ;
 - damaged sidewalks; and
 - blocked/flooding catch basins.

There will also be significant City infrastructure development completed for the June, 2006 launch including:

- fully-trained “3-1-1” call centre and specialized teams;
- centralized call centre facility to meet 24/7 operational needs;
- electronic linkages to existing service order systems;
- inter-departmental service level agreements; and
- development of a “3-1-1” strategy for the election year.

4.3 Phase Three: Additional Service Enhancements after June 2006

Pending the success of the June 2006 launch, service enhancements are being considered for a Phase Three and include:

- installation of new automated work order systems for Parks and Recreation divisions; and
- further expansion of the “3-1-1” electronic service order menu to include Urban Development Services and Parks and Recreation services.

By June 2007, the “3-1-1” team will be able to electronically generate and track the status on the following additional services:

- property standards and maintenance inquiries;
- business, trades and taxicab licensing;
- vending, boulevard, café and patio permits; and
- taxicab driver training courses.

By December 2007, the following enhancements will be implemented:

- electronic service orders for Parks and Recreation services generated directly by “3-1-1” staff ;
- new “mixed menus” of staff supported services and self-serve Interactive Voice Response (IVR);
- enhancement of electronically-issued “dockets” to track service requests/work orders; and
- possible expansion of consolidated service counters.

5.0 “3-1-1” Service Performance and Accountability Changes: What Council Will See

Members of Council will also benefit from the implementation of the “3-1-1” service model. First, the “3-1-1” service model will improve problem solving within City wards. It is intended that Councillors will have the capability from their office computers to look up and track the status of service requests in their ward electronically. The extent of access to “3-1-1” information by Council members will be dependent on provisions of the *Municipal Freedom of Information and the Protection of Privacy Act*. The City Clerk will be reporting further on this matter. An Access and Privacy consultant will be retained to provide ongoing advice on “3-1-1” access and privacy issues.

Second, Council will also receive improved information to determine service priorities and resource allocation. This is because a fully implemented “3-1-1” model will result in consistent policies, procedures and response standards across City operations. Such reporting is a powerful management tool that allows precise evaluation of service efficiency and effectiveness. Furthermore, the “3-1-1” system promotes greater precision in forecasting for field service delivery levels and staffing requirements. Improvements arising from service re-engineering will be identified and any efficiencies will be reported to Council.

Third, the “3-1-1” service model will enhance City working relationships with other governments and organizations given its “no wrong door” approach. When fully operational, it will complement other n11 call centres (e.g., the “3-1-1” service model will coordinate non-emergency City information in the event of a major incident or disaster). This will contribute to public safety avoiding potential duplication and providing better response and operational efficiencies. Many general service calls will be received from members of the public who do not distinguish among governments. It is expected that the City “3-1-1” system will lead to increased collaboration with the provincial and federal governments to resolve public inquiries.

Fourth, “3-1-1” will enhance the image of the City and the work of elected officials due to improved public access, better service delivery and accountability, and ongoing culture and

business process improvements. The implementation of “3-1-1” services can significantly contribute to staff pride taken in delivering quality service to the public.

6.0 City of Toronto Customer Service Initiatives To-Date

The 2003 *Citizens First 3* report included results and feedback from the Toronto public and confirmed the following critical finding, “Service quality shapes citizens’ confidence in their governments.” This is consistent with the Strategic Plan approved by the new City of Toronto in 1998, which identified service excellence as a critical City goal. In August 2000, Council adopted a series of City directions to deliver high quality public services:

- evaluate City services to ensure they are effective, efficient and relevant;
- make “service” the motto and establish service standards and levels in all City programs;
- establish a “no wrong door” policy for coordinated public access to services/information;
- enhance the environmental performance of City operations; and
- nurture innovation and best practices.”

A corporate-wide Customer Service Improvement Initiative led by the CAO’s Office was formed with representation from all departments in 2001. This led to a number of successful pilot projects to further the City’s goal of “no wrong door” services including new on-line services and a consolidated customer service counter at York Civic Centre supported by cross-trained staff. In May 2003, an inter-departmental design team began to plan for an integrated call centre focused on improved public access and service response. This initiative was based on the *Citizens First* survey reports that found telephone services were rated by the public as providing low caller satisfaction. In Toronto, the telephone was cited as the preferred access method but respondents were even less satisfied than the national average with the service.

In March 2004, the City began to identify opportunities for customer service improvements using new technology. External consultants were retained to conduct an extensive environmental scan of current processes and applications, and to identify legislative restrictions and business requirements. Second, research on areas critical to designing “3-1-1” customer service access to City services was commenced and reports were completed including the following information:

- assessment of current call centre operations and technology;
- assessment of current City systems, functions and performance against industry best practices;
- potential features, applications, and capability for size and scope required by the City;
- analysis of best script applications (i.e., that provide prescribed inquiry answers);
- integration requirements with existing City technology;
- business cases to support possible service improvements enabled by new technology; and
- recommendations for an implementation strategy for new technologies to support the strategy.

Third, a competitive call will be issued to acquire technology solutions supporting the “3-1-1” customer service strategy if Council approves its implementation. Technology acquisitions will

involve purchasing new telephony solutions and related system applications for a centralized call centre operation linked electronically to existing work order systems.

6.1 Preparing for “3-1-1” Implementation

The following major tasks and activities are being refined or are under development.

- a list of services and steps (“scripts” and “transfers”) to address queries or self-service;
- establishment of corporate standards for inquiry/request documentation and tracking;
- establishment of corporate standards for all information posted on the City “3-1-1” service portal on the Web site;
- guidelines on archiving material, multi-lingual services, and access and privacy issues;
- criteria/procedures for best practice and quality assurance based on customer expectations;
- a comprehensive Human Resource Plan for staff re-allocation and training;
- detailed plans and standards for information technology and application;
- a comprehensive Communication Plan to promote “3-1-1” awareness;
- role in supplementing the City’s emergency plan; and
- coordination with 9-1-1, 2-1-1, and non-emergency police services.

Other significant “3-1-1” implementation activities and plans involve project management, an external/internal communications strategy, inter-municipal collaboration, and planning the future organizational model as described below.

(a) “3-1-1” Project Management:

The “3-1-1” initiative will conform to formal project management practices. The project will have a corporate project charter with sub-charters developed for project components. It will be subject to regular audits and reviews against prescribed milestones, quality assurance on the adequacy and cost effectiveness of project controls, and a formal approval process for changes and critical decisions. An organizational chart for the Project Management Office to support the City transition to a permanent “3-1-1” operation, is contained in Appendix “D”. Project Governance roles and responsibilities are contained in Appendix “E”.

It is recommended that the Chief Administrative Officer institute a validation process for the “3-1-1” project plan, business process review approach, and transition steps.

(b) Public Consultation on “3-1-1” Service Design:

Members of Council and staff have identified the need to hear from the public on how to make “3-1-1” services effective. Consultation assists to ensure that proposals are focused and targeted more precisely to address service problems. The “3-1-1” implementation team in collaboration with the e-City Committee will present the high-level design to the public for comments in the spring of 2005. These consultations will be coordinated by the “3-1-1” project management office in partnership with Corporate Communications and public consultation units of the City.

(c) Co-ordination with Greater Toronto Area Municipalities:

As directed by Council, the Chief Administrative Officer will recommend how to coordinate early exposure and information about “3-1-1” service delivery with neighbouring municipalities. For example, a joint presentation on “3-1-1” service delivery models was made by City of Toronto and Regional Municipality of Halton staff to the Greater Toronto Area Mayors and Chairs group. That group and municipal staff groups meet regularly and are likely forums for ongoing inter-municipal “3-1-1” progress up-dates and issues identification.

(d) Proposed 2006 “3-1-1” Organization Model:

The Cities of New York, Chicago and Los Angeles all designed new organizational structures for their “3-1-1” operations. In the start-up phase, existing employees were supplemented by temporary staff to meet initial increased demand. The City of Toronto is adopting this best practice and recommending that a new “3-1-1” division be created. The design proposes that the centralized group of “3-1-1” call-takers be located in one large call centre facility. Appropriate space will need to be leased and renovated to accommodate the dedicated “3-1-1” facility. Second-response specialized teams for transferred calls needing specific technical, medical or counseling expertise will be consolidated in existing business units. Where appropriate, consolidation of specialized teams will also occur at operational sites in 2007/08.

Appendix “F” shows the proposed 2006 operating model for “3-1-1” after its public launch. It identifies the proposed staffing requirements for call-takers (most being re-allocations of current positions), administrative support for a 24/7 operation, and information specialists required to maintain current and accurate content in the knowledge base on an ongoing basis. The staffing levels are based on early projections of call volumes that may require further adjustment. This is based on the experience of American “3-1-1” municipalities which all had call increases during implementation due to increased public awareness of the service and the ongoing introduction of new services. Accordingly, the City will monitor call volumes during 2006 and beyond to identify demand changes and whether response times are compromised. The proposed structure will be further refined by the Human Resources team in 2005.

7.0 “3-1-1” Budget Request Rationale 2005-2007

7.1 Request for “3-1-1” Pre-Approved Capital Budget

The total 2005 pre-approved capital budget request is \$0.835 million for project start-up and staffing during January and February 2005. This will cover the cost of internal back-fills for project managers and business analysts required to conduct business process reviews, develop the competitive call to be issued in spring 2005, and to begin planning for the implementation of new work order systems. This request represents work to be undertaken in the CAO’s Office, Works and Emergency Services, Urban Development Services, Economic Development Culture, and Tourism, Finance, Corporate Information and Technology, Corporate Communications, Public Health, Human Resources and Clerk’s divisions.

(a) Business Transformation

To achieve the full “3-1-1” service model, a review of business processes for all identified “3-1-1” services is necessary. All steps in a service process must be properly identified and supporting scripts developed to be used by “3-1-1” staff. The content, scripts and service standards identified through business process reviews will be inputted into a new electronic knowledge base. The information in the “3-1-1” knowledge base will be used by “3-1-1” staff to respond to requests and confirm response standards for the public requesting service. From a management perspective, the tracking information collected in the “3-1-1” system can be used to better allocate resources, diagnose service problems at the appropriate source, and ensure consistency in status reporting and logging of jobs completed. The knowledge base is a critical tool for staff to use to provide consistent and accurate information to the public via the telephone, e-mail, internet, fax, and counter services.

Obtaining content from departments to develop the knowledge base is very labour intensive. It must begin well in advance of “3-1-1” implementation to the public. A detailed assessment will be required to reduce the number of internal inquiry lines and assign specific service menus to those numbers. Consolidation of lines will improve the precision of call transfers so that the public is not continually bounced from staff to staff. The same work will be required to consolidate e-mail addresses listed on the City Web site. Staff will have to identify comprehensive service lists, service standards for the “3-1-1” menu. In Parks and Recreation, for example, significant work will have to be undertaken immediately to develop business requirements, review current processes and identify new methods of delivery to support automated service order systems for four divisions in time for a December 2006 installation and December 2007 integration with the “3-1-1” system.

(b) Infrastructure Development:

“3-1-1” business requirements for the new service model must be developed and finalized by February, 2005 for a competitive call for new technology to be issued in early spring 2005. Detailed analysis will reduce the risk of acquiring the wrong technology for the re-engineered procedures to meet new City needs and centralized call volumes. To achieve the quality, tracking and accountability measures and outcomes that are central to the “3-1-1” service model, represents a massive undertaking. In addition to the business transformation work, infrastructure development work must also commence as soon as possible to achieve the “3-1-1” planned launches by phases in December, 2005 (consolidated service access on City Web site), June, 2006 (central and specialized telephone service), and installation of automated service order systems (such as Parks and Recreation scheduled for 2007).

The following work needs to commence on January 1, 2005:

- dedication of staff resources from various City areas to prepare the business requirements specifications and required functionality for the new technology competitive call;
- hiring of information architects to design the organization of all information for the “3-1-1” knowledge base; and
- dedication of Web design staff to design the new service portal and to modernize and simplify existing City on-line applications.

It is, therefore, recommended that the amount of \$0.835 million be approved for “3-1-1” business transformation and infrastructure development start-up activities in 2005.

7.2 Proposed Operating and Capital Budget Request 2005, 2006 and 2007

The consolidated capital requests for 2005, 2006 and 2007 are contained in Appendix “B” of this report. The consolidated operating requests for 2005 and 2006 are contained in Appendix “C” of this report.

7.2.1 Start Up and Service Enhancement Costs

Funds in the amount of \$46.809 million over three years will be required for the capital component of the “3-1-1” initiative. Capital cash flow requirements are as follows: \$13.034 million in 2005; \$26.524 million in 2006; \$7.251 million in 2007. The key deliverables for this budget are full departmental business process reviews of all “3-1-1” services; the development of the electronic knowledge base infrastructure, content and scripts from all departments; privacy impact assessments on the “3-1-1” system; installation of a new “3-1-1” customer relationship management system; electronic linkage between the new “3-1-1” technology and existing service order systems; installation of a new work order system for Parks and Recreation operations; human resource strategy and implementation; staff training; implementation of a new “3-1-1” service portal on the City web site; consolidated facility operation; and development of a quality assurance program.

Successful “3-1-1” service quality management will require the following capabilities:

- development of a sophisticated, electronic knowledge base that enables staff to efficiently search and retrieve information on behalf of the public;
- scripting functions to provide consistent responses for staff to use and to prescribe when to transfer calls;
- coding of types of service calls received to better track reasons/location of transfers;
- call listening features for quality assurance and to support employee coaching;
- electronic overflow strategy to manage unplanned large volumes of calls;
- e-mail management system to improve response quality/times and track request status;
- centralized reporting systems; and
- privacy enhancing functions.

Reduction or elimination of specific parts of the “3-1-1” budget request will compromise the overall capacity of the operation by limiting the potential functionality and benefits of the system, and detracting from long-term service improvement. It is recommended that the consolidated 2005, 2006 and 2007 estimated “3-1-1” capital budget requests outlined in Appendix “B” and 2005 and 2006 operating budget request outlined in Appendix “C” of this report be forwarded to the Budget Advisory Committee for consideration. It is also

recommended that the Chief Administrative Officer report to Council on any amendments to the 2005, 2006 and 2007 “3-1-1” capital and 2005 and 2006 operating budgets that impact on the introduction of the “3-1-1” service.

7.2.2 Operating Costs for the “3-1-1” Operation

“3-1-1” job profiles must reflect critical customer service skills and qualifications. Human Resources staff will be working closely with CUPE Local 79, TCEU 416 and the CAO’s Office to develop new positions for the “3-1-1” team and finalize the organizational structure. The “3-1-1” call-taker team will be drawn from current full-time-equivalent positions (excluding cost-shared Social Services customer support staff) in customer service teams within the departments. Emphasis will be placed on career and training opportunities and positive work satisfaction for the “3-1-1” teams and specialized teams within business units to build strong staff retention rates. This work is being undertaken in 2005 to be ready for the June 2006 Phase 2 launch of the consolidated call centre.

7.3 Potential “3-1-1” Cost-Savings and Efficiencies:

Research findings from American “3-1-1” municipalities has shown that there are potential cost savings to be achieved after full implementation of the service in a number of areas. The City’s implementation plan has a very strong focus on extensive business process reviews and re-engineering in all departments to modernize our services and precisely diagnose areas for improvement. The plan also gives priority to upfront capital investments in electronic tracking systems for all services from start to finish to more precisely address problem areas. After full implementation of their tracking system, the City of Baltimore reported savings of \$13.2 million in the first year following installation. This included a saving of \$361,000 in overtime costs in their Solid Waste Management Department and the generation of an additional \$175,000 from citations for illegal dumping. The City of Chicago’s Department of Buildings saved \$600,000 in 2002 by avoiding duplicate “no heat” calls largely achieved through the consolidation of their internal inquiry lines and e-mail addresses.

It is recommended that the Chief Administrative Officer report back to Council by the end of 2006 following the implementation of the “3-1-1” consolidated call centre on potential efficiencies and savings.

7.4 Distinguishing the TELS Project from the “3-1-1” Project

TELS (Technology End of Lease Strategy) is a capital project to replace the City’s leased, obsolete desktop computers and back-end server infrastructure. It is a “state of good repair” initiative to support all current City functions. TELS will replace the desktops of current staff including call-takers at various City call centres and counters. The call-taker desktops and monitors provided by TELS will become part of a future “3-1-1” function and related units in departments. The TELS and “3-1-1” projects are independent of one another in terms of purpose, budgets and implementation schedules (TELS will be largely completed prior to “3-1-1” implementation). Accordingly, there is no duplication between the two projects.

8.0 Canadian Telecommunications and Radio-Television Commission (CRTC) Application

There are several critical matters respecting an application made to the CRTC that could effect the schedule, scope, or cost of the “3-1-1” project. A joint application for a designated “3-1-1” number was submitted to the CRTC on October 31, 2003 by Toronto, Calgary, the Region of Halifax, Gatineau, and the Region of Halton. Consultation with all telecommunication carriers and the joint applicants was completed on January 30, 2004, but four issues are outstanding:

- (a) Joint applicant cities specified a Notice period to telecommunications carriers of three (3) months in order to re-program routing switches for “3-1-1” purposes, but the carriers responded with a request for six (6) months;
- (b) Joint applicant cities (based on the 2-1-1 CRTC Decision 2001-475) recommended that switch re-programming costs be borne by the carriers on an incremental basis, but the carriers recommended the costs be borne by either the respective cities, or “3-1-1” users;
- (c) Activation, advertisement and launch of a “3-1-1” number requires applicants to honour the Notice period that will be prescribed by the CRTC upon application approval; and
- (d) If the competing application (from a government body) for the “3-1-1” number is approved rather than the prior application by municipalities (and their additional request for approval), alternatives will need to be sought at a cost to the joint applicants.

It is, therefore, recommended that the Chief Administrative Officer report back to Council on the “3-1-1” decision of the Canadian Telecommunications and Radio-Television Commission (CRTC) and any impact on the project timelines and costs as soon as it is known.

Conclusion:

The purpose of this report is to recommend the next steps for implementation of a “3-1-1” type of service model and the associated costs. The benefits and service improvements for the public are described in detail. The critical components required to move City services in this new direction are identified. This new customer service model for the City will transform the current City service orientation to a citizen-centred approach with expanded public accessibility to information and services.

Contact:

Colleen Bell, Manager, Corporate Client Services Initiative
Executive Management Division, Chief Administrator’s Office
Tel: 416-392-8374 Fax: 416-392-1827
E-mail: cbell@toronto.ca

Laurie McQueen, Senior Corporate Management & Policy Consultant
Corporate & Strategic Policy, Chief Administrator’s Office
Tel: 416-392-8995 Fax: 416-696-3645

E-mail: lmqueen@toronto.ca

Appendix “A”

Phased Schedule of Project Deliverables Service Improvements for the Public		
Current Situation	“3-1-1” Solution	Launch Date
City Web Site <ul style="list-style-type: none"> - the public has complained that on-line services are difficult to find on the City Web site - the public does not know the menu of on-line services available - the public finds many applications difficult to use 	“3-1-1” Service Portal <ul style="list-style-type: none"> - create one-stop access for all on-line services on the Web site that is quick to find - make all current and new on-line services available through the “3-1-1” service portal - re-design applications to make them user friendly 	December 2005
Telephone Services <ul style="list-style-type: none"> - there are 251 inquiry lines that the public has to search - very limited 24/7 access to service information - too many transfers - transfers to the wrong team - the public has to know how the City works to get service - the public cannot easily get status information on their service order requests 	“3-1-1” Single Telephone Gateway <ul style="list-style-type: none"> - publish one number for all City services that is easy to remember - access to all City information 24/7 - build the “3-1-1” service menu so that more inquiries can be resolved in one call - staff are trained to transfer to the right team every time - staff navigate the system on behalf of the public - “3-1-1” staff will be able to check the status of Works and Emergency service orders electronically on behalf of the public in one call 	June 2006
E-mail Services <ul style="list-style-type: none"> - the public has complained that there are too many e-mail addresses - the public does not always get a response to their inquiries - the public does not always get the right information - the public cannot always get an answer on the status of their e-mail request 	“3-1-1” Single E-Mail Gateway <ul style="list-style-type: none"> - publish one “3-1-1” e-mail address on the City “3-1-1” service portal for all inquiries - “3-1-1” staff will always respond within a published response time - “3-1-1” staff will ensure that correct information is always provided in a timely manner - “3-1-1” staff will be able to track all e-mails to the City address on behalf of the public and advise of status 	September 2006
Lack of Information on Service Order Requests <ul style="list-style-type: none"> - The public cannot get quick status information on Municipal Licensing and Standards and Parks and Recreation Service Orders without being transferred 	“3-1-1” Service Enhancements <ul style="list-style-type: none"> - “3-1-1” staff will be able to check the status of Municipal Licensing and Standards service orders electronically on behalf of the public in one call - “3-1-1” staff will be able to check the status of Parks and Recreation service orders electronically on behalf of the public in one call - public to track their own service requests 	June 2007 December 2007

APPENDIX "B"

3-1-1 CAPITAL CASHFLOW SUMMARY

CASHFLOW \$000's				
	2005	2006	2007	2005 - 2007
CORPORATE SERVICES - Infrastructure				
City Clerks	130.0	120.0	120.0	370.0
Information & Technology	4,957.0	11,177.0	2,905.0	19,039.0
Facilities & Real Estate - Infrastructure	1,508.0	3,068.0	-	4,576.0
Corporate Communication	1,310.0	3,453.5		4,763.5
Human Resources	47.0	305.0	22.0	374.0
Total Corporate Services Infrastructure	7,952.0	18,123.5	3,047.0	29,122.5
SII	240.0	240.0	-	480.0
Total Corporate Services programs	240.0	240.0	-	480.0
Total Corporate Services	8,192.0	18,363.5	3,047.0	29,602.5
OTHER PROGRAM COSTS				
Community & Neighbourhood Svcs	-	736.1	537.2	1,273.3
Finance	1,018.0	2,152.0	325.0	3,495.0
Works & Emergency Services*	1,359.0	1,379.0	1,425.0	4,163.0
Urban Development Services	683.0	1,317.0	699.5	2,699.5
Economic Development Culture & Tourism	1,354.0	2,576.5	1,217.0	5,147.5
Public Health	428.0	-	-	428.0
Total Other Programs	4,842.0	8,160.6	4,203.7	17,206.3
TOTAL CASHFLOW ESTIMATE	13,034.0	26,524.1	7,250.7	46,808.8

APPENDIX "C"

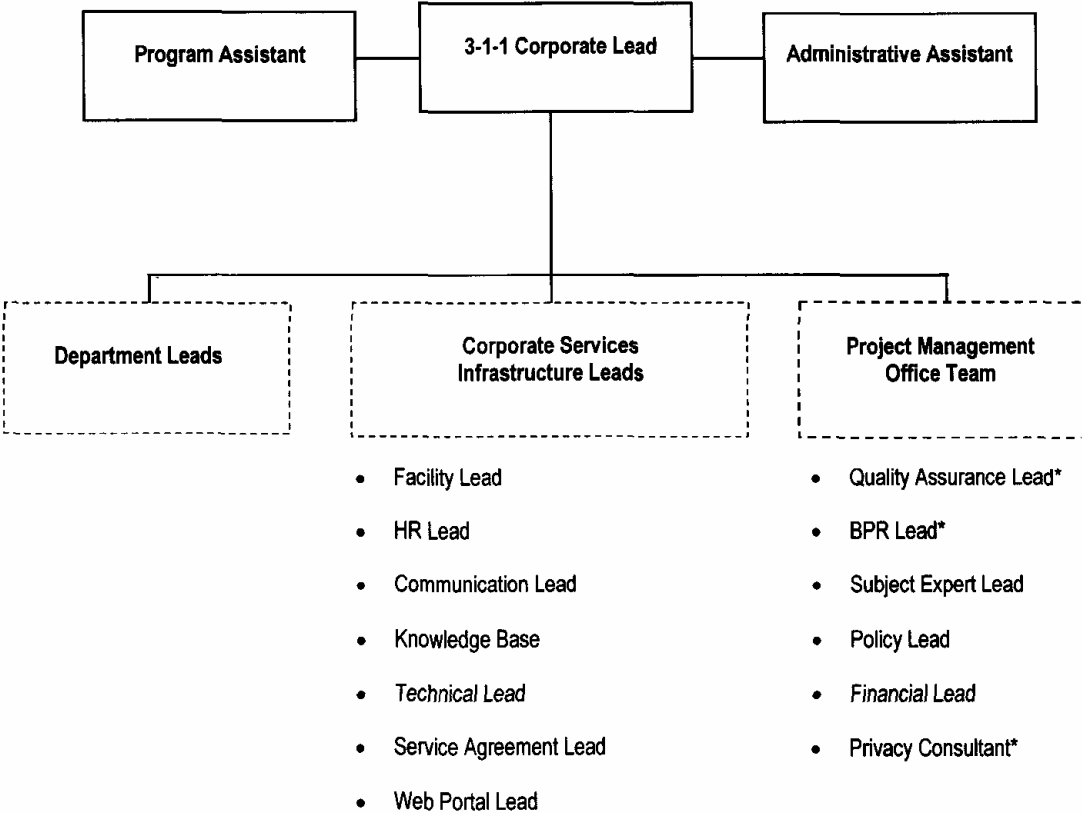
3-1-1 OPERATING CASHFLOW SUMMARY

	CASHFLOW \$000's	
	2005	2006
CHIEF ADMINISTRATOR'S OFFICE		
CAO Office: 3-1-1 Project Office	672.9	276.4
3-1-1 Operational Team and Funding*	12.8	1,988.2
CORPORATE SERVICES		
Corporate Services Infrastructure	837.0	771.0
Total Corporate Services	1,522.7	3,035.6
OTHER PROGRAM COSTS		
Community & Neighbourhood Svcs	-	176.0
Finance	-	320.0
Works & Emergency Services**	-	276.9
Urban Development Services	-	209.4
Economic Development Culture & Tourism	113.4	1,130.6
Public Health	-	-
Total Other Programs	113.4	2,112.9
TOTAL CASHFLOW ESTIMATE	1,636.1	5,148.5

* final organizational location to be identified as part of the administrative review

Appendix “D”

3-1-1 PROJECT MANAGEMENT OFFICE
Transition Team



Note:
* External Resource

Appendix "E"

Project Governance Model: Roles and Responsibilities

(1) “3-1-1” Steering Committee

The Mayor or his designate, the Chief Administrative Officer, all Commissioners, the Executive Director of Human Resources, the Executive Director of Information and Technology and the Presidents of CUPE Local 79 and TCEU Local 416, are members of the Steering Committee to:

- Oversee project timelines, scope and work plan as approved by Council;
- Monitor overall progress to ensure that the project will meet stated objectives on time and within budget;
- Identify issues of concern for the public, staff and Members of Council for resolution;
- Request clarification of business priorities that impact project phasing; and
- Meet at prescribed times.

(2) Project Champion and Executive Sponsor

The Chief Administrative Officer is the Project Champion and Executive Sponsor for the “3-1-1” initiative with responsibility for overall implementation success as follows:

- Champion the “3-1-1” initiative throughout the City administration;
- Provide overall project approach and direction;
- Secure project funding;
- Approve project changes that involve scope or budget;
- Review and approve deliverables where required, including final sign-off;
- Resolve critical issues as required;
- Promote the involvement of areas related to the project (internal and external);
- Review and approve change and management requests that have no impact on scope, budget or schedule of the project, but may affect programs;
- Chair the Steering Committee; and
- Communicate to the Steering Committee and Corporate Lead about issues/events with potential “3-1-1” project impact.

(3) Lead Commissioner

The Lead Commissioner is the Sponsor for the “3-1-1” Infrastructure team and will be responsible for the delivery of all deliverables associated with those functions. The “3-1-1” Infrastructure team is comprised of functional leads for each of the following project components: “3-1-1” facility, information and privacy issues, human resource strategy, communications strategy, knowledge-base development, technology strategy, service level agreement templates and process, and Web portal. The Lead Commissioner has roles as follow:

- Sponsor of the Infrastructure team;
- Responsible for the overall success of infrastructure development and implementation;

- Review and approve deliverables where required, including signoff;
- Assist in the resolution of critical issues;
- Promote the involvement of the Corporate Service areas related to the project;
- Review and approve change and issue management requests from the Infrastructure team that have no impact on scope, budget or schedule of the project but may affect other components;
- Chair the Infrastructure team; and
- Communicate to the Steering Committee, Project Champion, Departmental Commissioners and the Corporate Lead about upcoming corporate divisional issues/events that may have impacts on “3-1-1” infrastructure plans.

(4) Departmental Commissioners

Each Departmental Commissioner is the Sponsor for their “3-1-1” Business Transformation team and will be responsible for the delivery of all critical milestones associated with those project components. Their responsibilities include:

- Sponsor for their respective “3-1-1” departmental team;
- Responsible for the overall success of their “3-1-1” implementation plan;
- Review and approve departmental deliverables where required, including signoff;
- Assist in the resolution of critical issues;
- Promote the involvement of all related service and functional areas within their department;
- Review and approve change and issue management requests from their “3-1-1” team that have no impact on scope, budget or schedule of the project but may affect other components;
- Chair their respective “3-1-1” department team; and
- Communicate to the Steering Committee, Project Champion, Lead Commissioner, other Departmental Commissioners and the Corporate Lead about upcoming corporate divisional issues/events that may have impacts on their “3-1-1” implementation plan.

(5) Corporate “3-1-1” Lead

The Corporate “3-1-1” Lead is responsible for the overall management of the project and is accountable for all internal/external aspects of the project as follows:

- Responsible for the delivery of the overall project, quality results and sign-off;
- Responsible for communication of status/progress to Steering Committee, Executive Sponsor and the Executive Management Team and for relevant information and direction to the project team members and other stakeholders;
- Conduct regular project status meetings with Executive Sponsor;
- Collaborate with Executive Sponsor on approvals of change and issue management requests that have no impact on scope, budget or schedule of the project but may affect services;
- Escalate issues and concerns to the executive sponsor for resolution;
- Manage overall project charter and plans;

- Monitor overall budget;
- Acquire and manage resources, defines roles and responsibilities, coaching and mentoring of team members and provide feedback to management on team member contributions; and
- Manage the identification and mitigation of risks and issues, escalates as appropriate.

(6) Project Management and Transition Office

The role of the project management and transition office is to support the strategy for a permanent “3-1-1” operation. The project management office in the CAO’s Office will be comprised of the “3-1-1” Corporate Lead, Business Process Review Lead, Quality Assurance Project Lead, Policy Lead, Subject-expert Leads (2), Financial Lead, Administrative Assistant, and Program Assistant. Team members report to the “3-1-1” Corporate Lead and will be fully dedicated to the project in order to:

- Provide leadership, direction, guidance, advice and support on project deliverables and, for ensuring deliverables are in compliance with project management standards; and
- Provide recommendations, guidance, advice and support to the Corporate Lead on all matters related to the organization of the project plan and work assignments; communication of protocols, standards and procedures; inclusion/exclusion of deliverables in managing scope; and be responsible for assigned functional deliverables and the facilitation of assigned teams.

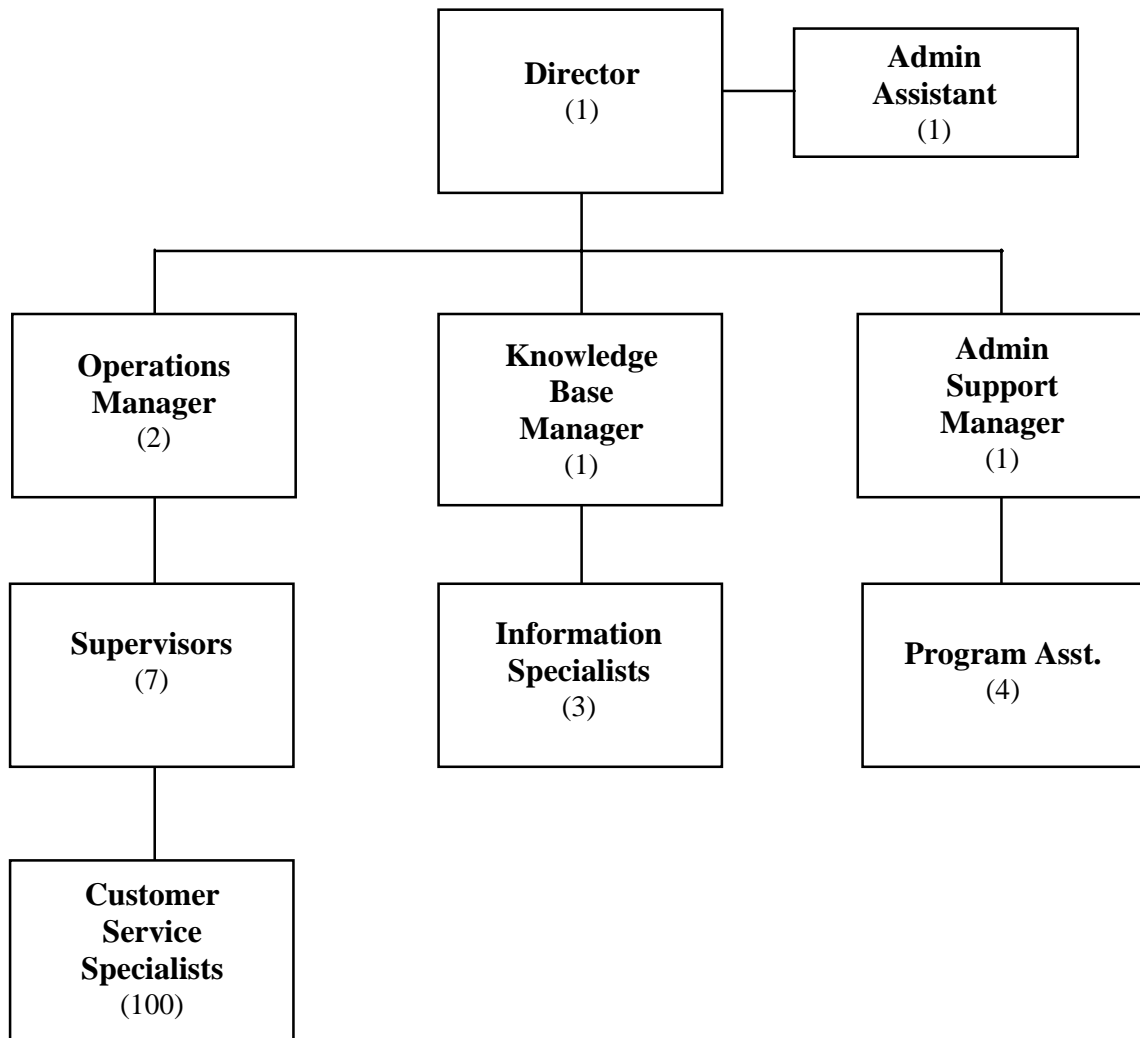
This team will be specifically assigned to lead the development of the following:

- The project charter, plan and work breakdown packages;
- Specialized components of the project plan;
- Development of process and corporate plan to assist departments in their consolidation of internal inquiry lines and later e-mail addresses;
- Development of “3-1-1” service menu and process for script development;
- Harmonization of all call centre operations;
- Development of corporate quality assurance program for all call centres;
- “3-1-1” emergency role/business continuity planning; and
- Development of efficiency benchmarks and implementation of electronic management tools in the “3-1-1” operation.

(7) Implementation Team

All assigned leads from the Infrastructure and Business Transformation departmental teams comprise the core Implementation Team. Each lead is responsible for the development of their own sub-charter, project plan and delivery of their specific milestones. Each team member is required to report regularly on the progress of their sub-projects to the “3-1-1” Corporate Lead and their respective Commissioner.

PROPOSED 3-1-1 OPERATIONAL MODEL
December 31, 2006



Notes:

Supervisor to Staff Ratio: 1:14

Total: 120

The Administration Committee also submits the report (November 8, 2004) from the Chief Administrative Officer:

Purpose:

To report to Council on the recent Canadian Radio-television and Telecommunications Commission (CRTC) decision to approve the "3-1-1" three-digit dialing code for access to non-emergency municipal government services.

Financial Implications and Impact Statement:

If "3-1-1" were to be implemented, the CRTC identified the costs to be borne by the respective parties. Specifically, in a municipality implementing "3-1-1", the CRTC determined that the telephone service providers themselves should bear the costs for basic implementation of "3-1-1" service in their networks given the far-reaching benefits of the service to the public. In addition, the CRTC stated that a public awareness campaign is essential for the understanding of the public about "3-1-1" services, as well as to minimize confusion with emergency and other non-emergency services ("9-1-1" and "2-1-1"). The CRTC determined that the costs for an effective public awareness campaign should be borne by every municipality that implements "3-1-1". These costs have been included in the budget request for "3-1-1" at the City of Toronto.

Recommendations:

This report is for the information of Council.

Background:

The CAO report titled, Improved Service to the Public through Introduction of "3-1-1", is being considered on November 9, 2004 at a joint meeting of the Administration Committee and the e-City Committee. One of the recommendations requires the CAO to report to Council on the outcome of the CRTC decision on a request to designate "3-1-1" for municipal use. On November 5, 2004 the CRTC announced its decision on the assignment of "3-1-1". Accordingly, this information report to Council addresses the aforementioned recommendation.

Comments:

On November 5, 2004 the Canadian Radio-television and Telecommunications Commission (CRTC) approved the joint application made in October, 2003 by the cities of Calgary, Gatineau, Montreal and Toronto, and the Regions of Halifax and Halton, for the assignment of the 3-1-1 number for access to non-emergency municipal government services.

In explaining its decision, the CRTC stated that "3-1-1" offers benefits of great public interest:

- recognition that municipal government is closest to the people;
- recognition that 80% of people live in urban centres;
- value for taxes since 3-1-1 will help use resources effectively and improve accountability;

- improved public access and service by consolidating telephone services into one number; and
- reducing demand on 9-1-1 emergency lines (from inappropriate non-emergency calls).

As part of its decision, the CRTC stipulated the following requirements:

- each municipality wishing to implement 3-1-1 must give 6 months notice (minimum) to the telephone service providers (TSPs) in their respective municipalities;
- basic implementation costs of 3-1-1 services in TSP networks must be borne by the TSPs;
- a municipality implementing 3-1-1 service, will promote awareness of it for the public; and
- each municipality implementing 3-1-1 will bear the cost of a public awareness campaign.

Conclusion:

This report informs Council of a recent CRTC decision to designate “3-1-1” for the use of non-emergency municipal services as requested by several cities across Canada in the fall of 2003.

Contact:

Colleen Bell, Manager, Corporate Client Services Initiative
Executive Management Division, Chief Administrator’s Office
Tel: 416-392-8374 Fax: 416-392-1827
E-mail: cbell@toronto.ca

(News Release (November 5, 2004), attached to the report (November 8, 2004) from the Chief Administrative Officer, is on file in the City Clerk's Office, City Hall.)

The Chief Administrative Officer gave a PowerPoint presentation.

The following members of the e-City Committee were present during discussion of this matter:

- Councillor P. Milczyn (Chair);
- Councillor A. Giambrone; and
- Councillor J. Pitfield.
-

City Council - November 30, December 1 and 2, 2004

Council also considered the following:

Communication (undated) from Councillor Olivia Chow, Trinity-Spadina:

ASSESSMENT OF MULTILINGUAL SERVICES PROVIDED BY CITY OF TORONTO

RECOMMENDATION 1:

It is recommended that translation services be incorporated in the implementation of Toronto's 3-1-1 customer service program.

RECOMMENDATION 2:

It is recommended that 3-1-1 staff, City Departments, and ABCs be made aware of the availability of translation services. Furthermore, how to handle non-English callers.

Rationale and Issues:

Currently, some Departments and ABCs are unaware that they offer translation services. Not only is this impeding the ability of non-English speakers to gain information from the City, but it is also a waste of the City's money which pays for these services. In addition, the staff should be trained to be courteous with non-English speakers and to take it upon themselves to determine the spoken language of the caller. The staff could initiate this by naming certain languages such as Chinese, Portuguese, Spanish, etc. This would indicate to the caller that the staff is inquiring after her/his spoken language.

RECOMMENDATION 3:

It is recommended that upon transferring calls from the 3-1-1 line to other departments, the translation service also be transferred.

Rationale and Issues:

Currently, when Access Toronto transfers non-English speakers to another Department or ABC, the translation service is disconnected and not transferred. As such, the caller must go through the entire process of informing the operator that s/he does not speak English and remain on the line for some time to again be connected to the translation services. This current method is inefficient and confusing to both the caller and the operator. By transferring the translation services, the translator could inform the operator of the caller's concerns, thus reducing the inconvenience for both the caller and the operator. Furthermore, this would mean that all Departments and ABCs would have access to translation services.

RECOMMENDATION 4:

It is recommended that during the time of transfer to translation services music be played in the background to indicate that the call is being transferred.

Rationale and Issues:

Currently, upon being transferred to translation services, there is no sound in the background. A caller could perceive this as being disconnected. Thus, to eliminate this confusion, it would be best to play music in the background.

RECOMMENDATION 5:

It is recommended that since the City is to create one-stop access for all on-line services on the Web through the “3-1-1” service portal, key translated documents be made available through this website.

Rationale and Issues:

Currently, a limited number of documents have been translated. There are no translated documents in regard to parking, limited information on garbage and TTC. Thus, key important documents, such as those on parking, garbage and recycling and TTC, should be translated. Furthermore, any new important documents should also be translated in an on-going basis.

RECOMMENDATION 6:

It is recommended that the City provide a brochure on the procedures of calling the 3-1-1 number for non-English speakers. This brochure should include a step-by-step explanation. It should then be posted on the 3-1-1 website.

Cost

The cost is quite limited if incorporated within Toronto’s “3-1-1” customer service program. In general, this report recommends that translation services offered by the City should be advertised, key City documents should be translated and made widely available, and staff be adequately trained to handle non-English speaking callers. Overall, the estimated cost would be no more than \$1,000.

Summary of Assessment of Phone Services

The following is a list of City Departments and ABCs that provide translation services (the list was provided by the Multilingual Services Assistant, Ms. Brigida Bautista):

Departments

Chief Administrator’s Office
Councillor’s Offices
Community and Neighbourhood Services
Corporate Services
Economic Development, Culture and Tourism
Finance
Office of the Mayor
Urban Development Services
Works and Emergency Services

ABCs

Exhibition Place
Toronto Police Services Board
Toronto Parking Authority
Toronto Transit Commission
Toronto Public Library Board

Toronto Zoo

The majority of the above departments and ABCs were called. It was discovered that the majority were unaware that they could offer translation services to callers.

An Account of translation services provided

Solid Waste Management Services

Solid Waste Management Services, a division of the Works and Emergency Services Department, is aware of the availability of translation services. The following is an account of what proceeded upon calling the Department:

When calling the number 416-338-2010 (Solid Waste Management):

- there is an extensive list of options announced in English
- the caller has to wait for approximately 3 minutes before the options are finished and the operator comes on line
- with the operator, the caller must indicate that he/she does not speak English, then he/she must state her/his spoken language
- the operator will announce in English that the call will be connected to a translator
- during the connection period, which is quite long, there is no background sound (e.g., music), but merely dead air
- when finally connected to Multilingual services after a few minutes, there will be a conference call between the translator, the operator and the caller
- the translator interprets the caller's questions to the operator and the operator's answers to the caller
- when called after office hours, there is a message in English indicating that services are available only from 8:30-6:00 p.m.

Access Toronto

Access Toronto also provides translation services for general inquiries. The following account demonstrates their service quality:

Steps when calling Access Toronto:

- (1) When calling 416-338-0338, you are immediately connected to an operator.
- (2) Caller must indicate that he/she does not speak English. Some operators are unaware that translation services are provided. However, those who are aware will ask in English the caller's spoken language.
- (3) The operator then informs caller, in English, that the call will be transferred to a translating service.
- (4) The caller is put on hold for a long period (from our experience, the wait lasted for almost 10 minutes); however, the operator might come on the line every few minutes to assure

the caller that the call is being processed. There is dead air while the call is being transferred.

- (5) Once the transfer has been successful, there is a three-way conversation between the operator, the caller, and the translator. The translation is quite adequate.

Notes on Access Toronto:

- (1) Although Access Toronto transfers calls to other Departments, these Departments themselves many not have translating services, or are not aware that the service is at their disposal.
- (2) Scenario: If a non-English speaking person calls Access Toronto, s/he will be connected to a translator, but if the nature of her/his question is such that s/he requires to be transferred to another department, the translating services cannot be transferred to be used by the other department. Hence, if the department itself does not use translating services, the caller is helpless.

The aforementioned accounts are exemplary of common problems encountered when calling Departments and ABCs. The following points summarize the problems:

- When calling a department or ABC, there is no indication that multilingual services are provided. If the provision is indicated (i.e. on a menu of an automated answering service) it is usually at the end of the menu and also announced in English.
- *The quality and knowledge of the operators were not consistent and often inadequate in regards to availability of translation services. Hence, even if the caller indicates his/her inability to speak English, the operator often was unaware of how to proceed.*
- The operator may not be able to correctly identify the language needed.
- When being transferred to the translation services, there was often a long period of dead silence.

SUMMARY OF ON-LINE TRANSLATION OF DOCUMENTS/PAMPHLETS

The most frequently asked questions by individuals refer to parking, waste management, the TTC, and emergency services. The following is a summary of the translated brochures for the respective organizations:

Parking and emergency services do not offer any multilingual documents on line.

Access Toronto provides “Our City Guide” (a publication offering basic information about city services), “We Open City Doors” (on line publication that provides information about the different services that Access Toronto offers within the City of Toronto), and “Self-guided tours” of City Hall in various non-English languages

TTC provides basic on line multilingual information on safety, how to pay for a ride, how to use transfers, etc. It does not provide information about fares, schedules, and routes.

Solid Waste Management Services, a division of Works and Emergency Services, provides limited general information on what the green bin program, garbage and recycling. On the translated brochures, it is written that for more information, the caller should call 338-0338 (the Solid Waste Management number, which does provide translation services).

Conclusions

My findings show that there are serious discrepancies between operators at the Departments within the city, and this inconsistency can cause a great deal of confusion, especially for new immigrants to the city. The quality, the knowledge and the accessibility of the services have been assessed and recommendations provided.

The new 311 number (for non-emergency municipal services, such as a dangerous pothole, broken water main, missing manhole cover, stray dog, noise and graffiti – access to non-emergency municipal services) would be a good place to implement a multilingual service for the whole city whereby inquiries can be addressed promptly and efficiently through this one service.

A number that already exists, 211 (for community services, such as how to find a daycare spot, home care for a sick senior or help for abused women) does utilize the language line and/or operators who speak a certain language at the call centre for inquiries made in a language other than English or French.

Knowledge can be drawn from policies and programs of other cities and countries. For example, in Vancouver, there are brochures available for the citizens to find out exactly what services are available in other languages other than the two official languages of Canada. However, such brochures must be translated, if feasible, it would be quite useful in Toronto and they can be distributed through Community Services and made available at, for example, OHIP offices since all new immigrants must visit OHIP offices for obtaining health cards.

In Australia the Centrelink program, a government agency which provides a range of Commonwealth services, has combined the federal, state and municipal level and directs the call to Customer Service Centres located throughout Australia. It offers translation services in various languages and the website offers translation of key government documents. It has centralized the system and the departments offering translation services to make the system more efficient and accessible. Such centralization would be useful in Toronto and one way of doing so would be the continuation of translation services from Access Toronto to transferred departments.

In New York City there is a Language Services Unit that translates official NYCHA documents and provides interpreter services to residents and applicants with limited English-speaking abilities to ensure equal access to information and services. Language Services calls upon close to 180 NYCHA volunteers who speak 43 different languages. However, the www.toronto.ca website provides a more extensive translation of documents.

Communication (November 24, 2004) from Anne McLaughlin, submitted by Councillor Milczyn, Etobicoke-Lakeshore.

October 31, 2005

(Communication dated October 31, 2005 addressed to the
Administration Committee from the e-City Committee)

Recommendations:

The e-City Committee recommended that the Administration Committee recommend to the Budget Advisory Committee and the Policy and Finance Committee that City Council adopt the staff recommendations in the Recommendations Section of the report (October 24, 2005) from the 3-1-1 Lead Deputy City Manager, as amended by adding the following new recommendation (7) and renumbering the remaining recommendation accordingly:

- “(7) the 3-1-1 Lead Deputy City Manager be requested to report quarterly to the e-City Committee on the implementation of the 3-1-1 Customer Service Strategy including any proposed harmonization of business practices or service standards; and”

Background:

The e-City Committee on October 31, 2005, considered a report (October 24, 2005) from the 3-1-1 Lead Deputy City Manager, advising that Council directed that the findings and recommendations of the 3-1-1 Council-Staff Working Group (CSWG) be reported to the Budget Advisory Committee during the 2006 Capital and Operating Budget processes. The review, analysis and rationale of the CSWG in selecting its recommended 3-1-1 Service Model are presented along with CSWG recommendations respecting the 3-1-1 Implementation Plan and its associated 2006 capital budget. The projected 2007 and 2008 capital budget requirements for the 3-1-1 Customer Service Strategy are also identified.

Recommendations:

It is recommended that:

- (1) implementation of the different features of the 3-1-1 Customer Service Strategy be phased-in to optimize use of existing City resources and build early public confidence in 3-1-1 services;
- (2) approval be given to the CSWG recommended Scenario 3 Service Model detailed in Appendix 3;
- (3) 2006 capital funding for the 3-1-1 Customer Service Strategy detailed in Appendix 4 be approved in the amount of:
 - (a) \$2.464 million to retrofit Metro Hall Council Chamber for the 3-1-1 Contact Centre facility;
 - (b) \$2.116 million for conversion of existing and non-documented content into easily searched, electronic form, and reviews of current business processes that will be initiated directly from the 3-1-1 operation in the future;
 - (c) \$0.500 million to develop the new self serve, service order function on the 3-1-1 service page on the City web site;
 - (d) \$0.4218 million for the preliminary development of the 3-1-1 core technology infrastructure;
 - (e) \$0.927 million for preliminary electronic integration of existing service order systems with the 3-1-1 Contact Centre system;
 - (f) \$0.100 million to design and develop training courses on technical and customer service skills for assigned 3-1-1 staff;
 - (g) \$0.015 million for 3-1-1 communications purposes; and
 - (h) \$0.180 million to obtain full-time Privacy Consultant services to conduct privacy impact assessments for the 3-1-1 initiative;
- (4) the 3-1-1 Lead Deputy City Manager be directed to report on the lessons learned from the Contact Centre launch according to pre-determined success criteria;
- (5) the 3-1-1 Lead Deputy City Manager identify a future working partnership of Council, senior staff, and 3-1-1 Contact Centre staff, to provide performance management oversight on 3-1-1/divisional service request outcomes and to monitor and recommend service improvements;
- (6) the 3-1-1 Lead Deputy City Manager in consultation with the Mayor and Council-Staff Working Group (CSWG), report to Council by December 2005 on whether, or in what capacity, the CSWG should be continued given completion of its current mandate; and

- (7) the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

(Report dated July 18, 2005, addressed to the
Community Services Committee from
Fareed M. Amin, Deputy City Manager)

Purpose:

To recommend the close-out of completed Emergency Management projects and transfer of the HUSAR Facility project in the Corporate Emergency Management Capital Program to the Fire Services Capital Program.

Financial Implications and Impact Statement:

There are no financial implications arising from this report.

Recommendations:

It is recommended that:

- (1) the actuals and budget for capital project CPM003 HUSAR/CBRN Facility be transferred from the Corporate Emergency Management Program to the Fire Services Capital Program;
- (2) the remaining projects within the Corporate Emergency Management Capital Program be closed in 2006, subject to any carry forward requirements necessary to complete the projects; and
- (3) this report be forwarded to the Budget Advisory Committee for consideration during the 2006 Capital Budget process.

Background:

In 2002, a three-year project was approved by Council to address emergency preparedness issues. As part of this initiative, a Corporate Emergency Management Capital Program was established to provide for capital requirements such as HUSAR (Heavy Urban Search and Rescue) and CBRN (Chemical, Biological, Radiological and Nuclear).

Council approved the following recommendation as part of the 2005 Emergency Management Capital Budget:

“The Acting Commissioner of Works and Emergency Services and the Chief Financial Officer and Treasurer, report back to the Budget Advisory Committee, prior to the 2006 budget process, on a proposal to transfer the entire Emergency Management Plan capital budget to the appropriate program areas within the former Works and Emergency Services Department.”

Comments:

Attachment 1 summarizes the capital projects under the Corporate Emergency Management Program and the recommended action for each project. As indicated, it is recommended that the HUSAR/CBRN Facility capital project be transferred to the Fire Services Capital Program. The remaining projects will be essentially complete by year-end 2005 and can be closed out, subject to carry forward requirements.

The HUSAR/CBRN Facility project will create a new building of 12,700 square feet as a base of operations for the Toronto HUSAR Taskforce on existing lands at the Toronto Fire Services, Special Operations Training Centre, 200 Bermondsey Road. Since the project is managed by Fire Services, it is appropriate that this project be transferred to the Fire Services Capital Program.

Conclusions:

This report recommends the transfer of the HUSAR/CBRN Facility project from the Corporate Emergency Management Plan capital budget to the Fire Services Capital Program. The remaining projects within the Corporate Emergency Management Capital Program will be completed and can be closed out in 2006, subject to carry forward requirements.

Contact Name:

Paul Chenery, Senior Budget and Operations Analyst, Support Services, Tel: 416-392-8966, Fax: 416-397-1485, E-mail: pchenery@toronto.ca

Attachment 1

Corporate Emergency Management Capital Program
Project List/Recommended Action

Project	Description	2005 Budget (\$000s)	Recommended Action
CPM0001	Chemical, Biological, Radiological and Nuclear (CBRN)	0	Close project. Sufficient funding exists in CBRN Operating Budget
CPM002	Emergency Operations Centre Phase 3 Upgrades	112	Close project in 2006, subject to carry forward requirements
CPM003	HUSAR/CBRN Facility	1,593	Transfer project to Fire Services Capital Program
CPM004	Emergency Back-up Systems	1,993	Close project in 2006, subject to carry forward requirements

CPM005	Emergency Operations Centre Phase 4 Upgrades	106	Close project in 2006, subject to carry forward requirements
	Total Budget	3,804	

(Communication dated November 8, 2005, addressed to the
Budget Advisory Committee from the Administration Committee
and the Planning and Transportation Committee)

Recommendation:

The Administration Committee and the Planning and Transportation Committee recommended to the Budget Advisory Committee and Policy and Finance Committee that:

- (1) City Council adopt the staff recommendations in the Recommendations Section of the report (October 26, 2005) from the Deputy City Manager and Chief Financial Officer as amended to provide that \$16 million be recommended for the state of good repair for Nathan Phillips Square, and any additional expenditures for enhancements be conditional on other sources of funding from private/public partnerships or other levels of government;
- (2) the architect Viljo Revell be appropriately recognized in Nathan Phillips Square;
- (3) the recommendations in the recommendations section of the communication (November 2, 2005) from the Roundtable on a Beautiful City be referred to the Deputy City Manager and Chief Financial Officer for report directly to City Council when this matter is considered; and
- (4) under no circumstances should the name “Nathan Phillips Square” be changed.

Background:

At a joint meeting on November 7, 2005, the Administration Committee and the Planning and Transportation Committee considered the following:

- (i) report (October 26, 2005) from the Deputy City Manager and Chief Financial Officer outlining relevant issues for the design competition to revitalize Nathan Phillips Square (NPS), providing capital funding forecast to implement the Square's revitalization and seeking approval of the design competition framework.

Recommendations:

It is recommended that:

- (1) City Council endorse the guiding principles for the Nathan Phillips Square design competition outlined in Appendix “B” of this report;
- (2) the heritage context and site issues and opportunities discussed in Appendices “E” and “F” of this report be approved as the framework for the Nathan Phillips Square design competition;

- (3) City Council endorse a two-stage competition process for the Nathan Phillips Square design competition as outlined in Appendix I of this report;
 - (4) this report be forwarded to the Budget Advisory Committee for consideration as a part of the 2006-2010 Corporate Capital Budget;
 - (5) the Chief Corporate Officer, in consultation with other relevant City divisions, report back to City Council for its consideration of the winning design and design team to be selected by the design competition jury;
 - (6) the Chief Corporate Officer, in consultation with other relevant City divisions, report back to City Council in the fall 2006 on management and financial structures to govern the ongoing management and funding of Nathan Phillips Square in a coordinated manner; and
 - (7) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.
- (ii) communication (November 2, 2005) from the Chair, Roundtable on a Beautiful City advising that the Roundtable on a Beautiful City on November 1, 2005, requested the Chair to forward the following recommendations to the Joint Meeting of the Planning and Transportation Committee and the Administration Committee for consideration on Monday, November 7, 2005:
- (1) That, subject to the balance of the recommendations listed below, that City Council support the renewal of Nathan Phillips Square in general accordance with the principles for restoration and enhancement outlined in the report (October 26, 2005) from the Deputy City Manager and Chief Financial Officer, and allocate an appropriate budget to ensure the effective implementation of the adopted plan and design for the renewal.
 - (2) That a Management Board or Committee of Stewards be established immediately, chaired by a Member of City Council, and in advance of efforts to renew Nathan Phillips Square, to review and provide advice on the ongoing maintenance and activities on Nathan Phillips Square, with a view to restoring its dignity, and providing ongoing stewardship. Such a Management Board would represent a broad range of community interest, including individuals with a strong sense of the history of the Square, its design origins, as well as its future potential.

This Management Board would also act as a resource for reviewing the Terms of Reference for the renewal of the Square, to provide a forum in which interested parties can keep abreast of developments related to the renewal of the Square, for providing support to the jury established for selection of the winning design, and for ensuring that the selected design is effectively implemented.

- (3) That the Terms of Reference for the renewal be developed further to expand upon those elements of the Square that are to be 'restored or renewed', rather than 'transformed', so that it is clear to all competitors what the limits of change are, and so that the competitors are aware of the expanded activities envisaged by the City through renewal. In general terms, the area with the elevated walkways is to be restored and renewed, while the area outside of the elevated walkways may be subject to a more significant transformation and that this territory include the roof podium, the zone along Bay Street, Queen Street, the entire west side of the Square, as well as the rear section of City Hall, along Hagerman Street. The existing elevated walkways would generally form the transition between the areas of restoration and renewal and transformation.
- (4) That particular attention be paid to the history of "The Ward", i.e. the precinct in and around City Hall, and elements be incorporated into the project to illustrate and reflect the history of The Ward and its environs.
- (5) That the two stage design competition process outlined in the report (October 26, 2005) from the Deputy City Manager and Chief Financial Officer, be supported based on the following comments and possible adjustments:
 - (a) That while this project will combine both areas of renewal and transformation, and includes significant technical challenges, that it is in the public interest to support a limited design competition process rather than a conventional RFP process. That while we would expect that design solutions within the area of the elevated walkways would be similar amongst all of the competitors (based on preliminary Terms of Reference and Heritage Report), that the programmatic renewal of the elevated walkways, the potential re-positioning of the Peace Garden, the placement and design of the proposed stage, the enhancement of the PATH system, the transformation of the substantial areas of existing soft landscape and the relationship of the Square to all adjacent streetscapes and Osgoode Hall, provides sufficient programmatic scope as to warrant the range of design consideration which is the intended outcome of a design competition.
 - (b) That the first stage proponents include both an architect and a landscape architect on each team. That while design teams should be encouraged to include a broad multi-disciplinary approach in the first stage, this will be subject to the realities of the number of available specialist consultants, in areas such as heritage and transportation. Therefore, team composition could be subject to jury review and adjustment prior to confirmation of second stage team selection.
 - (c) That requirements for the first stage submission be limited in nature, but sufficient to allow the competition jury (and not a committee comprised of

City staff), in consultation with the Management Board, to select from 3 to 5 teams to proceed to the second stage.

- (d) That the jury be of the highest caliber and include strong local representation.
- (e) That second stage proponents be required to attend a briefing session at the beginning of this stage, organized by the professional advisor and City staff, intended to provide competitors with a detailed review of program requirements, existing site conditions and constraints (including approaches to the first parking level), a presentation by the City's Heritage Consultant, and other matters critical and relevant to the renewal of the Square.
- (f) That an exhibition of the second stage finalists be organized and that all second stage competitors be asked to present their work in a public forum, prior to the final jury selection.
- (g) That the design competition potentially include consideration of additional building programs (e.g. meeting space, childcare) on the third floor of City Hall, as well as the possible re-opening of the rooftop observatory.
- (h) That competitors be directed to consider the staging and phasing possibilities of the work with regard to the practicalities of implementation and capital costs required.
- (i) That the project demonstrate best practices with regard to sustainable design.

(iii) communication (November 3, 2005) from Michael P. Nevin.

(iv) communication (November 4, 2005) from Sybil Wa, Diamond and Schmitt Architects Incorporated.

(v) communication (November 7, 2005) from Catherine Nasmith, Vice President, Architectural Conservancy of Ontario.

(vi) briefing note headed "Questions and Answers" (October 20, 2005) submitted by Facilities and Real Estate Division.

The Director, Business and Strategic Innovation, Facilities and Real Estate Division gave a powerpoint presentation.

The following persons addressed the joint meeting:

- Joe Lobko, Joe Lobko Architect Inc.;

- Christopher James Hope, Hiroshima Day Coalition and submitted a written brief;
- Michael P. Nevin, Member, Hiroshima Day Coalition;
- John Phillips and submitted a written brief; and
- Michael Rosenberg.

(Report dated October 26, 2005, addressed to the
Administration Committee and the Planning and Transportation Committee
from the Deputy City Manager and Chief Financial Officer)

Purpose:

This report outlines relevant issues for the design competition to revitalize Nathan Phillips Square (NPS), provides capital funding forecast to implement the Square's revitalization and seeks approval of the design competition framework.

Financial Implications and Impact Statement:

Capital funding of approximately \$40 million will be required to implement the final design that will be selected by a multi-disciplinary jury and approved by City Council. Spending will be distributed over a five year period, with initial expenditures in late 2006 and 2007 focused on detailed design work, followed by approximately three years of construction activity.

For 2006, funding in the amount of \$0.550 million has been requested as part of 2006 Proposed Capital Budget. This report requests approval of a future year capital plan for 2007 to 2010 totalling \$39.450 million, with the projected cash flow required as follows:

2007 (\$Millions)	2008 (\$Millions)	2009 (\$Millions)	2010 (\$Millions)	Total Cost (\$Millions)
1.50	16.00	15.55	6.40	39.45

The above estimates are based on preliminary analysis ahead of the actual selection and award of the winning design for the redevelopment of the Square. These estimates will be revised and updated as appropriate in 2006 when authorization will be sought for the implementation of the winning design. Also, it should be noted that approximately \$16 million is related to state of good repair (maintenance and rehabilitation) capital works and an estimated \$23 million related to enhancements to the Square.

The Deputy City Manager and Chief Financial Officer has reviewed this report and concurs with the financial impact statement.

Recommendations:

It is recommended that:

- (1) City Council endorse the guiding principles for the Nathan Phillips Square design competition outlined in Appendix "B" of this report;

- (2) the heritage context and site issues and opportunities discussed in Appendices “E” and “F” of this report be approved as the framework for the Nathan Phillips Square design competition;
- (3) City Council endorse a two-stage competition process for the Nathan Phillips Square design competition as outlined in Appendix I of this report;
- (4) this report be forwarded to the Budget Advisory Committee for consideration as a part of the 2006-2010 Corporate Capital Budget;
- (5) the Chief Corporate Officer, in consultation with other relevant City divisions, report back to City Council for its consideration of the winning design and design team to be selected by the design competition jury;
- (6) the Chief Corporate Officer, in consultation with other relevant City divisions, report back to City Council in the fall 2006 on management and financial structures to govern the ongoing management and funding of Nathan Phillips Square in a coordinated manner; and
- (7) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

Background:

At its meeting held on December 14, 15 and 16, 1999, City Council adopted as amended Clause 2 of Administration Committee Report 8, entitled “Civic Spaces Associated with Civic Centres”, recommending, among other things, that Council confirm the use of Nathan Phillips Square as the City’s premier civic square and event venue and approve funds in the amount of \$500,000 in 2000 for a design competition for the redesign and redevelopment of Nathan Phillips Square, and that terms of reference for the design competition be presented to Council for approval.

Planning for a design competition to revitalize the Square began in 2000 after City Council approved capital funding of \$500,000.00 for this initiative. Although some initial work had been undertaken by City staff, the competition was postponed by City Council in 2001 due to the City’s budgetary pressures at that time.

During the 2004 budget approval process, City Council revived and re-endorsed the competition in recognition of the need to revitalize the Square to meet its role as the City’s premier public space and civic gathering place. Funding totalling \$557,000.00 (\$283,000.00 in 2004 and \$274,000.00 for 2005) was approved for Facilities and Real Estate to plan and deliver the design competition.

Comments:

1. Rationale for the Design Competition

A major revitalization effort that encompasses the full expanse of Nathan Phillips Square—a total of over 12 acres bounded by Queen Street, Hagerman Street, Bay Street, and Osgoode Hall is needed to ensure that the Square achieves its full potential (see site plan in Appendix “A”). Particular attention is needed to areas that have been underdeveloped and underutilized since the Square was originally designed and developed.

The Square is not merely defined by the four acre area that is surrounded by the colonnade/elevated walkways. It covers an additional nine acres of exterior space, including the podium roof top of City Hall, the elevated walkways, the at-grade areas located east, west, north and south of the walkways and surrounding City Hall. Consideration must be given to better integrate all elements of the Square.

Several design issues have existed since the Square opened in 1965. Some of these issues can be attributed to lack of clarity in the terms of reference of the original 1957 to 1958 design competition. This situation led to some areas and features of the Square being inadequately planned. Other problems were caused by significant changes to architect Viljo Revell’s original design made between the approval of his winning design and the completion of construction. These design shortcomings have been discussed and studied by the City at various times over the past 40 years, including making several unfulfilled attempts at holding open design competitions to deal with them.

The embedded design problems have been aggravated over the years by the pressures of increased and diverse uses on the Square, add-on features, some facility closures, and inadequate maintenance. The Square needs to be revitalized to increase its ability to meet the needs of people - residents, day-users, tourists, performers, dignitaries and others—who make the Square alive and a vital part of the city’s lifestyle.

2. Guiding Principles for the Design Competition

A set of guiding principles as outlined in Appendix “B” of this report has been developed for the design competition to provide a comprehensive context and vision for the revitalization of the Square.

3. Project Organizational Structure, Work Plan and Schedule

The organizational structure, work plan and schedule for the design competition were finalized in February 2005. As currently scheduled, a winning design for the revitalization of NPS will be selected by June 2006, with a recommendation for approval by City Council at its meeting scheduled for July 25 to 27, 2006.

3.1 Organizational Structure

An Interdivisional Project Working Group was created in January 2005 to develop the work plan, coordinate the public consultation process, review policy issues, draft the terms and

conditions for the competition and oversee the competition process. The Group includes standing representation from Facilities and Real Estate, City Planning (including Urban Design and Heritage Preservation Services), Economic Development, Culture and Tourism (Special Events), Parks, Forestry and Recreation and Corporate Communications divisions.

A Senior Project Steering Committee representing senior staff from these divisions provides corporate-wide leadership for the project.

Staff are assisted by several advisors retained by Facilities and Real Estate, including Carruthers, Shaw and Partners, Architects as the overall professional advisor for the competition, Lura Consulting to assist in conducting the extensive public consultations, and Fournier, Gersovitz, Moss and Associates, Architects as the heritage advisor for the project.

3.2 Work Plan and Schedule

The work plan consists of six phases as highlighted below. The first three phases, namely project start-up, public consultations and competition preparation, are now complete.

Phase 1	Project Start-Up - develop project organizational structure, work plan and schedule - develop communications strategy	Jan. – Feb./05	Complete
Phase 2	Public Consultations - identify key internal and external stakeholders - conduct extensive stakeholder and public consultations to identify issues and needs for Square	Mar. – Jun./05	Complete
Phase 3	Competition Preparation - finalize needs assessment for Square - develop performance criteria for competition and preliminary construction cost estimates - determine technical and logistical details of conducting competition - draft design competition brief	Jul. – Sept./05	Complete
Phase 4	Approval of Design Competition Framework and Preliminary Budget Allocation - report to City Council for approval of design competition framework and multi-year capital budget forecast	Oct. – Dec./05	Underway
Phase 5	Launch Design Competition - launch two-stage competition, with final step being selection of winning design and design team by expert jury	Feb. – Jun./06	Pending
Phase 6	City Council Approval of Winning Design - report to City Council with recommendations to award winning design and design team and reaffirm multi-year capital budget forecast	Jul./06	Pending

4. Public Consultations Overview

To help inform and define the needs for the Square in preparation for the design competition, an extensive public consultation process designed to identify, develop and fine-tune the public's views and creative ideas about the Square took place between March and June 2005. Lura Consulting along with City staff conducted an inclusive public consultation process to provide Torontonians an opportunity to express their visions and ideas for a renewed and restored Square. Lura's report, "Community Voices - Perspectives on Nathan Phillips Square's Renewal" dated September, 2005 attached as Appendix "C", discusses the public consultation activities undertaken, which included individual external stakeholder interviews, four focus group sessions, two public information workshops, an all-day community creative workshop, and a town hall.

4.1 Community Vision and Values

The report from Lura Consulting states that "from the very beginning of the consultation process, it was clear that a number of key vision elements and guiding principles resonated with stakeholders and the public. The Square should include:

- (a) a social gathering, multi-purpose and beautiful democratic space;
- (b) a place with a safe, inviting and welcoming atmosphere to all Torontonians and visitors to the Square;
- (c) the Square should remain the "heart" of the City, a gateway to Toronto, and the front door to City Hall;
- (d) it should be accessible to all users, through improved connections and flow to surrounding areas;
- (e) allow flexibility in the design of the Square's features;
- (f) a showcase for talent for all of Toronto's cultures through events, art, and icons;
- (g) preservation of the original design intent and dignity; and as a unique historic place;
- (h) reflecting Toronto as a healthy and green city;
- (i) an international destination, a "Mecca" for tourists, which reflects and promotes other areas of the City;
- (j) celebrate the history of the space – through art, information, and plaques; and
- (k) a Square that keeps pace with the evolution of the surrounding area."

4.2 Summary of Issues Identified

Participants attending the public consultations identified a variety of issues. The Lura report summarized these issues under four general themes:

Special Events, Features, Facilities and Services

Suggestions (sometimes contradictory) were made regarding appropriate, year-round programming, suitable staging facilities, the orientation of the reflecting pool and arches, the upgrade or removal of the canteen building and positioning of other features to more adequately serve the needs of the public. Participants tended to agree that it is necessary to have more adequate services on the Square including food services, tourism information, shade facilities and bicycling infrastructure.

Walkways

Three schools of thought emerged regarding the treatment of the walkways. There were to: (a) keep the walkways unchanged; (b) improve and use the walkways, and (c) remove some or all of the walkways structure. Most of the ideas focused on improving and using the walkways appropriately, and included many creative ideas for programming. Appropriate usage of the City Hall Podium Level was also repeatedly identified as a priority.

Pathways, Connections, Access and Frontage

There was nearly unanimous support to improve accessibility and connections between the Square and neighbouring areas and streets. Improving lighting, better accessibility for disabled persons, and additional connections to the PATH and the subway system were thought to be minimum requirements. Many other creative ideas for treating each façade of the Square were also discussed.

Landscape, Peace Garden and Sculptures

Two main views emerged from the public consultation process on these features. The first suggests that the Square should be maintained as a clear, uncluttered space for public gathering, while the second suggests that it should become a softer, more park-like setting. In keeping with this dichotomy, divergent opinions also surfaced regarding the Peace Garden and Sculpture features. Many participants felt that the Peace Garden should be moved to a more appropriate site on the Square's periphery, while some felt very strongly that the Peace Garden should be maintained or enhanced in its current location. Several suggestions for the enjoyment of public art within the Square were also presented.

4.3 Consultations with the Roundtable on a Beautiful City

The Roundtable on a Beautiful City identified the Nathan Phillips Square Design Competition as one of the projects that should receive priority by the City, having toured the site and reviewed the conditions and needs of the Square at its meeting on May 30, 2005.

On October 20, 2005, the Roundtable's Sub-Committee on City Processes, Standards and Practices held a consultation session with selected stakeholders from the design community to focus on the approach to the competition's terms of reference and the competition process. Discussion covered various aspects of the competition, including eligibility criteria, submission processes, site issues, and the need for ongoing management and sustainable funding for proper upkeep of the Square.

5. Revitalization to Keep Pace with Area Developments

When the City Hall complex was planned in the 1950s, it was to serve as the catalyst for vibrant new development in the downtown core. Since the opening of City Hall and the Square in 1965, the surrounding area has grown and changed dramatically. City Hall and the Square have become the centre of a vital and busy mixed-use district in the heart of downtown Toronto. The area has attracted - and continues to attract - a variety of new buildings and uses such as commercial offices, retail shopping, cultural and institutional facilities, hotels and a growing number of high density residential buildings, which have contributed greatly to the Square's vitality and popularity.

Without major renewal, the City's main plaza will lag behind its neighbours in terms of attractiveness and functionality. It is time to revitalize and upgrade the 40-year old Square to keep pace with the surrounding growth.

6. Heritage Context

Toronto City Hall was designated in 1991 for architectural and historical reasons under the provisions of the *Ontario Heritage Act* (By-law 147-91). The property covered by the designation by-law extends from the east face of Osgoode Hall to the west side of Bay Street, and from the north side of Queen Street to the south side of Hagerman Street. The reasons for designation of the property are described in the designation by-law as the heritage attributes of the property. Any proposed alterations affecting the heritage attributes require the approval of City Council. The heritage attributes described in the designation by-law that are exterior to the City Hall building and within the open space defined as part of this design competition are the following:

- (a) podium roof and ceremonial ramp leading to it from Nathan Phillip Square;
- (b) colonnaded, elevated walkways defining the boundaries of the square proper;
- (c) reflecting pool with three concrete arches and fountains;
- (d) two flat-roofed service buildings west of the reflecting pool;
- (e) "the Archer" by sculptor Henry Moore;
- (f) low level plantings along the Queen Street frontage of the property; and
- (g) the Peace Garden.

By its nature, a designation summarizes. It does not attempt to provide in-depth analysis of any characteristics of the individual heritage attributes. The revitalization of Nathan Phillips Square may have some impact on some of the attributes. The latitudes for change are addressed below on the proposed areas and elements of the Square to be considered in the competition. Competitors will be required to demonstrate that any proposed intervention that would affect the heritage attributes would not compromise the integrity of the original design.

The firm Fournier, Gersovitz, Moss and Associates Architects, the heritage advisor for the design competition, prepared a report, entitled “Nathan Phillips Square Design Competition: Findings-Heritage Issues Report”, October 2005, which summarized the heritage features and issues pertaining to the Square, including issues raised by participants attending an external heritage stakeholders workshop. A copy of the report is attached in Appendix “D”.

7. Site Issues and Opportunities for the Competition

Four categories were developed to highlight the site issues and opportunities for the competition and identify the features of the Square that can be modified through the competition, as well as those that cannot be changed. These four categories that are discussed in detail in Appendix “F” attached are:

- Built Elements
- Connections, Access and Landscaping
- Public Events and Outdoor Performance Facilities
- General Items

In summary, the following features of the Square cannot be modified through the design competition:

- (a) the reflecting pool/skating rink and the Freedom Arches, including the design, shape, size, or location;
- (b) the location of “The Archer” sculpture in front of City Hall; and
- (c) the grid pattern inherent to the design of the precast concrete pavers on the Square.

The intent is allow the design competition to propose modifications to several features of the Square, as follows:

- (a) Built Elements
 - (i) The City Hall podium roof will be included in the competition as an area that would benefit greatly from improvements to enliven the space and enhance its relationship to the rest of the Square and City Hall.
 - (ii) Changes to the elevated walkways, such as adding materials and finishes to improve the physical appearance and functionality of the walkways will be permitted.

- (iii) Proposals to relocate the Peace Garden to another appropriate area on the Square will be considered as long as the key components of the Peace Garden are retained and equivalent or better landscape design is provided.
 - (iv) Changes to the canteen/rink building containing the public washrooms can be proposed, including removing it and replacing it with a building of different configuration.
 - (v) Competitors will be permitted to propose changes to the children's playground in keeping with requirements of the Canadian Standards Association.
 - (vi) Proposals will be considered for food service facilities along the south end and elsewhere on the Square.
 - (vii) Competitors should include space for a tourism/visitor information centre in their design proposals for the Square.
 - (viii) Competitors will be permitted to relocate existing sculptures (except for the Archer), plaques, monuments and memorials elsewhere on the Square. New public art installations may be submitted as part of design submissions, but this will not be a mandatory requirement.
 - (ix) While the Speaker's Corner is currently rarely used for its intended purpose, solutions to improve its visibility and usability may be proposed.
 - (x) The chess tables may be relocated elsewhere on the Square if redesign proposals for the Square preclude retaining the chess tables in their current location.
- (b) Connections, Access and Landscaping
- (i) It is a requirement that the Square be a pedestrian only zone, except for special access for maintenance, delivery/loading and emergency vehicles.
 - (ii) Competitors will be encouraged to propose streetscape design modifications to Bay Street, Queen Street, Hagerman Street and Osgoode Lane to enhance pedestrian access to the Square.
 - (iii) Competitors will be encouraged to redesign the landscaped areas to the north of the Canteen building, and along the western area of the Square adjoining Osgoode Hall.
 - (iv) Competitors will be encouraged to address accessibility issues affecting the Square so that the Square is fully accessible.
 - (v) The design competition will seek solutions that provide more appropriate entry to City Hall from the PATH system consistent with the rest of the system.

- (vi) Competitors must meet the City's requirements for emergency access to the Square and City Hall. Options for relocating the existing loading/delivery areas will be encouraged. For tour bus parking, a bus lay-by/ short term parking at the side or back of the building may be considered, perhaps with a widened sidewalk and weather protection.

(c) Public Events and Outdoor Performance Facilities

- (i) The design competition must consider the provision of an improved stage/performance facility and the related infrastructure requirements for the Square, such as loading space, loading access, temporary loading vehicle parking, equipment lock-up space, dressing/changing rooms, washrooms, a green room, office space and front of house controls.
- (ii) Competitors will be encouraged to make use, to the extent possible, of the first level of the underground parking garage, to accommodate the stage and infrastructure required to service the stage area.

(d) General Items

- (i) The design competition will seek solutions to increase architectural lighting on the Square in order to improve safety and enhance the night time appearance of the Square.
- (ii) Competitors will be urged to incorporate measures in their design proposals to address the need for additional exterior shade on the Square.
- (iii) Competitors will be required to propose design prototypes for new street furniture for the Square.
- (iv) It is proposed that the design competition identify appropriate solutions for waste collection and recycling on the Square.
- (v) The design competition will encourage the provision of improved bicycle access and bicycle parking facilities on the Square.
- (vi) Competitors will be required to propose adequate storage space at grade or below grade to support the ongoing needs of the Square.
- (vii) It is proposed that the design competition identify new signage design concepts for the Square, in accordance with the City's signage guidelines.
- (viii) Competitors will need to provide improved snow removal and storage plans for the Square.

8. The Two Stage Competition Process

As discussed in Appendix I attached, the design competition will be open and conducted in two stages. A document commonly referred to as the competition brief or the competition guidelines will be released to participants when the competition is launched. The document will include detailed information about the two stage competition process and schedule; submission requirements for Stage I design and experience statements; design submission requirements for Stage II; roles and responsibilities of the design competition Professional Advisor, Stage I Evaluation Committee and Stage II Technical Advisory Committee; and the jury composition, responsibilities and adjudication procedures.

9. Budget Requirements

Capital funding estimated in the amount of \$40 million dollars is required to invest in much-needed physical and landscaping improvements to the Square, based on the parameters for the design competition outlined in this report. As identified in the table below, spending will be cash flowed over a five-year period from 2006 to 2010, with initial expenditures in late 2006 and 2007 focused on detailed design work based on the winning design, followed by approximately three years of construction activity.

2006 (\$Millions)	2007 (\$Millions)	2008 (\$Millions)	2009 (\$Millions)	2010 (\$Millions)	Total Cost (\$Millions)
0.55	1.50	16.00	15.55	6.40	40.00

The above estimates are based on preliminary analysis ahead of the actual selection and award of the winning design for the redevelopment of the square. These estimates will be revised and updated as appropriate in 2006 when authorization will be sought for the implementation of the winning design.

The cost estimates for rehabilitating the Square were developed by an external cost consultant working with the Professional Advisor for the competition, who determined that an expenditure of approximately \$16 million of the \$40 million required for the project will be needed to meet the City's capital state of good repair, maintenance and rehabilitation requirements for the Square in the coming years. The much needed repairs include:

- (a) upgrading exterior lighting;
- (b) creating waste collection and recycling and snow storage areas;
- (c) improving accessibility features;
- (d) installing new security systems;
- (e) rebuilding exterior exit stairs to the parking garage;
- (f) maintenance of existing artwork;
- (g) creating a permanent location for the Christmas tree and upgrading electrical services for the Cavalcade of Lights lighting systems;
- (h) substantially rebuilding the walkway surfaces, walls, soffits, lighting and signage;
- (i) upgrading the City Hall podium roof;
- (j) installing new public washrooms;

- (k) renovating the skate changing room and pool/rink equipment storage space;
- (l) improving general storage space, including space for the Zamboni;
- (m) mechanical and electrical upgrades to the Square and related buildings;
- (n) installing new utility panels for power and water on the Square;
- (o) installing fibre optic cabling distribution;
- (p) upgrading the reflecting pool/rink equipment; and
- (q) reinforcing structural systems in some areas to increase loading capacity.

The other \$23 million expenditure is estimated for enhancements to the requirements for the Square listed above, and for other improvements to the Square, which will be identified through the design competition, including:

(a) Vehicular Access

- (i) relocating the vehicular access lane for the Square;
- (ii) creating an improved special vehicle delivery, loading and parking area at grade;
- (iii) accommodating tour bus parking;
- (iv) reconfiguring the Bay Street access ramp to improve pedestrian access on the Square;

(b) Landscaping

- (i) relocating and enhancing the Peace Garden;
- (ii) providing significant improvements to the landscaping along the Queen Street and Bay Street frontages of the site;
- (iii) redesigning the landscaped area along the western side of the Square;
- (iv) improving and potentially relocating the landscaped area north of the Canteen Building;
- (v) relocating the children's playground elsewhere on the site (if necessary) and replacing the equipment;

(c) Pedestrian Access

- (i) increasing pedestrian areas on the Square, including new paved and landscaped surfaces;
- (ii) upgrading pedestrian crosswalk paving surfaces at major street intersections surrounding the site;
- (iii) adding new shading amenities on the Square;

(d) Stage Facility

- (i) installing a new stage facility, including allowing for below-grade space in the parking garage for back-of-house functions, an elevator, mechanical/electrical equipment and washrooms;

- (e) Food Services
 - (i) creating new food service facilities on the Square;
- (f) Tourism Information Services
 - (i) providing a facility for tourism/visitor information services;
- (g) General Items:
 - (i) installing new street furniture;
 - (ii) improving bicycle access and parking;
 - (iii) improving signage on the Square;
 - (iv) improving the below grade PATH system connection to City Hall;
 - (v) incorporating sustainable design features; and
 - (vi) modifying the at-grade exhaust shaft system for the west parking garage.

Nathan Phillips Square at over 12 acres in size is a large site. It is significantly larger than Dundas Square, which is less than one acre in size. The design competition will provide a comprehensive design framework and vision to guide the renewal of the Square, instead of proceeding with the improvements in a piecemeal way.

10. Management of the Square

Facilities and Real Estate, in conjunction with other affected divisions will be undertaking a review of the current management responsibilities for the Square. A report will be submitted to City Council in the Fall 2006 reviewing and recommending new management and financial structures for the Square. New structures are needed to ensure that proper ongoing decision-making processes and funding are in place to protect the investment that will be made in renewing the Square, along with ensuring that maintenance, security, custodial care and other arrangements are effectively coordinated to meet the ongoing program requirements of the Square.

11. Conclusions:

Pursuant to City Council's approval and direction through the 2004 budget process to proceed with a design competition for the revitalization of Nathan Phillips Square, City staff have completed broad internal, external stakeholder and public consultations and professional assessments to define the extent and nature of the renewal effort needed for the Square.

The results of the consultations indicate strong support for a major revitalization effort for the 12+ acres of the Square to ensure that it achieves its full potential as Toronto's premier civic square and event venue. The Square needs to be revitalized to increase its attractiveness to people-residents, day-users, tourists, performers, dignitaries and others—who make the Square alive and a vital part of the city's lifestyle.

Design competition guiding principles to provide a comprehensive context and vision for the revitalization of the Square, and the treatment of areas and features that need attention in the revitalization process are proposed. Any proposed alterations affecting the heritage attributes will require the approval of City Council, and competitors will be required to demonstrate that any proposed intervention that would affect the heritage attributes would not compromise the integrity of the original design.

Capital funding estimated in the amount of \$40 million will need to be invested to implement the winning design concept to revitalize the Square, which will be chosen by a multi-disciplinary jury and approved by City Council. Spending will be distributed over a five year period, with initial expenditures in late 2006 and 2007 focused on detailed design work, followed by approximately three years of construction activity.

Contact Names:

Jodie Parmar, Director, Business and Strategic Innovation, Facilities & Real Estate Division,
Tel: 416-338-1295, Fax: 416-392-4828, E-Mail: jparmar1@toronto.ca;

Jaye Robinson, Director, Special Events, Economic Development, Tourism and Culture Division,
Tel: 416-395-7310, Fax: 416-395-0278, E-Mail: jrobinso@toronto.ca.

(A copy of Appendices, entitled: "Appendix "A" – Nathan Phillips Square Site Plan; Appendix "B" Guiding Principles for Nathan Phillips Square Design Competition; Appendix "C" –Report "Community Voices – Perspectives on Nathan Phillips Square's Renewal", Lura Consulting, September 2005; Appendix "D" - "Nathan Phillips Square Design Competition: Findings – Heritage Issues Report", Fournier, Gersovitz, Moss and Associates Architects, October 2005; Appendix "E: - Nathan Phillips Square Heritage Context; Appendix "F" Site Issues and Opportunities for Nathan Phillips Square Design Competition; Appendix "G" July 27, 2005 Letter from Richard Nelson, Co-Chair, Toronto Pedestrian Committee, "Toronto Pedestrian Committee Views on Nathan Phillips Square Design Competition"; Appendix "H" - Nathan Phillips Square Accessibility Issues Identified by City Staff and Appendix "I" - Nathan Phillips Square Design Competition – Two Stage Competition Process", referred to in the foregoing report were forwarded to all Members of Council with the November 14, 2005 agenda of the Budget Advisory Committee and copies thereof are also on file in the Office of the City Clerk.)

(Communication dated November 2, 2005 from
Councillor Sandra Bussin, Deputy Mayor, Chair,
Beautiful City Roundtable addressed to the Administration Committee
and Planning and Transportation Committee)

The Roundtable on a Beautiful City on November 1, 2005, requested the Chair to forward the following recommendations to the Joint Meeting of the Planning and Transportation Committee and the Administration Committee for consideration on Monday, November 7, 2005:

- (1) That, subject to the balance of the recommendations listed below, that City Council support the renewal of Nathan Phillips Square in general accordance with the principles

for restoration and enhancement outlined in the report (October 26, 2005) from the Deputy City Manager and Chief Financial Officer, and allocate an appropriate budget to ensure the effective implementation of the adopted plan and design for the renewal.

- (2) That a Management Board or Committee of Stewards be established immediately, chaired by a Member of City Council, and in advance of efforts to renew Nathan Phillips Square, to review and provide advice on the ongoing maintenance and activities on Nathan Phillips Square, with a view to restoring its dignity, and providing ongoing stewardship. Such a Management Board would represent a broad range of community interest, including individuals with a strong sense of the history of the Square, its design origins, as well as its future potential.

This Management Board would also act as a resource for reviewing the Terms of Reference for the renewal of the Square, to provide a forum in which interested parties can keep abreast of developments related to the renewal of the Square, for providing support to the jury established for selection of the winning design, and for ensuring that the selected design is effectively implemented.

- (3) That the Terms of Reference for the renewal be developed further to expand upon those elements of the Square that are to be ‘restored or renewed’, rather than ‘transformed’, so that it is clear to all competitors what the limits of change are, and so that the competitors are aware of the expanded activities envisaged by the City through renewal. In general terms, the area with the elevated walkways is to be restored and renewed, while the area outside of the elevated walkways may be subject to a more significant transformation and that this territory include the roof podium, the zone along Bay Street, Queen Street, the entire west side of the Square, as well as the rear section of City Hall, along Hagerman Street. The existing elevated walkways would generally form the transition between the areas of restoration and renewal and transformation.
- (4) That particular attention be paid to the history of “The Ward”, i.e. the precinct in and around City Hall, and elements be incorporated into the project to illustrate and reflect the history of The Ward and its environs.
- (5) That the two stage design competition process outlined in the report (October 26, 2005) from the Deputy City Manager and Chief Financial Officer, be supported based on the following comments and possible adjustments:
 - (a) That while this project will combine both areas of renewal and transformation, and includes significant technical challenges, that it is in the public interest to support a limited design competition process rather than a conventional RFP process. That while we would expect that design solutions within the area of the elevated walkways would be similar amongst all of the competitors (based on preliminary Terms of Reference and Heritage Report), that the programmatic renewal of the elevated walkways, the potential re-positioning of the Peace Garden, the placement and design of the proposed stage, the enhancement of the PATH system, the transformation of the substantial areas of existing soft

landscape and the relationship of the Square to all adjacent streetscapes and Osgoode Hall, provides sufficient programmatic scope as to warrant the range of design consideration which is the intended outcome of a design competition.

- (b) That the first stage proponents include both an architect and a landscape architect on each team. That while design teams should be encouraged to include a broad multi-disciplinary approach in the first stage, this will be subject to the realities of the number of available specialist consultants, in areas such as heritage and transportation. Therefore, team composition could be subject to jury review and adjustment prior to confirmation of second stage team selection.
- (c) That requirements for the first stage submission be limited in nature, but sufficient to allow the competition jury (and not a committee comprised of City staff), in consultation with the Management Board, to select from 3 to 5 teams to proceed to the second stage.
- (d) That the jury be of the highest caliber and include strong local representation.
- (e) That second stage proponents be required to attend a briefing session at the beginning of this stage, organized by the professional advisor and City staff, intended to provide competitors with a detailed review of program requirements, existing site conditions and constraints (including approaches to the first parking level), a presentation by the City's Heritage Consultant, and other matters critical and relevant to the renewal of the Square.
- (f) That an exhibition of the second stage finalists be organized and that all second stage competitors be asked to present their work in a public forum, prior to the final jury selection.
- (g) That the design competition potentially include consideration of additional building programs (e.g. meeting space, childcare) on the third floor of City Hall, as well as the possible re-opening of the rooftop observatory.
- (h) That competitors be directed to consider the staging and phasing possibilities of the work with regard to the practicalities of implementation and capital costs required.
- (i) That the project demonstrate best practices with regard to sustainable design.

Background:

The Roundtable on a Beautiful City on November 1, 2005, considered a presentation by Mr. Joe Lobko, Chair, City Processes, Policies and Standards Sub-Committee, regarding the Renewal of Nathan Phillips Square.

(Communication dated November 3, 2005 from Michael Nevin)

Thank you for replying to my call and sharing your concerns about the Design Competition.

I work with the Hiroshima Day Coalition which organizes the annual commemoration of the atomic bombing of Hiroshima and like many people in the Peace movement, I get concerned when I think I see the Peace Garden - and by implication what it stands for - not valued.

The Peace Garden is not in the way of anything; it is not the problem with the Square. The Peace Garden is an asset, an oasis of calmness and cooling and healing greenery in the middle of concrete, noise and business.

It is a reminder of our city's commitment to peace and to eliminating the danger of nuclear war which overwhelmingly threatens cities.

If there are problems with the architecture, aesthetics, usability of the Square; if the original design was not realized, such is not the fault of the Peace Garden. Site features that need amelioration should be worked on without imperiling the Garden.

Given the calibre of those involved in its formation: Her Majesty, Queen Elizabeth II, the previous Pope, His Holiness John Paul II, and The then Prime Minister of Canada, Pierre Trudeau, we should be reminded to treat the Garden with respect if not reverence.

I have been urged to give my and our group's consent to moving the Garden as if we had some sort of veto power on the Design Process.

If I had such power, I would say, "No Movement(of the Garden) without Improvement".

The Garden must retain its dignity, seriousness and ability to remind people of its memorializing task. The Garden is a commitment by the people and City of Toronto to the greatest cause of our era - protecting humanity from the self-destructiveness of war especially nuclear war.

Thanking you for your attention to my concerns, I am

Michael P. Nevin

(Communication dated November 4, 2005 from Sybil Wa,
Diamond and Schmitt Architects Incorporated)

I'm writing to express my enthusiasm for the rejuvenation of Nathan Phillips Square.

Specifically, I would like to draw the attention of those responsible for this project toward the need for improvement at grade where the square and the city hall share an edge. In particular,

the character of the 'Cafe On The Square' and the public library need improvement. They appear as isolated environments that are not integrated with the spirit of the square.

I hope that the future renewal of this area will address these issues.

The Committee also had before it the following communications:

- (November 7, 2005) from Catherine Nasmith, Vice President, Architectural Conservancy of Ontario; and
- (Undated) from Hiroshima Day Coalition, Toronto Town Hall Meeting of June 22, 2005.

(Report dated October 26, 2005 from the Deputy City Manager and Chief Financial Officer addressed to the Administration Committee)

To report back as requested by the Administration Committee on the status of the \$20 million Energy Retrofit Program (ERP) and to earmark \$15 million for phase two of the Program as part of the 2006 capital budget process in order to continue and expand energy retrofit work in City facilities.

Financial Implications and Impact Statement:

As directed by Council, the Energy Retrofit Program has fully allocated the initial \$20 million in the fund to improve the energy efficiency of City facilities.

In order to continue with the plan to improve energy efficiency in City buildings an additional \$15.0 million is required, including \$6.0 million in total project costs for 2006 for retrofitting the City's pools and community centres, and \$9.0 million in project costs for 2007 for a list of energy efficiency projects to be considered as part of the 2007 capital budget process.

The proposed 2006 project cost of \$6.0 million for energy retrofits of the pools and community centres will be funded by City debt of \$4.5 million and \$1.5 million from a previously approved low interest loan from the Federation of Canadian Municipalities and will require a cash flow of \$1.5 million in 2006 and \$4.5 million in 2007. The remaining \$9.0 million is to be earmarked for phase two of this Program in the 2007 capital budget of which \$6.750 million will be sourced through City debt and \$2.250 million will be sourced from a previously approved low interest loan from the Federation of Canadian Municipalities' Green Municipal Investment Fund. Cash flow requests for the \$9.0 million are as follows: \$2.0 million in 2007, \$5.0 million in 2008 and \$2.0 million in 2009.

Energy savings realized from the energy retrofits are used to repay debt financing over a maximum ten-year period.

Recommendations:

It is recommended that:

- (1) \$15 million be earmarked for the second phase of the Energy Retrofit Program to be allocated to further retrofit projects in the period 2006 to 2009, as follows:
 - (a) a total project cost of \$6.0 million for the Energy Retrofit Project of pools and community centres, financed by a low interest loan of \$1.5 million from the Federation of Canadian Municipalities and \$4.5 million City debt, including cash flow of \$1.5 million in 2006 and \$4.5 million in 2007, be authorized; and
 - (b) \$9.0 million in total project costs be earmarked for other projects in phase two of the Energy Retrofit Program with \$6.750 million to be funded from City debt and \$2.250 million from a previously approved low interest loan from the Federation of

Canadian Municipalities' Green Municipal Investment Fund to be cash flowed as follows: \$2.0 million in 2007, \$5.0 million in 2008 and \$2.0 million in 2009, with detailed allocations to be reported in the 2007 Capital Budget process;

- (2) a detailed status report on the five previously approved projects funded under phase one of the Energy Retrofit Program be provided to the Budget Advisory Committee in November 2005 showing the annual cash flow, energy savings, energy cost savings and debt servicing for each project;
- (3) a list of additional energy retrofit projects for City Divisions and ABCs be prepared before the end of 2006 and submitted for consideration, along with applicable business cases for each project, as part of the 2007 capital budget process;
- (4) this report be forwarded to the Budget Advisory Committee for consideration with the 2006 capital budget; and
- (5) the appropriate City officials be authorized and directed to take any necessary action to give effect thereto.

Background:

The Energy Retrofit Program was established as a 2004 debt financed capital project by Council at it meeting of April 19 - 27, 2004, through the Policy and Finance Committee Clause 1 of Report 3, entitled "A Framework for Establishing an Energy Retrofit Program and Financing Strategy". The clause set the procedures for approving financing and recovering debt service charges from eligible projects. The ERP was approved with an initial start-up amount of \$20.0 million, which has now been fully allocated. Energy savings realized from the energy retrofits are used to repay debt financing over a maximum ten-year period.

On May 18, 2004, Council approved Clause 11 of Report 4 of the Policy and Finance Committee which allocated Energy Retrofit Program funding of \$10.213 million for energy retrofits in the City Arenas.

On July 20, 21 and 22, 2004, Council approved Clause 28 of Report 6 of the Policy and Finance Committee which allocated Energy Retrofit Program funding of \$3.624 million for energy retrofits in the City Firehalls.

On November 30, and December 1, 2, 2004, Council approved Clause 10(a) of Report 9 of the Policy and Finance Committee which allocated Energy Retrofit Program funding of \$4.4 million for the Exhibition Place Tri-generation Project.

On November 30, and December 1, 2, 2004, Council approved Clause 36 of Report 9 of the Policy and Finance Committee which allocated Energy Retrofit Program funding of \$1.4 million for the Energy Efficiency Improvements Project in 5 buildings at Exhibition Place.

On September 28, 29 and 30, 2005 Council approved Clause 50 of Report 8 of the Policy and Finance Committee which allocated Energy Retrofit Program funding of \$800,000.00 to the lighting retrofit work at the National Trade Centre and a reallocation of \$210,000.00 from the Firehall project to the Exhibition Place 5 building project.

City Council on May 17, 18 and 19, 2005 approved Report 4, Clause of the Administration Committee which requested the Deputy City Manager and Chief Financial Officer to report to the Administration Committee for consideration during the 2006 capital budget process on possible energy efficiency projects; and the amount (\$10 to \$20 million) and a list of specific projects for implementation in 2006 be included in the report. The Administration Committee recommends that Council express its support, in principle, for the financing of the Energy Retrofit Program in the 2006 capital budget process, subject to regular budget approval.

City of Toronto has been approved to receive a low interest loan from the Federation of Canadian Municipalities (FCM) in the amount of \$8.75 million to undertake energy efficiency retrofits in City buildings. Up to 25 percent of project costs can be funded through this low interest loan of which \$4,805,259 has been allocated. The \$8.75 million loan is based on a planned \$35 million energy retrofit program.

No additional funds were set aside in the City's 2005 capital program.

Comments:

Prior to the announcement of the Energy Retrofit Program, energy efficiency projects had difficulty in competing for the City's limited capital funding. The Energy Retrofit Program has allowed planned energy retrofits to move forward.

The \$20 million ERP has now been fully allocated to undertake energy efficiency improvements in City facilities and the following is a summary of the approved projects and their respective funding:

Project	Total Project Cost \$	City Capital \$	FCM Funds \$8.75M	Other Funds (TAF)	Grants and Incentives \$
City Arenas	10,212,964.00	7,564,000.00	2,521,000.00		127,317.00*
Firehalls	2,977,036.00	2,007,777.00	669,259.00		300,000.00*
Exhibition Place. Retrofit	1,610,000.00	1,020,000.00	340,000.00		250,000.00*
Exhibition Place. Trigen	4,400,000.00	2,325,000.00	1,075,000.00	1,000,000.00	
Exhibition Place. NTC Lighting	800,000.00	600,000.00	200,000.00		
Total	20,000,000.00	13,516,777.00	4,805,259.00	1,000,000.00	677,317.00*

* preliminary estimate and subject to change

City Arenas

Retrofitting of the City's Arenas was the first project to be approved from the Council approved \$20.0 million Energy Retrofit Program. The project was awarded to Cinergy Solutions in May 2004 at a cost of \$10.213 million and will focus on efficiency improvements such as heating and ventilation, lighting retrofits and temperature control. A number of steps are involved in getting this work implemented, including:

- contract negotiation;
- completion of detailed energy audit/feasibility study at each facility;
- review of audits and recommendations;
- completion of grant applications;
- engineering, construction scheduling; and
- implementation.

Projects of this type take longer than a general construction project due to the time required in completing all the steps listed above and the need to obtain grant approvals prior to construction.

Construction of the arena project is now underway and the majority of the work is to be completed in 2006. On full implementation of this project in 2007, annual cost savings of \$1.346 million will be generated. Projected capital expenditures to year-end 2005 will be \$2.5 million.

Firehalls

This project for energy and water efficiency improvements was awarded to MCW Energy Reduction Services Inc. in July 2004. The energy audit has been completed and project construction will start in the fall of 2005 and will be completed in 2006. Delay in this project was due to the process involved in receiving grant approval from the Federal government. The project was originally approved at a cost of \$3.624 million, but on completion of the energy audit the cost was reduced to \$2.977 million to reflect the scope of the work required. Annual cost savings of \$0.290 million will be generated by this project starting in 2007. Projected capital expenditures to year-end 2005 will be \$0.9 million.

Exhibition Place Energy Retrofits

Exhibition Place submitted an application to the ERP for financing to retrofit five buildings, at an initial cost of \$1.400 million. This project was awarded to Toronto Hydro Energy Services Inc. in December 2004 and focuses on efficiency improvements in heating and ventilation, lighting retrofit, building envelope upgrade and water conservation measures. The feasibility studies have been completed and additional energy retrofit work was identified in the amount of \$0.210 million, and allocated from funding arising from reduction in the project costs of the Firehalls, bringing the total project cost to \$1.610 million.

Construction is expected to begin in the fall of 2005 and will be completed in 2006. Annual cost savings of \$0.133 million will begin in 2007. Projected capital expenditures to year-end 2005 will be \$0.780 million.

Exhibition Place – Tri-generation

The Tri-generation project addresses the heating, cooling and electrical loads of several large buildings at the Exhibition Place site by substituting natural gas as the energy source. Gas turbine technology will be used to generate electricity and steam for heating and cooling and will operate with existing cooling equipment to improve energy efficiency and reduce costs. The estimated budget for this project is \$4.4 million and Toronto Hydro Energy Services Inc is the consulting firm on this project. There are two main components to this project: the equipment purchase for which a tender has been awarded under a separate contract, and the installation of the equipment to be done by a general contractor who will be hired soon.

This project has estimated cost savings of \$0.520 million in 2007, the first full year of implementation. Construction will be completed in 2006 and projected capital expenditures to year-end 2005 will be \$2.2 million.

Exhibition Place – National Trade Centre Lighting

The lighting systems in the National Trade Centre have been of concern to the staff at Exhibition Place. The lamp ballasts are no longer being manufactured and have resulted in maintenance problems and have affected performance efficiency. Improved energy efficiency can be obtained through the installation of new fixtures and/or new lamp ballasts. A staff report recommending financing of this project from the Council approved \$20.0 million Energy Retrofit Program was approved at Council's meeting of September 28, 2005. This report recommended funding in the amount of \$0.800 million, with a payback period of 5.4 years and estimated annual cost savings of \$0.150 million.

The following is a summary of the \$20 million ERP approved cash flows:

	2005	2006	2007	Total
Cash Flow	11,515,000	7,682,000	803,000	20,000,000

Actual expenditures to year-end 2005 are projected to be \$6.430 million (net of GST) or 57 percent of the 2005 Approved budget. This will result in a 2005 cash flow funding of \$4.821 million being carried forward to 2006.

ERP Funding Required for Additional Projects

In order to continue with the plan to improve energy efficiency in City buildings and to reduce energy use by a target amount of 15 percent, additional ERP funding will be required. Energy retrofit projects are still to be developed by the end of 2006 in most of the City's energy consuming Divisions and ABCs. The following is a very preliminary list and estimate of the potential energy retrofit opportunities in a number of City Divisions and ABCs. It should be noted that this is not an inclusive list and that there will be changes and additions to this list as the program is developed and the respective business cases are assessed.

Facilities	Project Costs \$	Annual Savings \$	Payback
Transfer Stations	750,000.00	93,750.00	8 Years
Homes for the Aged	2,500,000.00	312,500.00	8 Years
Police Facilities	2,750,000.00	343,750.00	8 Years
Child Care Centres	500,000.00	62,500.00	8 Years
Parks, Yards and Sport Fields	2,000,000.00	250,000.00	8 Years
Ambulance Stations	<u>500,000.00</u>	<u>62,500.00</u>	<u>8 Years</u>
	9,000,000.00	1,125,000.00	8 Years
Parks Pools and Community Centres	<u>6,000,000.00</u>	<u>750,000.00</u>	<u>8 Years</u>
Total ERP Funding Request	15,000,000.00	1,875,000.00	8 Years

The 2006 preliminary list of projects for additional ERP funding has a project cost of \$15 million. All the projects would be subject to the existing ERP approval process with one of the main criteria being that the simple payback period be no more than 8 years.

The project that is ready to moving forward is the energy retrofit of the City's pools and community centres in the Parks, Forestry and Recreation Division and a request for proposal is ready to be issued. It is expected that the cost of this work will amount to approximately \$6 million with annual energy savings of \$750,000.00 providing for an 8 year payback. The 2006 cash flow of \$1.5 million is for the feasibility study on the City's pools and arenas at a cost of \$0.250 million and \$1.250 million for construction. Cash flow of \$4.5 million will be required in 2007 to complete the project.

Given that a comprehensive list of energy efficiency projects in City Divisions and ABCs will not be available before the end of 2006, and since the other six sub-projects submitted in this preliminary list are not yet ready to move forward, it is being recommended that these six sub-projects be included in the list to be completed by the end of 2006 and be submitted, along with the necessary business cases, for consideration as part of the 2007 capital budget process.

The proposed cash flow for the \$15.0 million of energy efficiency projects is as follows:

ERP Phase 2	2006 \$	2007 \$	2008 \$	2009 \$	Totals \$
Pools and C Cs	1,500,000.00	4,500,000.00			6,000,000.00
Projects TBD		2,000,000.00	5,000,000.00	2,000,000.00	9,000,000.00
Totals	1,500,000.00	6,500,000.00	5,000,000.00	2,000,000.00	15,000,000.00

It should be noted that Council previously approved a loan of \$8.75 million from FCM based on a funding ratio of 75 percent City financing and 25 percent FCM loan. This funding formula will support energy efficiency projects totalling \$35.0 million in City Divisions/ABCs. Energy efficiency projects in the amount of \$20.0 million were approved for budget years 2004 and 2005

and were funded by the FCM loan of \$5.0 million and City debt of \$15.0 million. Of the \$6.0 million now being requested for retrofitting the City's pools and arenas, 25 percent or \$1.5 million would be sourced from this previously approved low interest FCM loan and the remaining \$4.5 million would be funded from City debt. This would bring the total FCM loan applied to energy efficiency projects to \$6.5 million, with a balance of \$2.250 million of the FCM loan to be utilized in 2007.

Administration and Accountability of the Energy Retrofit Program

An Interdivisional Team has been established with representation from the following: Financial Planning, Facilities and Real Estate, Toronto Atmospheric Fund and the City Manager's Office. The Interdivisional Team reviews Energy Retrofit Program funding applications and assists Facilities and Real Estate (Chair of Interdepartmental Team) in making recommendations to the Deputy City Manager and Chief Financial Officer. The Interdivisional Team has responsibility to assess the business cases, cost/volume-savings to determine if these are sufficient to repay the cost of financing within the maximum ten-year period. Specific Council approval will be required to allocate funds for the implementation of each project.

Conclusions:

The Energy Retrofit Program has been very successful and has allowed \$20 million of energy retrofit projects to proceed. In order to undertake additional energy retrofits and to continue and support the City's energy management plan, additional funds in the amount of \$15 million should be earmarked for the Energy Retrofit Program in 2006.

Contact Names:

Josie LaVita, Director, Financial Planning Division, Finance Department, Tel: 416-397-4229, Fax: 416-397-4465, E-mail: jlavita@toronto.ca;
Jim Kamstra, Manager, Energy and Waste Management, Facilities and Real Estate Division, Tel: 416-392-8954, Fax: 416-392-4828, E-mail: jkamstra@toronto.ca.

Appendix 9(B)

Reports Recommended by the Budget Advisory Committee to be Received Containing Recommendations

Fire Services

- (1) Report (September 12, 2005) from Fareed Amin, Deputy City Manager, seeking authority to increase the 2005 Approved Capital Budget for Fire Services to create a new project for the purchase of HUSAR equipment.

Recommendations:

It is recommended that:

- (1) the approved 2005 Capital funding for Fire Services be increased by \$1,910,000.00 to create a new project for the purchase of HUSAR equipment, with an offsetting 75 percent Federal funding contribution of \$1,432,500.00, resulting in an overall increase in City debt of \$477,500.00;
- (2) the required cash flow will be \$1,336,400.00 gross and \$334,100.00 net in 2005 and \$573,600.00 gross and \$143,400.00 net in 2006, since the JEPP grant spans the period April 1, 2005 to March 31, 2006 to reflect the Federal fiscal year;
- (3) the HUSAR building project-CPM003 2005 under the Emergency Management Capital Program cash flow estimate of \$1,400,000.00 gross and \$350,000.00 net be deferred to 2006 and be contingent on receiving confirmation of Federal JEPP funding; and
- (4) an on-going Capital project be created in the Fire Services program beginning in 2007 for the replacement of HUSAR equipment at an amount of \$400,000.00 annually and that the funding be conditional upon the continued 75 percent cost-sharing of the program by the Federal government through the Joint Emergency Preparedness Program (JEPP).

Transportation Services

- (2) Communication (September 14, 2005) from the Works Committee, entitled "Toronto Bike Plan – Three-Year Implementation Strategy (All Wards)", advising that the Committee on September 14, 2005 concurred in the staff recommendation in the Recommendations Section of the report from Deputy City Manager, Fareed Amin, subject to amending the Appendix A – Transportation Services 2006 Proposed Bikeway Projects, attached to the report, by adding the following bike lanes for consideration during the 2006 budget process:

- Pharmacy Avenue between Danforth Avenue and Eglinton Avenue; and
- Rosemount Avenue and Rogers Road, which are parallel alternate routes to St. Clair Avenue West, Oakwood Road and Christie Street, due to the significant community support and pending redesign of St. Clair Avenue West;

and in so doing forwards the report to the Economic Development and Parks Committee, the Planning and Transportation Committee and the Budget Advisory Committee for consideration during the review of the 2006 Operating and Capital Budgets of Transportation Services, Parks, Forestry and Recreation Division and City Planning.

Administration Committee Transmittal

- (3) Communication (November 9, 2005) from the Administration Committee, entitled “2006 Capital Budget”.

Recommendation:

The Administration Committee recommends to the Budget Advisory Committee that Council:

- (A) adopt the following City Manager, Deputy City Manager and Chief Financial Officer proposed 2006 Capital Budgets in the Analyst Briefing Notes under the purview of the Administration Committee;

Internal Services:

- Financial Services;
- Office of the Treasurer;
- Office of the Chief Financial Officer;
- Facilities and Real Estate;
- Fleet Services;
- Information and Technology;

City Manager:

- Human Resources;

Other City Programs:

- City Clerk's Office;
- Court Services;
- End of Lease Strategy;
- Energy Retrofit Program;
- Union Station;
- 3-1-1 Customer Service Strategy; and

- (B) adopt the staff recommendations in the Recommendations Section of the report (October 26, 2005) from the Deputy City Manager and Chief Financial Officer on the Energy Retrofit Program and request for additional funding.

Community Services Committee Transmittal

- (4) (November 8, 2005) from the Community Services Committee, entitled “2006-2010 Capital Budgets – Community Services Committee”.

Recommendations:

The Community Services Committee reviewed the 2006-2015 Capital Programs under its purview and recommended to the Budget Advisory Committee that City Council:

- (1) Children’s Services:

adopt the recommendations contained in the Analyst’s Briefing Notes pertaining to the 2006-2015 Capital Program for Children’s Services;

- (2) Homes for the Aged:

- (a) adopt the recommendations contained in the Analyst’s Briefing Notes pertaining to the 2006-2015 Capital Program for Homes for the Aged conditional on additional comments provided by a sub-committee of the Community Services Committee whose comments will be forwarded directly to the Budget Advisory Committee; and

- (b) request the Province of Ontario to fund 100 percent of the capital portion of the Homes for the Aged budget of \$25 million over 5 years;

- (3) Shelter, Support and Housing Administration:

- (a) adopt the recommendations contained in the Analyst’s Briefing Notes pertaining to the 2006-2015 Capital Program for Shelter, Support and Housing Administration conditional on additional comments provided by a sub-committee of the Community Services Committee whose comments will be forwarded directly to the Budget Advisory Committee; and

- (b) request the Province of Ontario to pay 100 percent of the \$21.6 million needed and restore the historical funding arrangement prior to amalgamation;

- (4) Social Services:

adopt the recommendations contained in the Analyst’s Briefing Notes pertaining to the 2006-2015 Capital Program for Social Services;

(5) Emergency Management Plan:

adopt the recommendations contained in the Analyst's Briefing Notes pertaining to the 2006-2015 Capital Program for the Emergency Management Plan;

(6) Emergency Medical Services:

adopt the recommendations contained in the Analyst's Briefing Notes pertaining to the 2006-2015 Capital Program for Emergency Medical Services; and

(7) Fire Services:

adopt the recommendations contained in the Analyst's Briefing Notes pertaining to the 2006-2015 Capital Program for Fire Services.

Economic Development and Parks Committee Transmittal

- (5) Communication (November 10, 2005) from the Economic Development and Parks Committee, entitled "2006 Capital Budget Economic Development and Parks Committee".

Recommendations:

The Economic Development and Parks Committee, at its meeting on November 9 2005, reviewed the 2006-2010 Capital Budgets under its purview, and recommended to the Budget Advisory Committee:

I. Yonge-Dundas Square:

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for Yonge-Dundas Square.

II. Economic Development:

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for the Economic Development Division.

III. Culture:

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for the Culture Division.

IV. Tourism:

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for the Tourism Division.

V. Parks, Forestry and Recreation:

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes for the Parks, Forestry and Recreation Division.

Planning and Transportation Committee Transmittal

- (6) Communication (November 8, 2005) from the Planning and Transportation Committee, entitled “2006 Capital Budget Planning and Transportation Committee”.

Recommendations:

The Planning and Transportation Committee reviewed the 2006-2010 Capital Budgets under its purview, and recommended to the Budget Advisory Committee:

I. Business Support Services:

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes pertaining to the 2006-2010 Capital Budget for Business Support Services.

II. City Planning:

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes pertaining to the 2006-2010 Capital Budget for City Planning.

III. Waterfront Revitalization Secretariat:

The adoption of the Capital Recommendations contained in the Analyst Briefing Notes pertaining to the 2006-2010 Capital Budget for Business Support Services.

Works Committee Transmittal

- (7) Communication (November 10, 2005) from the Works Committee, entitled “2006-2015 Capital Programs – Works Committee”.

Recommendations:

The Works Committee on November 8 and 9, 2005, recommended to the Budget Advisory Committee that City Council:

(1) Solid Waste Management Services:

adopt the recommendations contained in the Analyst Briefing Notes pertaining to the 2006-2015 Capital Program for Solid Waste Management Services; subject to amending the 2006 Capital Program to accommodate an expenditure of \$160,000.00 for the purchase of approximately 8,800 green bins for free distribution to residents; that this expenditure be accommodated within the existing 2006 proposed Capital Budget cash flow of \$25.268 million for Solid Waste Management Services by deferring \$160,000.00 from the 2006 cash flow to 2007 in the Capital Project, CSW004-Waste Diversion Facilities; and further that this action be subject to the approval of an additional associated operating impact of \$70,000.00, which will be considered as a new and enhanced service item in the 2006 Operating Budget for Solid Waste Management Services and in the event that the new/enhanced service is not approved the 2006 Capital deferral be reversed;

(2) Transportation Services:

adopt the recommendations contained in the Analyst Briefing Notes pertaining to the 2006-2015 Capital Programs for Transportation Services; subject to amending the 2006 Capital Program:

- (a) by transferring \$500,000.00 from the Steeles Avenue East/Kennedy Road Grade Separation Project to the Cycling Infrastructure Project; and also
- (b) by increasing the 2006 net cash flow of \$2.2 million for the Cycling Infrastructure Project in the amount of \$300,000.00, and that this funding be offset by a corresponding reduction in the 2006 net cash flow for the Ellesmere, Warden-Kennedy project; and
- (c) that the Bloor Street Transformation Project include measures to greatly enhance bicycle safety, such as the Gomberg Memorial Bloor Street bike lane, and that this be accommodated within the current project; and

(3) Cross-Divisional Projects:

adopt the recommendations contained in the Analyst Briefing Notes pertaining to the 2006-2015 Capital Program for Cross Divisional Projects.

Toronto Public Health

- (8) Communication (July 18, 2005) from the Board of Health, entitled "Toronto Public Health 2006-2010 Capital Plan and Budget Submission".

Recommendations:

The Board of Health on July 11, 2005, recommended to the Budget Advisory Committee that:

- (1) the 2006 – 2010 Toronto Public Health Capital Plan and Budget totalling \$19,032.2 thousand as detailed in Appendix 1, “Toronto Public Health 2006-2010 Capital Budget and Plan” be endorsed;
- (2) ten new Information and Technology and six new Facilities sub-projects with a total project cost of \$19,032.2 thousand and 2006 cash flow of \$6,165.0 thousand and future year commitments of \$5,615.4 thousand for 2007, \$4,074.8 thousand for 2008, \$2,849.0 thousand for 2009, and \$328.0 thousand for 2010, be approved;
- (3) one previously approved project with a carry forward cash flow from 2005 to 2006 totalling \$1,070.0 thousand be approved;
- (4) an amount of \$134.2 thousand be contributed to the Public Health Efficiency Reserve Fund for five years starting in 2007 for the purpose of offsetting the cost of the Animal Services On-line Licence Renewal project; and
- (5) the operating impacts of \$414.4 thousand for 2006, \$593.6 thousand for 2007, \$562.5 thousand for 2008, \$42.2 thousand for 2009, and \$657.1 thousand for 2010, totalling \$2,269.8 thousand as detailed in Appendix 2, “Toronto Public Health 2006 – 2010 Operating Impact of Capital” within the overall scope of Toronto Public Health 2006 and future years’ operating budget submissions be approved.

Appendix 9(C)
2006 Capital Briefing Notes

Citizen Centred Services - A

Culture

- (1) EDPC November 9th Requests

Emergency Medical Services

- (2) Public Access Defibrillation

Parks, Forestry and Recreation

- (3) Response to Questions Posed at the Budget Advisory Committee Meeting of 17 November 2005.

Citizen Centred Services - B

Business Support Services

- (4) Business Support Services Division Issues Referred to 2006 Capital Budget

City Planning

- (5) Proposed 2006 Civic Improvement Capital Projects and Project Selection Criteria

Fire Services

- (6) 2756 Old Leslie Street

Transportation Services

- (7) Capital Budget Adjustments to BAC Wrap-up

Internal Services

End of Lease/Sustainment

- (8) Colour Printers/Photocopiers

Fleet Services

- (9) Carry Forward Requests

Other City Programs

Energy Retrofit Program

- (10) Energy Saving Estimates

Special Purpose Bodies

Toronto Police Service

- (11) Toronto Police Service 2006-2015 Capital Program – Response to City Analyst Briefing Notes

Toronto Zoo

- (12) North Zoo Site Redevelopment
- (13) Application of OMERS Savings to the Toronto Zoo's Capital and Operating Budgets

Appendix 9(D)

Reports and Communications received by the Budget Advisory Committee

Culture

- (1) Copy of submission from Joe Gill, Friends of Fort York, to the Economic Development and Parks Committee meeting on November 9, 2005, which was endorsed by the Economic Development and Parks Committee and referred to staff for report to the Budget Advisory Committee.
- (2) Communication (November 7, 2005) from David G. Wallett, General Manager, St. Lawrence Centre for the Arts, regarding the St. Lawrence Centre for the Arts renewal project, which was endorsed by the Economic Development and Parks Committee and referred to staff for report to the Budget Advisory Committee.

Economic Development

- (3) Communication (October 6, 2005) from the City Clerk, advising that City Council on September 28, 29 and 30, 2005, adopted, as amended, Report 8, Clause 8 of the Economic Development and Parks Committee, and directed that a copy of the Clause be forwarded to the Budget Advisory Committee for consideration during the 2006 budget process.
- (4) Report (November 14, 2005) from Sue Corke, Deputy City Manager, reporting as requested by the Economic Development and Parks Committee on November 9, 2005, on adding an additional \$12,500.00 to the Economic Development Capital Budget for 2006 to allow for consideration of a Façade Improvement Grant for 335 Yonge Street within the Downtown Yonge Business Improvement Area (BIA).

Parks, Forestry and Recreation

- (5) Communication (October 13, 2005) from Councillor Jane Pitfield, Ward 26 Don Valley West, requesting that the Committee adopt the Parks, Forestry and Recreation's 2006 Capital Budget Request for the Jenner Jean-Marie Community Centre expansion.
- (6) Report (November 17, 2005) from the General Manager of Parks, Forestry and Recreation, reporting as requested by the Economic Development and Parks Committee on November 9, 2005, providing comments and added detail on capital budget items.

Shelter, Support and Housing Administration

- (7) Communication (November 16, 2005) from Councillor Jane Pitfield, Co-Chair, Homeless and Socially Isolated Committee, regarding the Community Services Budget.

Transportation Services

- (8) Communication (November 4, 2005) from the Policy and Finance Committee and the Budget Advisory Committee, entitled “2006-2010 Capital Budget and Preliminary Plan”, forwarding motions for consideration during the 2006 Capital Budget process.

Toronto Transit Commission

- (9) Communication (September 20, 2005) from the Policy and Finance Committee advising that the Policy and Finance Committee, on September 20, 2005, referred the communication (September 2, 2005) from the General Secretary, Toronto Transit Commission, respecting Procurement Authorization – Reserved Transit Lanes on St. Clair Avenue West (Phase One) to the Budget Advisory Committee for consideration during the 2006 Capital Budget process.