
Executive Committee

Meeting No.	38 (Special)	Contact	Patsy Morris, Committee Administrator
Meeting Date	Thursday, December 3, 2009	Phone	416-392-9151
Start Time	9:30 AM	E-mail	exc@toronto.ca
Location	Committee Room 1, City Hall	Chair	Mayor David Miller

Executive Committee		
Mayor David Miller (Chair) Deputy Mayor Joe Pantalone (Vice-Chair) Councillor Shelley Carroll Councillor Janet Davis	Councillor Glenn De Baeremaeker Councillor Paula Fletcher Councillor Norm Kelly Councillor Giorgio Mammoliti	Councillor Pam McConnell Councillor Joe Mihevc Councillor Howard Moscoe Councillor Kyle Rae

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Declarations of Interest under the Municipal Conflict of Interest Act.

Speakers/Presentations - A complete list will be distributed at the meeting.

Communications/Reports

EX38.1	ACTION			Ward: All
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2010 Capital Budget and 2011 - 2019 Capital Plan**Origin**

(November 26, 2009) Report from the Budget Committee

Recommendations

The Budget Committee recommended to the Executive Committee that:

- I. City Council approve the Budget Committee Recommended 2010 (Tax Supported and Toronto Parking Authority) Capital Budget, which incorporate all decisions made during the Budget Committee meeting of November 16, 2009, a total project cost of \$2.478 billion, requiring cash flows of \$2.869 billion in 2010 and future year commitments of \$1.647 billion in 2011; \$1.203 billion in 2012; \$557.580 million in 2013; \$329.750 million in 2014; and \$556.115 million in 2015 to 2019 as detailed in Appendix 1:
 - a. New Cash Flow Funding for:
 - i. new and change in scope projects / sub-projects with a total project cost of \$2.478 billion requiring: 2010 cash flow of \$948.089 million and future year commitments of \$528.509 million in 2011; \$690.231 million in 2012; \$282.489 million in 2013; \$57.551 million in 2014 and a reduction of \$29.266 million in 2015 to 2019 (see Appendix 1(ii));
 - ii. previously approved projects / sub-projects totalling \$4.274 billion requiring: 2010 cash flow of \$1.511 billion and future year commitments of \$1.118 billion in 2011; \$512.486 million in 2012; \$275.091 million in 2013, \$272.199 million in 2014 and \$585.381 million in 2015 – 2019 (see Appendix 1(iii));
 - iii. previously approved projects / sub-projects with carry forward funding from 2008 and prior years requiring 2010 cash flow of \$33.096 million, which forms part of the affordability debt target and require Council to reaffirm its commitment; and
 - b. 2009 cash flow for previously approved projects / sub-projects with carry forward funding from 2009 into 2010 totalling \$412.833 million (see Appendix 1(v)).

- II. City Council approve funding sources for the Budget Committee Recommended 2010 (Tax Supported) Capital Budget (including 2009 carry forward project funding) comprised of: \$265.893 million from Reserves and Reserve Funds; \$165 million in Capital from Current funding; \$79.781 million in Developmental Charge funding; \$397.218 million in Provincial Grants and Subsidies; \$392.191 million in Federal Subsidies; \$655.520 million from other sources; and debt of \$916.047 million (inclusive of 2009 carry forward debt funding of \$113.476 million).
- III. City Council consider Program operating impacts resulting from approval of the Budget Committee Recommended 2010 Capital Budget of \$9.270 million in 2010 and incremental costs of \$21.540 million in 2011; \$9.800 million in 2012; \$7.548 million in 2013; \$4.613 million in 2014; and, \$8.540 million in 2015 – 2019, for inclusion in the 2010 and future years' operating budgets.
- IV. City Council approve the Budget Committee Recommended 2011 – 2019 Capital Plan (estimates) for the City of Toronto (excluding Toronto Water and Solid Waste Management Services) totalling \$9.793 billion, comprised of \$943.974 million in 2011, \$1.372 billion in 2012; \$1.367 billion in 2013; \$1.337 billion in 2014; \$1.050 billion in 2015; \$900.853 million in 2016; \$932.298 million in 2017; \$975.228 million in 2018 and \$913.229 million in 2019.
- V. City Council approve the Budget Committee Recommended 2010 Capital Budget and 2011 – 2019 Capital Plan recommendations for City Programs, Agencies, Boards and Commissions as detailed in Appendix 5.

CITIZEN CENTRED SERVICES – A

311 Customer Service Strategy:

- 1. Council approve the 2010 Recommended Capital Budget for 311 Customer Service Strategy with a total project cost of \$1.134 million, and 2010 cash flow of \$9.878 million and future year commitments of \$2.663 million comprised of the following:
 - a. New Cash Flow Funding for:
 - i. new/change in scope sub-projects with a 2010 total project cost of \$1.134 million that requires cash flow of \$0.621 million in 2009 and a future year commitment of \$0.513 million in 2011;
 - ii. previously approved sub-projects with a 2010 cash flow of \$2.049 and a future year commitment of \$2.150 million in 2011;
 - iii. 3 previously approved sub-projects with carry forward funding from 2008 requiring 2010 cash flow of \$0.093 million; and
 - b. 2009 approved cash flow for 7 previously approved sub-projects with carry forward funding from 2009 into 2010 totalling \$7.115 million.

2. Council approve the 2011-2019 Recommended Capital Plan for 311 Customer Service Strategy totalling \$0.513 million in project estimates in 2011.

Children's Services:

3. Council approve the 2010 Recommended Capital Budget for Children's Services with a total project cost of \$6.175 million and a 2010 cash flow of \$16.023 million and future year commitments of \$4.340 million comprised of the following:
 - a. New Cash Flow Funding for:
 - i. four new/change in scope sub-projects with a total project cost of \$6.175 million that requires cash flow of \$6.175 million in 2010;
 - ii. seven previously approved sub-projects with a 2010 cash flow of \$6.783 million and future year commitments of \$3.840 million in 2011; and \$0.500 million in 2012;
 - iii. three previously approved sub-projects with carry forward funding from 2008 requiring 2010 cash flows of \$1.230 million, which forms part of the affordability targets that requires Council to reaffirm its commitments; and
 - iv. 2009 approved cash flow for three previously approved sub-projects with carry forward funding from 2009 into 2010 totalling \$1.835 million.
4. Council approve new debt service costs of \$0.043 million in 2010; incremental debt costs of \$0.183 million in 2011; and incremental debt costs of \$0.017 million in 2011 resulting from the approval of the 2010 Recommended Capital Budget, to be included in the 2010 and future year operating budgets.
5. Council approve the 2011-2019 Capital Plan for Children's Services totalling \$47.7 million in project estimates, comprised of \$5.3 million in 2011; \$5.3 million in 2012; \$5.3 million in 2013; \$5.3 million in 2014; \$5.3 million in 2015; \$5.3 million in 2016; \$5.3 million in 2017; \$5.3 million in 2018; and \$5.3 million in 2019.
6. The General Manager of Children's Services review the sustainability of the Child Care Capital Reserve Fund for the 2011 Capital Budget process.

Court Services:

7. Council approve the 2010 Recommended Capital Budget for Court Services with a 2010 cash flow of \$0.353 million. The 2010 Recommended Capital Budget comprised of the following:

- a. one previously approved sub-project with carry forward funding from 2008 into 2010 totalling \$0.353 million.
8. Council approve the 2011-2019 Capital Plan for Court Services totalling \$1.2 million in project cost estimates, comprised of cash flows of \$0.600 million in 2012, and \$0.600 million in 2014.
 9. The Director of Court Services assess all future capital requirements for Court Services and develop a 10-Year Capital Plan for the 2011 Capital Budget process.

Economic Development, Culture and Tourism:

10. Council approve the 2010 Recommended Capital Budget for Economic Development, Culture and Tourism with a total project cost of \$24.334 million, and 2010 cash flow of \$25.049 million and future year commitments of \$10.315 million comprised of the following:
 - a. New Cash Flow Funding for:
 - i. 23 new sub-projects with a 2010 total project cost of \$24.334 million that requires cash flow of \$14.369 million in 2010 and a future year commitment of \$9.965 million in 2011;
 - ii. 12 previously approved sub-projects with a 2010 cash flow of \$5.377 million and a future year commitment of \$0.350 million in 2011;
 - b. 2009 approved cash flow for 15 previously approved sub-projects with carry forward funding from 2009 into 2010 totalling \$5.303 million.

subject to increasing the Capital Budget by the addition of a new Parkview Park Public Art (Ward 23) project, in the amount of \$100,000, funded by the Section 37 funds reallocated from the Yonge/Olive Park Development project, provided that this capital project does not impact the completion of ISF projects.

11. Council approve new debt service costs of \$0.168 million in 2010 and incremental debt costs of \$0.750 million in 2011 and \$0.190 million in 2012 resulting from the approval of the 2010 Recommended Capital Budget, to be included in the 2010 and future year operating budgets.
12. Council approve the 2011-2019 Recommended Capital Plan for Economic Development Culture and Tourism totalling \$99.791 million in project estimates, comprised of \$9.314 million in 2011; \$14.259 million in 2012; \$11.090 million in 2013; \$9.985 million in 2014; \$11.383 million in 2015; \$10.915 million in 2016; \$10.805 million in 2017; \$11.135 million in 2018; and \$10.905 million in 2019.

13. Council consider operating impacts of \$0.745 million in 2011; and, net revenue of \$0.825 million in 2012; emanating from the approval of the 2010 Recommended Capital Budget for inclusion in future year operating budgets.
14. All sub-projects with third-party financing be approved conditionally, subject to the receipt of such funds during 2010 and if such financing is not forthcoming, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs.
15. The General Manager of Economic Development Culture and Tourism, with Financial Planning staff, review Capital Programs supporting the BIAs, including relationships and linkages with other City ABCDs and report to Budget Committee by June 2010, on a strategy for managing the growing unfunded demand within debt affordability limits.

Emergency Medical Services:

16. Council approve the 2010 Recommended Capital Budget for Emergency Medical Services with a total project cost of \$0.750 million and a 2010 cash flow of \$15.153 million and future year commitments of \$4.751 million comprised of the following:
 - a. New Cash Flow Funding for:
 - i. one new sub-project and two change in scope sub-projects with a 2010 total project cost of \$0.750 million that requires cash flow of \$0.510 million in 2010 and future year commitments of \$0.080 million in 2011; \$0.080 in 2012; and \$0.080 million in 2013;
 - ii. thirteen previously approved sub-projects with a 2010 cash flow of \$12.868 million and future year commitments of \$3.997 million in 2011 and \$0.514 million in 2012;
 - b. 2009 approved cash flow for six previously approved sub-projects with carry forward funding from 2009 into 2010 totalling \$1.775 million.
17. Council approve the new debt service costs of \$0.009 million in 2010 and incremental debt costs of \$0.039 million in 2011, and \$0.001 million in 2012 resulting from the approval of the 2010 Recommended Capital Budget, to be included in the 2010 and future year operating budgets.
18. Council approve the 2011-2019 Capital Plan for Emergency Medical Services totaling \$32.720 million in project estimates, comprised of \$0.452 million in 2011; \$2.308 million in 2012; \$5.928 million in 2013 \$6.591 million in 2014; \$5.257 million in 2015; \$4.148 million in 2016 \$1.920 million in 2017; \$1.570 million in 2018; and \$4.546 million in 2019.

19. Council consider the net operating impacts in the Emergency Medical Services' operating budget of \$0.096 million for 2010 and \$0.100 million in 2012 emanating from the approval of the 2010 Recommended Capital Budget for inclusion in the 2010 and future year operating budgets.

Long-Term Care Homes & Services:

20. Council approve the 2010 Recommended Capital Budget for Long-Term Care Homes & Services with a total project cost of \$51.770 million, and 2010 cash flow of \$13.785 million and future year commitments of \$41.360 million comprised of the following:
 - a. New Cash Flow Funding for:
 - i. 11 new/change in scope sub-projects with a 2010 total project cost of \$51.770 million that requires cash flow of \$10.410 million in 2010 and a future year commitment of \$23.610 million in 2011; and \$17.750 million in 2012;
 - ii. 5 previously approved sub-projects with a 2010 cash flow of \$2.000 million;
 - b. 2009 approved cash flow for 1 previously approved sub-project with carry forward funding from 2009 into 2010 totalling \$1.375 million.
21. Council approve new debt service costs of \$0.142 million in 2010 and incremental debt costs of \$0.871 million in 2011, \$1.363 million in 2012 and \$0.881 million in 2013 resulting from the approval of the 2010 Recommended Capital Budget, to be included in the 2010 and future year operating budgets.
22. Council approve the 2011-2019 Recommended Capital Plan for Long-Term Care Homes totalling \$61.730 million in project estimates, comprised of \$5.500 million in 2011; \$4.000 million in 2012; \$3.200 million in 2013; \$8.296 million in 2014; \$8.313 million in 2015; \$8.313 million in 2016; \$8.036 million in 2017; \$8.036 million in 2018; and, \$8.036 million in 2019.
23. Council consider operating savings of \$(0.200) million net in 2013; and \$(0.800) million net in 2014 emanating from the approval of the 2010 Recommended Capital Budget for inclusion in the 2010 and future year operating budgets.
24. Council approve the redevelopment of Kipling Acres (Phase 1) into a 192-bed long-term care home, subject to confirmation of Provincial funding of \$25.053 million over 25 years once construction is completed.
25. The General Manager of Long-Term Care Homes and Services report to the Community Development and Recreation Committee and Budget Committee, as part of the 2011 Capital Budget process, on a plan to redevelop the remainder of

all B and C classified long-term care homes within the 10-Year Capital Plan that includes the following:

- a. proposed business model;
- b. minimum financial requirements to reconstruct the type B and C classified long-term care homes.
- c. timing of expenditures and bed development; and
- d. implications on state of good repair backlog of not proceeding in the next ten years.

Parks, Forestry & Recreation:

26. Council approve the 2010 Recommended Capital Budget for Parks, Forestry and Recreation with a total project cost of \$90.380 million, and 2010 cash flow of \$148.274 million and future year commitments of \$75.100 million comprised of the following:

- a. New Cash Flow Funding for:
 - i. 82 new/change in scope sub-projects with a 2010 total project cost of \$90.380 million that requires cash flow of \$51.746 million in 2010 and a future year commitment of \$24.072 million in 2011 and \$14.562 million in 2012;
 - ii. 65 previously approved sub-projects with a 2010 cash flow of \$70.380 million and a future year commitment of \$16.966 million in 2011; \$15.000 million in 2012 and \$4.500 million in 2013;
 - iii. 16 previously approved sub-projects with carry forward funding from 2008 and prior years requiring 2010 cash flow of \$12.839 million which forms part of the affordability target that requires Council to reaffirm its commitment; and
- b. 2009 approved cash flow for 55 previously approved sub-projects with carry forward funding from 2009 into 2010 totalling \$26.148 million.

subject to:

- i. reducing the Parks, Forestry and Recreation Capital Budget for the Yonge/Olive Park Development (Ward 23) project by \$100,000 of Section 37 funding, from \$1,078,000 to \$978,000.

- ii. increasing the Parks Forestry and Recreation Capital Budget by \$0.500 million gross, funded from Section 37 funds, resulting in a net zero impact, for Woburn Park with cash flow of \$50,000 in 2010 for design and \$450,000 in 2011 for construction, provided that this capital project does not impact the completion of ISF and RInC projects.
27. Council approve new debt service costs of \$0.757 million in 2010 and incremental debt costs of \$3.329 million in 2011, \$0.650 million in 2012 and \$0.089 million in 2013 resulting from the approval of the 2010 Recommended Capital Budget, to be included in the 2010 and future year operating budgets.
28. Council approve the 2011-2019 Recommended Capital Plan for Parks, Forestry and Recreation totalling \$655.603 million in project estimates, comprised of \$86.275 million in 2011; \$90.470 million in 2012; \$60.673 million in 2013; \$56.689 million in 2014; \$72.350 million in 2015; \$77.104 million in 2016; \$75.130 million in 2017; \$72.706 million in 2018; and, \$64.206 million in 2019.
29. Council consider operating impacts of \$1.756 million in 2010; \$5.712 million in 2011; \$2.115 million in 2012; \$1.678 million in 2013; and, \$0.920 million in 2014 emanating from the approval of the 2010 Recommended Capital Budget for inclusion in the 2010 and future year operating budgets.
30. The Capital Emergency Fund sub-project be approved with funding of \$0.500 million for 2010 with the following conditions:
 - a. projects funded must be 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 2010 Capital Emergency Fund sub-project must be reported to Finance staff to establish capital projects to ensure accountability;
 - c. use of the funding must be reported in all variance reports and to Budget Committee at the time of consideration of the 2011 Capital Budget; and
 - d. any unspent balance at year-end cannot be carried forward.
31. All sub-projects with third-party financing be approved conditionally, subject to the receipt of such funding during 2010 and, if such financing is not forthcoming, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs.
32. The cost of future land acquisitions be included in future parkland and facility development projects according to established service priorities in order to comply with the City Real Estate Strategy (CRES).

33. Parks, Forestry and Recreation provide full-year estimates of the operating impacts of capital for the full 10-year Capital Plan period prior to the 2011 Capital Budget cycle.

Shelter, Support and Housing Administration:

34. Council approve the 2010 Recommended Capital Budget for Shelter, Support and Housing Administration with a total project cost of \$2.462 million and a 2010 cash flow of \$5.281 million and future year commitments of \$0.950 million comprised of the following:
 - a. New Cash Flow Funding for:
 - i. five new sub-projects with a total project cost of \$2.462 million that requires cash flow of \$2.212 million in 2010; and a future year commitment of \$0.250 million in 2011;
 - ii. one previously approved sub-project with a 2010 cash flow of \$0.500 million and future year commitments of \$0.700 million in 2011;
 - iii. one previously approved sub-project with carry forward funding from 2008 requiring 2010 cash flows of \$0.347 million, which forms part of the debt affordability targets that requires Council to reaffirm its commitments; and
 - iv. 2009 approved cash flow for six previously approved sub-projects with carry forward funding from 2009 into 2010 totalling \$2.222 million.
35. Council approve new debt service costs of \$0.055 million in 2010; incremental debt costs of \$0.239 million in 2011; and \$0.026 million in 2011 resulting from the approval of the 2010 Recommended Capital Budget, to be included in the 2010 Operating Budget and future year operating budgets.
36. Council approve the 2011-2019 Capital Plan for Shelter, Support and Housing Administration totalling \$27.850 million in project estimates, comprised of \$2.250 million in 2011; \$3.2 million in 2012; \$3.2 million in 2013; \$3.2 million in 2014; \$2.250 million in 2015; \$3.2 million in 2016; \$3.2 million in 2017; \$3.2 million in 2018; and \$3.2 million in 2019.
37. Council consider the operating impacts of \$0.883 million for 2011 emanating from the approval of the 2010 Recommended Capital Budget for inclusion in 2010 and future year operating budgets.

38. The General Manager of Shelter, Support and Housing Administration report back to Budget Committee on the proposals under consideration in the Development/ Redevelopment Plan during the 2011 Capital Budget process.
39. The General Manager of Shelter, Support and Housing Administration review the State of Good Repair plan for the 16 City shelters to include options that will address the SOGR backlog as part of the 2011 Capital Budget process.
40. The General Manager of Shelter, Support and Housing Administration conduct a further review of the feasibility of securing third party funding for the Green Initiatives and report to Budget Committee if the Program is successful in securing any third party funding.

Toronto Employment and Social Services:

41. Council approve the 2010 Recommended Capital Budget for Toronto Employment and Social Services with a total project cost of \$16.292 million and a 2010 cash flow of \$7.292 million and future year commitments of \$13.800 million comprised of the following:
 - a. New Cash Flow Funding for:
 - i. six new/change in scope sub-projects with a 2010 total project cost of \$16.292 million that requires cash flow of \$4.992 million in 2010 and a future year commitment of \$0.850 million in 2011; \$1.000 million in 2012; \$1.200 million in 2013; \$1.350 million in 2014; \$1.500 million per year from 2015 to 2017; \$1.600 million in 2018; and, \$0.800 million in 2019;
 - ii. four previously approved sub-projects with a 2010 cash flow of \$0.900 million and a future year commitment of \$0.850 million in 2011; \$0.700 million in 2012; \$0.400 million in 2013; \$0.250 million in 2014; and, \$0.100 million from 2015 to 2017;
 - b. 2009 approved cash flow for 2 previously approved sub-projects with carry forward funding from 2009 into 2010 totalling \$1.400 million.
42. Council approve new debt service costs of \$0.105 million in 2010 and incremental debt costs of \$0.440 million in 2011 resulting from the approval of the 2010 Recommended Capital Budget, to be included in 2010 and future year operating budgets.
43. Council approve the 2011 – 2019 Recommended Capital Plan for Toronto Employment and Social Services totalling \$0.600 million in project estimates, comprised of \$0.100 million per year from 2013 to 2018.

44. Council consider the operating impacts of \$2.646 million in 2010 and \$0.389 million in 2011 emanating from the approval of the 2010 Recommended Capital Budget for inclusion in the 2010 and future year operating budgets.
45. Council approve that the future year commitment of \$13.800 million be subject to confirmation of funding from the Province.
46. Toronto Employment and Social Services, in conjunction with Financial Planning staff, realign its 2010 to 2019 Capital Plan budget estimates and commitments to establish discreet project phases and cashflows based on actual project timelines, in time for the 2011 Capital Budget process.
47. Council authorize Toronto Employment and Social Services to enter into lease agreements effective January 1, 2010 for the seven sites identified in the confidential attachment Appendix 7, and that the 2010 Interim Operating Budget estimate be increased by \$0.581 million to fund the operating requirements for the months of March and April 2010 from the Social Assistance Stabilization Reserve Fund.

CITIZEN CENTRED SERVICES – B

City Planning:

48. Council approve the 2010 Recommended Capital Budget for City Planning with a total project cost of \$3.922 million, and 2010 cash flow of \$6.362 million and future year commitments of \$2.108 million comprised of the following:
 - a. New Cash Flow Funding for:
 - i. 8 new/change in scope sub-projects with a 2010 total project cost of \$3.922 million that requires cash flow of \$1.814 million in 2010 and a future year commitment of \$2.108 million in 2011;
 - ii. 1 previously approved sub-project with a 2010 cash flow of \$2.560 million;
 - iii. 1 sub-project from previously approved projects with carry forward funding from 2008 and prior years requiring 2010 cash flow of \$0.064 million, which forms part of the affordability target that requires Council to reaffirm its commitment.
 - b. 2009 approved cash flow for 7 previously approved sub-projects with carry forward funding from 2009 into 2010 totalling \$1.924 million.
49. Council approve new debt service costs of \$0.030 million in 2010 and incremental debt costs of \$0.160 million in 2011; and, \$0.137 million in 2012 resulting from the approval of the 2010 Recommended Capital Budget, to be included in the 2010 and future year operating budgets.

50. Council approve the 2011-2019 Recommended Capital Plan for City Planning totalling \$39.203 million in project estimates, comprised of \$2.625 million in 2011; \$4.785 million in 2012; \$4.414 million in 2013; \$4.494 million in 2014; \$4.517 million in 2015; \$4.547 million in 2016; \$4.577 million in 2017; \$4.607 million in 2018; and, \$4.637 million in 2019.
51. The Chief Planner and Executive Director of City Planning work with Financial Planning Division staff to establish capital priorities for a 10 year capital planning horizon for projects beyond of the Program's 2010 Recommended Capital Budget and 2011-2014 Recommended Capital Plan prior to the 2011 Capital Budget process.

Fire Services:

52. Council approve the 2010 Recommended Capital Budget for Toronto Fire Services with a total project cost of \$1.987 million, and 2010 cash flow of \$6.273 million and future year commitments of \$3.624 million comprised of the following:
 - a. New Cash Flow Funding for:
 - i. 5 new sub-projects with a 2010 total project cost of \$1.987 million that requires cash flow of \$1.987 million in 2010;
 - ii. 2 previously approved sub-projects with a 2010 cash flow of \$3.570 million and a future year commitment of \$3.624 million in 2011;
 - iii. 2009 approved cash flow for 1 previously approved sub-project with carry forward funding from 2008 into 2010 totalling \$0.180 million;
 - b. 2009 approved cash flow for 2 previously approved sub-projects with carry forward funding from 2009 into 2010 totalling \$0.536 million.
53. Council approve new debt service costs of \$0.030 million in 2010 and incremental debt costs of \$0.128 million in 2011 resulting from the approval of the 2010 Recommended Capital Budget, to be included in the 2010 and future year operating budgets.
54. Council approve the 2011-2019 Recommended Capital Plan for Toronto Fire Services totalling \$46.946 million in project estimates, comprised of \$5.354 million in 2011; \$5.502 million in 2012; \$5.122 million in 2013; \$4.374 million in 2014; \$4.550 million in 2015; \$4.331 million in 2016; \$7.103 million in 2017; \$6.000 million in 2018; and, \$4.610 million in 2019.

55. Council consider operating impacts of \$0.206 million in 2011; \$0.085 million in 2012; and, (\$0.050) million in 2013 emanating from the approval of the 2010 Recommended Capital Budget for inclusion in the 2010 and future year operating budgets.
56. Council approve the 2010 Recommended Capital Budget for the Radio Communication System Replacement project with a total project cost of \$68.225 million, and 2010 cash flow of \$28.244 million and future year commitments of \$41.250 million comprised of the following:
- a. New Cash Flow Funding for:
 - i. 4 new sub-projects with a 2010 total project cost of \$68.225 million that requires cash flow of \$27.525 million in 2010 with future year commitments of \$27.525 million in 2011 and \$13.175 million in 2012;
 - ii. 2 previously approved sub-projects with a 2010 cash flow of \$0.475 million and future year commitments of \$0.475 million in 2011 and \$0.075 million in 2012;
 - b. 2009 approved cash flow for 2 previously approved sub-projects with carry forward funding from 2009 into 2010 totalling \$0.244 million.

Transportation Services:

57. Council approve the 2010 Recommended Capital Budget for Transportation Services with a total project cost of \$178.007 million, and 2010 cash flow of \$346.163 million and future year commitments of \$56.934 million comprised of the following:
- a. New Cash Flow Funding for:
 - i. 34 new/change in scope sub-projects with a 2010 total project cost of \$194.535 million that requires cash flow of \$178.007 million in 2010 and a future year commitment of \$16.528 million in 2011;
 - ii. 48 previously approved sub-projects with a 2010 cash flow of \$110.373 million and a future year commitment of \$21.917 million in 2011; \$17.389 million in 2012; and \$1.100 million in 2013;
 - b. 2009 approved cash flow for 41 previously approved sub-projects with carry forward funding from 2009 into 2010 totalling \$57.783 million.

subject to deferring the road and sidewalk projects on St. Clair Avenue West between Gunns Road and Runnymede Road, currently in the 2010 Budget year, to 2011, i.e. after the TTC completes its EA work related to completing the right-of-way to Jane Street.

58. Council approve new debt service costs of 3.818 million in 2010 and incremental debt costs of \$16.452 million in 2011, \$1.792 million in 2012 and \$0.236 million in 2013 resulting from the approval of the 2010 Recommended Capital Budget, to be included in the 2010 and future year operating budgets.
59. Council approve the 2011-2019 Recommended Capital Plan for Transportation Services totalling \$1.947 billion in project estimates, comprised of \$165.200 million in 2011; \$185.783 million in 2012; \$219.176 million in 2013; \$220.375 million in 2014; \$231.245 million in 2015; \$233.621 million in 2016; \$233.021 million in 2017; \$230.749 million in 2018; and, \$227.590 million in 2019.
60. Council consider operating impacts of \$0.011 million in 2010 emanating from the approval of the 2010 Recommended Capital Budget for inclusion in the 2010 and future year operating budgets.

Waterfront Revitalization Initiative:

61. Council approve the 2010 Recommended Capital Budget for the Waterfront Revitalization with 2010 cash flow of \$98.215 million and future year commitments of \$202.095 million comprised of the following:
 - a. New Cash Flow Funding for:
 - i. 27 previously approved and change-in-scope sub-projects with a 2010 cash flow of \$81.027 million and a future year commitment of \$77.335 million in 2011; \$55.545 million in 2012; \$28.401 million in 2013; \$17.335 million in 2014; \$4.803 million in 2015; \$4.803 million in 2016; \$4.802 million in 2017; \$4.870 million in 2018; and, \$4.201 million in 2019;
 - b. 2009 approved cash flow for 3 previously approved sub-projects with carry forward funding from 2009 into 2010 totalling \$17.188 million.
62. Council approve new debt service costs of \$1.778 million in 2010 and incremental costs of \$9.220 million in 2011, \$8.571 million in 2012, \$5.710 million in 2013, \$3.089 million in 2013, \$1.940 million in 2015, \$0.624 million in 2016, \$0.624 million in 2017, \$0.626 million in 2018 and \$0.616 million in 2019 resulting from the approval of the 2010 Recommended Capital Budget, to be included in the 2010 and future year operating budgets.

63. Council approve the Five-Year Business Plan/ Ten-Year Forecast (2009-2018) for the Waterfront Revitalization Initiative and have the Waterfront Project Director formally communicate this approval to the Federal and Provincial governments.
64. Council approve the payment to Exhibition Place of up to \$1.000 million for the construction of a new driveway into Exhibition Place, north of the Martin Goodman Trail improvements at Ontario Place approved under the “Sportsfield, Facilities and Parks Development sub-project”.

INTERNAL SERVICES

Facilities and Real Estate:

65. Council approve the 2010 Recommended Capital Budget for Facilities and Real Estate with a total project cost of \$132.231 million, and 2010 cash flow of \$74.246 million and future year commitments of \$158.370 million comprised of the following:
 - a. New Cash Flow Funding for:
 - i. 62 new/change in scope sub-projects with a 2010 total project cost of \$132.231 million that requires cash flow of \$23.081 million in 2010 and a future year commitment of \$32.861 million in 2011; \$31.555 million in 2012; \$27.848 million in 2013; and \$16.886 million in 2014;
 - ii. 58 previously approved sub-projects with a 2010 cash flow of \$44.506 million and a future year commitment of \$22.573 million in 2011; \$19.768 million in 2012; \$4.242 million in 2013; and \$2.637 million in 2014;
 - b. 2009 approved cash flow for 15 previously approved sub-projects with carry forward funding from 2009 into 2010 totalling \$6.659 million.

subject to increasing the Capital Budget for Facilities and Real Estate by \$0.400 million gross, funded from Section 37 funds, resulting in a net zero impact, for a weather protection study and design work of the Galleria at Scarborough Civic Centre, provided this capital project does not impact the completion of ISF projects.

66. Council approve new debt service costs of \$0.431 million in 2010 and incremental debt costs of \$2.286 million in 2011, \$2.213 million in 2012, \$0.952 million in 2013, \$0.497 million in 2014 and \$0.383 million in 2015 resulting from the approval of the 2010 Recommended Capital Budget, to be included in the 2010 and future year operating budgets.

67. Council approve the 2011-2019 Recommended Capital Plan for Facilities and Real Estate totalling \$311.529 million in project estimates, comprised of \$11.043 million in 2011; \$16.803 million in 2012; \$25.208 million in 2013; \$31.814 million in 2014; \$36.031 million in 2015; \$42.538 million in 2016; \$52.272 million in 2017; \$63.592 million in 2018; and, \$32.228 million in 2019.
68. Council consider operating impacts of \$0.127 million in 2011; \$0.119 million in 2012; \$0.003 million in 2013; \$0.004 million in 2014; \$0.004 million in 2015; and, \$0.004 million in 2015 emanating from the approval of the 2010 Recommended Capital Budget for inclusion in the 2010 and future year operating budgets.

Financial Services:

69. Council approve the 2010 Recommended Capital Budget for Financial Services with a total project cost of \$47.694 million, and 2010 cash flow of \$26.208 million and future year commitments of \$54.843 million comprised of the following:
 - a. New Cash Flow Funding for:
 - i. 4 new/change in scope sub-projects with a 2010 total project cost of \$47.694 million that requires cash flow of \$11.620 million in 2010 and a future year commitment of \$28.300 million in 2011 and \$7.774 million in 2012;
 - ii. 3 previously approved sub-projects with a 2010 cash flow of \$3.074 million and a future year commitment of \$3.375 million in 2011; \$7.330 million in 2012; \$4.358 million in 2013; and, \$0.815 million in 2014;
 - iii. 9 sub-projects from previously approved projects with carry forward funding from 2008 and prior years requiring 2009 cash flow of \$4.357 million which forms part of the affordability targets that requires Council to reaffirm its commitment; and
 - b. 2009 approved cash flow for 13 previously approved sub-projects with carry forward funding from 2009 into 2010 totalling \$7.157 million.
70. Council approve new debt service costs of \$0.430 million in 2010 and incremental debt costs of \$1.942 million in 2011, \$0.736 million in 2012, \$0.815 million in 2013, \$0.640 million in 2014, \$0.246 million in 2015, \$0.330 million in 2016, \$0.211 million in 2017, \$0.476 million in 2018 and \$0.450 million in 2019 resulting from the approval of the 2010 Recommended Capital Budget, to be included in the 2010 and future year operating budgets.

71. Council approve the 2011-2019 Recommended Capital Plan for Financial Services totalling \$79.253 million in project estimates, comprised of \$33.395 million in 2011; \$15.964 million in 2012; \$6.096 million in 2013; \$2.003 million in 2014; \$3.380 million in 2015; \$1.745 million in 2016; \$4.700 million in 2017; \$6.150 million in 2018; and, \$5.820 million in 2019.
72. Council consider operating impacts of \$0.310 million in 2010; \$0.903 million in 2011; \$0.809 million in 2012; \$0.140 million in 2013; and, \$0.158 million in 2014 emanating from the approval of the 2010 Recommended Capital Budget for inclusion in the 2010 and future year operating budgets.

Fleet Services:

73. Council approve the 2010 Recommended Capital Budget for Fleet Services with a total project cost of \$40.927 million, and 2010 cash flow of \$56.227 million and future year commitments of \$10.500 million comprised of the following:
 - a. New Cash Flow Funding for:
 - i. 21 new sub-projects with a 2010 total project cost of \$40.927 million that requires cash flow of \$30.427 million in 2010 and a future year commitment of \$10.500 million in 2011;
 - ii. 4 previously approved sub-projects with a 2010 cash flow of \$9.373 million;
 - iii. 23 sub-projects from previously approved projects with carry forward funding from 2008 and prior years requiring 2010 cash flow of \$3.665 million that requires Council to reaffirm its commitment.
 - b. 2009 approved cash flow for 17 previously approved sub-projects with carry forward funding from 2009 into 2010 totalling \$12.762 million.
74. Council approve the 2011-2019 Recommended Capital Plan for Fleet Services totalling \$479.348 million in project estimates, comprised of \$51.947 million in 2011; \$50.380 million in 2012; \$65.348 million in 2013; \$43.988 million in 2014; \$66.721 million in 2015; \$47.430 million in 2016; \$55.311 million in 2017; \$47.312 million in 2018; and, \$50.911 million in 2019.
75. The 2010 Recommended Capital Budget for Feet Services be adjusted to agree with Programs' 2010 budgeted contributions to the Vehicles Reserves to reflect any changes to the recommended contributions that may occur during the Operating Budgets review, and the funding availability of the Programs' vehicle reserve account.

Information and Technology:

76. Council approve the 2010 Recommended Capital Budget for Information and Technology with a total project cost of \$89.834 million, and 2010 cash flow of \$59.249 million and future year commitments of \$121.082 million comprised of the following:
- a. New Cash Flow Funding for:
 - i. 58 new/change in scope sub-projects with a 2010 total project cost of \$89.834 million that requires cash flow of \$26.078 million in 2010 and a future year commitment of \$8.914 million in 2011; \$11.414 million in 2012; \$14.120 million in 2013; \$16.865 million in 2014; \$3.214 million in 2015; \$2.474 million in 2016; \$2.077 million in 2017; \$1.838 million in 2018; and, \$2.840 million in 2019;
 - ii. 26 previously approved sub-projects with a 2010 cash flow of \$21.158 million and a future year commitment of \$20.009 million in 2011; \$11.536 million in 2012; \$4.578 million in 2013; \$3.180 million in 2014; \$2.540 million in 2015; \$1.220 million in 2016; \$1.220 million in 2017; and, \$1.030 million in 2018;
 - b. 2009 approved cash flow for 45 previously approved sub-projects with carry forward funding from 2009 into 2010 totalling \$12.013 million.
77. Council approve new debt service costs of \$0.150 million in 2010 and incremental debt costs of \$0.929 million in 2011, \$1.560 million in 2012, \$1.560 million in 2013 \$1.560 million in 2014, \$1.560 million in 2015, \$1.585 million in 2016 \$1.690 million in 2017, \$1.690 million in 2018, and, \$1.690 million in 2019 resulting from the approval of the 2010 Recommended Capital Budget, to be included in the 2010 and future year operating budgets.
78. Council approve the 2011-2019 Recommended Capital Plan for Information and Technology totalling \$244.296 million in project estimates, comprised of \$15.498 million in 2011; \$18.347 million in 2012; \$36.996 million in 2013; \$27.000 million in 2014; \$26.393 million in 2015; \$24.139 million in 2016; \$40.525 million in 2017; \$28.375 million in 2018; and, \$28.403 million in 2019.
79. Council consider operating impacts of \$0.402 million in 2010; \$0.994 million in 2011; \$0.612 million in 2012; \$1.566 million in 2013; \$1.772 million in 2014; \$0.665 million in 2015; \$0.269 million in 2016; \$0.186 million in 2017; \$0.353 million in 2018; and, \$0.071 million in 2019 emanating from the approval of the 2010 Recommended Capital Budget for inclusion in the 2010 and future year operating budgets.

OTHER CITY PROGRAMS

City Clerk's Office:

80. Council approve the 2010 Recommended Capital Budget for the City Clerk's Office with a total project cost of \$4.198 million and a 2010 cash flow of \$6.836 million and future year commitments of \$4.175 million comprised of the following:
 - a. New Cash Flow Funding for:
 - i. 11 new/change in scope sub-projects with a 2010 total project cost of \$4.198 million that requires cash flow of \$1.035 million in 2010 and a future year commitment of \$1.278 million in 2011, \$1.130 million in 2012, \$0.255 million in 2013 and \$0.500 million in 2014; and
 - ii. 9 previously approved sub-projects with a 2010 cash flow of \$1.292 million, and a future year commitment of \$0.717 million in 2011, and \$0.295 million in 2012;
 - b. 2009 approved cash flow for 15 previously approved sub-projects with carry forward funding from 2009 into 2010 totalling \$4.509 million.
81. Council approve new debt service costs of \$0.023 million in 2010, and incremental debt costs of \$0.139 million in 2011, \$0.231 million in 2012, \$0.234 million in 2013, and \$0.255 million in 2014 resulting from the approval of the 2010 Recommended Capital Budget, to be included in the 2010 and future year operating budgets.
82. Council approve the 2011-2019 Recommended Capital Plan for the City Clerk's Office totalling \$58.077 million in project estimates, comprised of \$2.670 million in 2011; \$8.624 million in 2012; \$9.733 million in 2013; \$3.380 million in 2014; \$4.090 million in 2015; \$19.860 million in 2016; \$3.200 million in 2017; \$3.300 million in 2018, and \$3.220 million in 2019.
83. Council consider the operating impacts of \$0.352 million in 2010, \$0.195 million in 2011, \$0.665 million in 2012, \$0.230 million in 2013, \$0.067 million in 2014, \$0.004 million in 2016, \$0.105 million in 2017, and \$0.075 million in 2018 that emanate from the approval of the 2010 Recommended Capital Budget for inclusion in the 2010 and future year operating budgets.
84. The City Clerk conduct broad consultation with other municipalities, the Province (including the Chief Electoral Officer) and other election experts to examine trends in automation and voting technologies, as well as leverage the City's Information Technology resources in order to develop a business plan on options for the replacement of the City's vote counting equipment after the 2014

municipal election and that the City Clerk begin her research and investigation immediately following the 2010 Municipal Election.

Sustainable Energy Plan:

85. Council approve the 2010 Recommended Capital Budget for the Sustainable Energy Plan with a total project cost reduction of \$(8.563) million, and 2010 cash flow of \$29.576 million and future year commitments of \$37.096 million comprised of the following:
 - a. New Cash Flow Funding for:
 - i. 2 change in scope sub-projects with a 2010 total project cost reduction of \$(8.563) million that requires cash flow reduction of \$(3.533) million in 2010 and a future year commitment reduction of \$(3.452) million in 2011; and \$(1.578) million in 2012;
 - ii. 10 previously approved sub-projects with a 2010 cash flow of \$26.856 million and a future year commitment of \$23.242 million in 2011; and \$18.884 million in 2012;
 - b. 2009 approved cash flow for 5 previously approved sub-projects with carry forward funding from 2009 into 2010 totalling \$6.253 million.
86. Council approve the 2011-2019 Recommended Capital Plan for Sustainable Energy Plan totalling \$40.377 million in project estimates, comprised of \$0.973 million in 2011; \$1.067 million in 2012; \$3.841 million in 2013; \$6.185 million in 2014; \$6.059 million in 2015; \$6.190 million in 2016; \$6.324 million in 2017; \$4.864 million in 2018; and \$4.874 million in 2019.
87. Council consider operating savings of \$(0.165) million in 2010; \$(0.200) million in 2011; and \$(0.100) million in 2012 emanating from the approval of the 2010 Recommended Capital Budget for inclusion in the 2010 and future year operating budgets.
88. Council approve an amendment to the total project cost of the Better Buildings Partnership - BBP project from \$12.058 million to \$3.673 million, changing future year cash flows from commitments to estimates based on a re-evaluation of funding requirements, with no change to the overall plan for the project.

Union Station:

89. Council approve the 2010 Recommended Capital Budget for Union Station with a total project cost of \$540.201 million, and 2010 cash flow of \$139.322 million and future year commitments of \$472.219 million comprised of the following:
 - a. New Cash Flow Funding for:

- i. 15 new/change in scope sub-projects with a 2010 total project cost of \$540.201million that requires cash flow of \$116.982 million in 2010 and a future year commitment of \$156.104 million in 2011; \$105.912 million in 2012; \$103.810 million in 2013; \$51.219 million in 2014; and, \$6.174 million in 2015;
 - ii. 1 previously approved sub-project with a 2010 cash flow of \$12.000 million and a future year commitment of \$19.500 million in 2011; \$19.000 million in 2012; \$10.000 million in 2013; and, \$0.500 million in 2014;
 - b. 2009 approved cash flow for 4 previously approved sub-projects with carry forward funding from 2009 into 2010 totalling \$10.340 million.
90. Council approve the new debt costs of \$0.302 million in 2010 and incremental debt costs of \$2.054 million in 2011, \$3.809 million in 2012, \$2.862 million in 2013, \$3.296 million in 2014, \$1.527 million in 2015 and \$0.329 million in 2016 resulting from the approval of the 2010 Recommended Capital Budget, to be included in the 2010 and future year operating budgets.
91. Council approve the 2011-2019 Recommended Capital Plan for Union Station totalling \$482.219 million in project estimates, comprised of \$175.604 million in 2011; \$124.912 million in 2012; \$113.810 million in 2013; \$51.719 million in 2014; \$6.174 million in 2015 and \$10.000 million in 2017.

Pan Am Games:

92. Council approve the 2010 Recommended Capital Budget for the Pan Am Games with a total project cost of \$49.5 million, funded by debt, consisting of one project with 2010 cash flow of \$2.5 million and future year commitments of \$5 million in 2011, \$17.3 million in 2012, \$17.3 million in 2013, and \$7.4 million in 2014.
93. The approved Pan Am Games project be allocated among appropriate sub-projects once specific cash flow plans are determined by the detailed funding arrangements to be negotiated with the Province and the Host Corporation.
94. Council approve new debt service costs of \$0.063 million in 2010 and incremental costs of \$0.263 million in 2011 resulting from the approval of the 2010 Recommended Capital Budget, to be included in the 2010 and future year operating budgets.

AGENCIES, BOARDS AND COMMISSIONS

Exhibition Place:

95. Council approve the 2010 Recommended Capital Budget for Exhibition Place with a total project cost of \$9.139 million, and 2010 cash flow of \$26.769

million and future year commitments of \$4.335 million comprised of the following:

- a. New Cash Flow Funding for:
 - i. 29 new/change in scope sub-projects with a 2010 total project cost of \$9.139 million that requires cash flow of \$9.039 million in 2010 and a future year commitment of \$0.100 million in 2011;
 - ii. 10 previously approved sub-projects with a 2010 cash flow of \$17.730 million and a future year commitment of \$4.235 million in 2011.
96. Council approve new debt service costs of \$0.067 million in 2010 and incremental debt costs of \$0.283 million in 2011, and \$0.011 million in 2012 resulting from the approval of the 2010 Recommended Capital Budget, to be included in the 2010 and future year operating budgets.
97. Council approve the 2011-2019 Recommended Capital Plan for Exhibition Place totalling \$28.958 million in project estimates, comprised of \$3.305 million in 2011; \$1.935 million in 2012; \$0.820 million in 2013; \$6.215 million in 2014; \$2.615 million in 2015; \$3.860 million in 2016; \$3.360 million in 2017; \$2.875 million in 2018; and, \$3.973 million in 2019.
98. Council approve conditionally all sub-projects with third-party funding, subject to the receipt of such funding during 2009 and if such financing is not forthcoming, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs.

GO Transit:

99. Council approve the 2010 Recommended Capital Budget for GO Transit with a total project cost of \$160.000 million and a 2009 cash flow of \$20.000 million and future year commitments of \$140.000 million.

Sony Centre (Hummingbird):

100. Council approve the 2010 Recommended Capital Budget for Sony Centre for the Performing Arts with a total project cost increase of \$3.461 million, and 2010 cash flow of \$22.836 million and future year commitments of \$0.750 million comprised of the following:
 - a. New Cash Flow Funding for:
 - i. 1 new/change in scope sub-projects with a 2010 total project cost of \$3.461 million that requires cash flow of \$3.461 million in 2010;

- ii. 1 previously approved sub-projects with a 2010 cash flow of \$0.250 million and a future year commitment of \$0.750 million in 2011;
 - b. 2009 approved cash flow for 2 previously approved sub-projects with carry forward funding from 2009 into 2010 totalling \$19.126 million.
101. Authority be given to the Deputy City Manager and Chief Financial Officer to provide to the Board of Directors of the Sony Centre for the Performing Arts a loan to address the balance of the capital renovation and rehabilitation of the Centre, of up to \$4.650 million, at a 5% fixed interest rate compounded semi-annually, and repayable in ten equal annual payments of principal and interest beginning on January 1, 2011 and ending on January 1, 2020.

Toronto & Region Conservation Authority:

102. Council approve the 2010 Recommended Capital Budget for Toronto and Region Conservation Authority with a total project cost and 2010 cash flow of \$6.505 million.
103. Council approve new debt service costs of \$0.074 million in 2010 and incremental debt costs of \$0.310 million in 2011, resulting from the approval of the 2010 Recommended Capital Budget, to be included in the 2010 and future year operating budgets.
104. Council approve the 2011-2019 Recommended Capital Plan for Toronto and Region Conservation Authority totalling \$63.271 million in project estimates, comprised of \$6.645 million in 2011, \$6.735 million in 2012, \$6.830 million in 2013, \$6.925 million in 2014, \$7.021 million in 2015, \$7.122 million in 2016, \$7.225 million in 2017, \$7.330 million in 2018, and \$7.438 million in 2019.

Toronto Police Service:

105. Council approve the 2010 Recommended Capital Budget for the Toronto Police Service with a total project cost of \$90.272 million, and 2010 cash flow of \$84.424 million and future year commitments of \$71.391 million comprised of the following:
- a. New Cash Flow Funding for:
 - i. 22 new sub-projects with a 2010 total project cost of \$90.272 million that requires cash flow of \$55.348 million in 2010 and a future year commitment of \$13.512 million in 2011; \$13.752 million in 2012; \$6.670 million in 2013; and, \$0.990 million in 2014;

- ii. 3 previously approved sub-projects with a 2010 cash flow of \$26.663 million and a future year commitment of \$27.584 million in 2011; and, \$8.883 million in 2012;
 - b. 2009 approved cash flow for 7 previously approved sub-projects with carry forward funding from 2009 into 2010 totalling \$2.413 million.
- 106. Council approve new debt service costs of \$0.943 million in 2010 and incremental debt costs of \$4.299 million in 2011; \$1.763 million in 2012; \$1.575 million in 2013; \$0.576 million in 2014; and \$0.104 million in 2015 resulting from the approval of the 2010 Recommended Capital Budget, to be included in the 2010 and future year operating budgets.
- 107. Council approve the 2011-2019 Recommended Capital Plan for the Toronto Police Service totalling \$424.039 million in project estimates, comprised of \$36.066 million in 2011; \$34.504 million in 2012; \$26.088 million in 2013; \$38.715 million in 2014; \$53.145 million in 2015; \$51.159 million in 2016; \$65.580 million in 2017; \$59.526 million in 2018; and, \$59.256 million in 2019.
- 108. Council consider operating impacts of \$3.199 million in 2011; \$2.122 million in 2012; \$0.308 million in 2013; and \$0.500 million in 2014 emanating from the approval of the 2010 Recommended Capital Budget for inclusion in the 2011 and future year operating budgets.
- 109. The annual debt targets for the 2011 Capital Budget process for the Toronto Police Service reflect the reduction in debt requirements of \$3 million in 2012; \$4 million in 2013; and, \$6 million in 2014 based on the acceleration of funding for the Property and Evidence Storage Management project in the 2010 Recommended Capital Budget and 2011-2019 Recommended Capital Plan.
- 110. The Toronto Police Service submit to the Deputy City Manager and Chief Financial Officer in the 2011 Operating Budget process efficiencies which will be achieved from the implementation of the Next Generation Records Management System, and possible utilization of existing staff to accommodate the resulting operating impacts and new position requirements.
- 111. The Toronto Police Service and Court Services, in consultation with the Deputy City Manager and Chief Financial Officer, further review the capital and operating costs and the potential operating savings of an eTicketing Solution for Provincial Offence Notices prior to the 2011 Capital Budget process.

Toronto Public Health:

- 112. Council approve the 2010 Recommended Capital Budget for Toronto Public Health with a total project cost of \$5.227 million and a 2010 cash flow of \$5.960 million and future year commitments of \$9.788 million comprised of the following:

- a. New Cash Flow Funding for:
 - i. two new sub-projects and five change in scope sub-projects with a 2010 total project cost of \$5.227 million that requires cash flow of \$0.541 million in 2010 and future year commitments of \$0.817 million in 2011; \$1.988 million in 2012; and, \$1.881 million in 2013;
 - ii. six previously approved sub-projects with a 2010 cash flow of \$3.147 million and future year commitments of \$3.690 million in 2011 and \$1.412 million in 2012;
 - b. 2009 approved cash flow for six previously approved sub-projects with carry forward funding from 2009 into 2010 totalling \$2.272 million.
113. Council approve new debt service costs of \$0.014 million in 2010 and incremental debt costs of \$0.077 million in 2011, \$0.135 million in 2012, \$0.256 million in 2013, and \$0.198 million in 2014 resulting from the approval of the 2010 Recommended Capital Budget to be included in the 2010 and future year operating budgets.
114. Council approve the 2011-2019 Recommended Capital Plan for Toronto Public Health totaling \$21.919 million in project estimates, comprised of \$1.519 million in 2013; \$3.400 million in 2014; \$3.400 million in 2015; \$3.400 million in 2016; \$3.400 million in 2017; \$3.400 million in 2018; and \$3.400 million in 2019.
115. Council consider net operating impacts of \$0.230 million net for 2010, \$0.248 million in 2011; \$0.150 million in 2012; and, \$0.084 million in 2013; \$0.018 in 2014; and, and \$0.007 million in 2015 emanating from the approval of the 2010 Recommended Capital Budget for inclusion in the 2010 and future year operating budgets.
116. Toronto Public Health review the operating impacts resulting from the approval of the 2010 Recommended Capital Budget and the 2011-2019 Recommended Capital Plan and identify cost savings from operational benefits / efficiencies associated with the implementation of all I&T projects to offset additional operating pressures as part of the 2011 budget process.

Toronto Public Library:

117. Council approve the 2010 Recommended Capital Budget for Toronto Public Library with a total project cost of \$20.145 million and a 2010 cash flow of \$28.352 million and future year commitments of \$70.992 million comprised of the following:
- a. New Cash Flow Funding for

- i. 14 new/change in scope projects with a 2010 total project cost of \$20.145 million that requires a reduction of cash flow of \$(4.255) million in 2010 and \$(5.615) million in 2011, and future year commitments of \$6.673 million in 2012; \$5.151 million in 2013; \$3.638 million in 2014; \$6.899 million in 2015; \$5.823 million in 2016; and \$1.831 million in 2017;
 - ii. 13 previously approved projects with a 2010 cash flow of \$32.607 million and a future year commitment of \$24.323 million in 2011; \$8.955 million in 2012; \$5.472 million in 2013; \$6.479 million in 2014; and, \$1.363 million in 2015.

- 118. Council approve new debt service costs of \$0.036 million in 2010 and incremental debt costs of \$0.475 million in 2011, \$1.659 million in 2012, \$1.536 million in 2013, \$1.482 million in 2014, \$1.750 million in 2015, \$1.898 million in 2016, \$2.002 million in 2017, \$2.110 million in 2018, and \$2.201 million in 2019, to be included in the 2010 and future year operating budgets.

- 119. Council approve the 2011 – 2019 Recommended Capital Plan for Toronto Public Library totalling \$118.782 million in project estimates, comprised of \$0.279 million in 2011; \$5.162 million in 2012; \$9.299 million in 2013; \$11.571 million in 2014; \$15.282 million in 2015; \$17.446 million in 2016; \$18.724 million in 2017; \$19.587 million in 2018; \$21.432 million in 2019.

- 120. Council consider operating impacts of \$0.039 million in 2010; \$0.332 million in 2011; \$0.831 million in 2012; \$1.077 million in 2013; \$0.552 million in 2014; \$0.043 million in 2015; \$1.118 million in 2016; and \$1.103 million in 2017 emanating from the approval of the 2010 Recommended Capital Budget for inclusion in the 2010 Operating Budget and future year operating budgets.

Toronto Transit Commission:

- 121. Council approve the 2010 Recommended Capital Budget for the TTC with a total project cost of \$918.064 million, and 2010 cash flow of \$912.435 million and future year commitments of \$2.605 billion comprised of the following:
 - a. New Cash Flow Funding for:
 - i. 58 new/change in scope sub-projects with a 2010 total project cost of \$918.064 million that require cash flow of \$36.271 million in 2010 and a future year commitment of \$153.627 million in 2011; \$521.359 million in 2012; \$168.364 million in 2013; \$2.256 million in 2014; \$1.200 million in 2015; and, \$34.987 million in 2018;
 - ii. 68 previously approved sub-projects with a 2010 cash flow of \$790.276 million and a future year commitment of \$682.116 million in 2011; \$248.135 million in 2012; \$146.862 million in

2013; \$196.967 million in 2014; \$96.142 million in 2015; \$165.260 million in 2016; \$136.447 million in 2017; and, \$50.857 million in 2018;

- b. 2009 approved cash flow for 34 previously approved sub-projects with carry forward funding from 2009 into 2010 totalling \$85.888 million.

subject to the following:

- i. Approving the re-allocation of \$800,000 within the approved 2010-2014 Capital Program in order to allow improvements to the design and functionality of 14 innovative streetcar platforms which are to be built as part of the rehabilitation and redesign of Roncesvalles Avenue, between Dundas Street West and King Street West, as described in the letter (November 19, 2009) from the General Secretary, Toronto Transit Commission, forwarding report entitled "Funding to Establish Accessible Streetcar/LRV Platforms on Roncesvalles Avenue" (BU60.1c).
 - ii. City Council's approval of this in-year project scope change request to be addressed outside of the budget process.
 - iii. City Council request Metrolinx that the aforementioned cost of this innovative shared transit-bicycle facility be funded through the BikeLinX program.
122. Council approve new debt service costs for the base budget of \$0.272 million in 2010 and incremental debt costs of \$2.471 million in 2011; \$9.938 million in 2012; \$19.694 million in 2013, \$5.934 million in 2014, \$0.185 million in 2015, \$0.042 million in 2016, \$0.0292 million in 2018, and \$1.224 million in 2019 resulting from the approval of the 2010 Recommended Capital Budget, to be included in the 2010 and future year operating budgets.
123. Council approve transfers to capital funding from the following capital reserves (the amounts to include carry forward funding of 2009 unspent funds) of: \$72.500 million from the Provincial Gas Tax Revenues for Public Transit Reserve Fund (XR3018); \$36.348 million from the CSIF Reserve Fund (XR3020); \$2.104 million from the TTIP Reserve Fund (XR3023); \$8.725 million from the ORSIF Reserve Fund (XR3024); \$100.571 million in Metrolinx funding from the MoveOntario 2020 Reserve Fund (XR3025); and \$222.971 million from the Toronto York Spadina Subway Extension Working Capital Fund (XR3027).
124. Council approve the 2011-2019 Recommended Capital Plan for The TTC totalling \$2.490 billion in project estimates, comprised of \$76.954 million in 2011; \$183.888 million in 2012; \$282.292 million in 2013; \$363.378 million in 2014; \$398.375 million in 2015; \$267.792 million in 2016; \$253.411 million in 2017; \$338.464 million in 2018; and, \$325.194 million in 2019.

125. Council consider operating impacts of \$3.550 million in 2010; \$7.650 million in 2011; \$0.715 million in 2012; and, \$0.419 million in 2013; \$0.042 million in 2014 emanating from the approval of the 2010 Recommended Capital Budget for inclusion in the 2010 and future year operating budgets.
126. Council approve cash flow funding of \$2.491 billion in 2010 and future year commitments for the Spadina Subway Extension, with \$33.663 million in funding carried forward from 2009; a 2010 cash flow of \$189.308 and a future year commitment of 153.295 million in 2011, given that the project is fully funded.
127. Council approve new debt service costs for the Spadina Subway Extension budget of \$0.789 million in 2010 and incremental debt costs of \$6.205 million in 2011; \$15.486 million in 2012; \$15.599 million in 2013, and \$6.682 million in 2014 resulting from the approval of the 2010 Recommended Capital Budget, to be included in the 2010 and future year operating budgets.
128. Council approve cash flow funding of \$379.454 in 2010 for the Transit City Plan, including \$78.398 million carried forward from 2009, to enable the project to continue moving forward in 2010 on the understanding that the Province will sign a permanent funding agreement for Transit City in 2010.
129. No spending commitments and no hiring for the Transit City Plan beyond the end of 2010 be made until 3rd party funding is received for this project and that the TTC report back on the impact of discussions with Metrolinx on Transit City funding.
130. The TTC and City staff continue discussions with the other orders of government on increasing funding for transit in the City of Toronto as outlined in the 2010-2019 Recommended Capital Plan, including additional funding for the remainder of the Automatic Train Control project, additional funding for the H6 Subway Car Replacement project and funding for the LRV Maintenance Facility.
131. The TTC report back to Budget Committee in November 2009 on the outstanding request approved by City Council with the 2009 Capital Budget to provide a listing of specific projects on which spending will be reduced in 2009 to meet the \$47.096 million recommended budget reduction in 2009.
132. The TTC ensure that the projects approved for ISF funding be given top priority in order to ensure that they are substantially complete by the Federal government's March 31, 2011 deadline.
133. The TTC report back to Budget Committee in June 2010 on specific project reductions equal to the 2010 recommended 10% unspecified reduction of \$69.416 million to accommodate anticipated under spending in 2010.

Toronto Zoo:

134. Council approve the 2010 Recommended Capital Budget for Toronto Zoo with a total project cost of \$5.325 million, and 2010 cash flow of \$6.285 million and future year commitments of \$1.200 million comprised of the following:

- a. New Cash Flow Funding for:
 - i. 6 new sub-projects with a 2010 total project cost of \$5.325 million that requires cash flow of \$4.125 million in 2010 and a future year commitment of \$1.200 million in 2011;
- b. 2009 approved cash flow for 6 previously approved sub-projects with carry forward funding from 2009 into 2010 totalling \$2.160 million.

subject to adding the Korean Gardens Design project with a total project cost of \$0.211 million and 2010 cash flow of \$0.211 million to the Toronto Zoo 2010 Capital Budget, with spending subject to the receipt of \$0.211 million of third party financing from the Dr. Schofield Memorial Foundation.

135. Council approve new debt service costs of \$0.103 million in 2010 and incremental debt costs of \$0.463 million in 2011 and \$0.126 million in 2012 resulting from the approval of the 2010 Recommended Capital Budget, to be included in the 2010 and future year operating budgets.

136. Council approve the 2011-2019 Recommended Capital Plan for Toronto Zoo totalling \$41.386 million in project estimates, comprised of \$4.000 million in 2011; \$5.150 million in 2012; \$4.266 million in 2013; \$4.000 million in 2014; \$4.603 million in 2015; \$5.543 million in 2016; \$6.024 million in 2017; \$5.000 million in 2018; and, \$4.000 million in 2019.

137. All sub-projects with third-party financing be approved conditionally, subject to the receipt of such funds during 2010 and if such financing is not forthcoming, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs.

138. Council consider operating impacts of \$0.745 million in 2011; and, net revenue of \$0.086 million in 2012 and \$0.420 million in 2014; emanating from the approval of the 2010 Recommended Capital Budget for inclusion in future year operating budgets.

Yonge-Dundas Square:

139. Council approve the 2010 Recommended Capital Budget for Yonge-Dundas Square consisting of two previously approved projects that require new cash flow funding of \$0.345 million in 2010, requiring no future year commitments.

140. Council approve the 2011-2019 Recommended Capital Plan for Yonge-Dundas Square totalling \$0.300 million in project estimates, comprised of \$0.050 million in 2014; \$0.050 million in 2015; \$0.050 million in 2016; \$0.050 million in 2017; \$0.050 million in 2018; and, \$0.050 million in 2019.
141. Council request the Board of Management of Yonge-Dundas Square, together with the Executive Director of Facilities and Real Estate, submit to the Deputy City Manager and Chief Financial Officer by April 2010, the results of the facility audit and a Board approved 10-year capital plan to maintain the Square in a state of good repair to ensure asset preservation in future years.

RATE SUPPORTED PROGRAM

Toronto Parking Authority:

142. Council approve the 2010 Recommended Capital Budget for the Toronto Parking Authority with a total project cost of \$43.479 million and 2010 cash flow of \$33.105 million and future year commitments of \$24.000 million comprised of the following:
 - a. New Cash Flow Funding for:
 - i. 21 new/change in scope sub-projects with a 2010 total project cost of \$43.479 million that requires cash flow of \$25.479 million in 2010 and a future year commitment of \$13.600 million in 2011; \$4.200 million in 2012; and, \$0.200 million in 2013;
 - ii. 11 previously approved sub-projects with a 2010 cash flow of \$3.253 million and a future year commitment of \$6.000 million in 2011;
 - b. 2009 approved cash flow for 13 previously approved sub-projects with carry forward funding from 2009 into 2010 totalling \$4.373 million.
143. Council approve that no new debt be issued to finance the 2010 cash flow requirement for the capital program and that the Toronto Parking Authority's 2010 Recommended Capital Budget be fully funded from current and future retained earnings; reserves; and, other revenue sources.
144. Council approve the 2011-2019 Recommended Capital Plan for the Toronto Parking Authority totalling \$261.450 million in project estimates, comprised of \$16.100 million in 2011; \$26.000 million in 2012; \$29.800 million in 2013; \$27.550 million in 2014; \$26.000 million in 2015; \$31.000 million in 2016; \$33.000 million in 2017; \$42.000 million in 2018; and, \$30.000 million in 2019.

145. Council consider new operating revenue of \$1.383 million in 2011 and \$0.900 million in 2012 emanating from the approval of the 2010 Recommended Capital Budget for inclusion in the 2010 and future year operating budgets.
 146. The President of the Toronto Parking Authority, in consultation with the Financial Plan Division, report to Budget Committee in September 2010, on a detailed summary providing year-to-date spending; projected year-end spending; and, forecasted completion date for each project included in the 2010 Recommended Capital Budget.
- VI. City Council delegate authority to the Deputy City Manager and Chief Financial Officer to execute Commitment Letters issued to the City of Toronto by the Canada Mortgage and Housing Corporation under the Municipal Infrastructure Lending Program, for loans not to exceed a total of \$250 million in 2010.
 - VII. City Council delegate authority to the Mayor and Deputy City Manager and Chief Financial Officer to execute the Loan Agreement(s) with the Canada Mortgage and Housing Corporation under the Municipal Infrastructure Lending Program, regarding loans for which Commitment Letters have been signed, for loans not to exceed a total of \$250 million in 2010 and for a term(s) not to exceed the shorter of 30 years or the useful life of the project.
 - VIII. City Council delegate authority to issue the debentures to the Debenture Committee or City Council, with the decision between using the Debenture Committee or Council to be made by the Deputy City Manager and Chief Financial Officer, based on timing and operational concerns.
 - IX. City Council approve the following changes to the City's debt financing strategy in order to assist in managing the Council approved debt service ratio guideline (BU60.1a):
 1. The Toronto Hydro promissory note be monetized by the City no later than December 31, 2010 with the proceeds credited to the Strategic Infrastructure Partnership Reserve Fund (XR1714), and the Deputy City Manager and Chief Financial Officer report to the Executive Committee on the recommended process for monetization.
 2. City Council approve a one-time exception to the withdrawal policy of the Strategic Infrastructure Partnership Reserve Fund (XR1714) to authorize the Deputy City Manager and Chief Financial Officer to withdraw \$600 million to be used as contributions to the City's sinking funds as a prepayment of specific debt service obligations, and that prior to doing so, the Deputy City Manager and Chief Financial Officer report to the Executive Committee on the timing of the withdrawal and on recommendations for the specific sinking fund debt obligations to be so prepaid.

3. City Council authorize the Mayor and the Deputy City Manager and Chief Financial Officer to enter into an agreement or agreements with a purchaser or purchasers for the sale and issuance of debentures, to provide an amount in 2010 not to exceed \$700 million, and to enter into any additional agreements necessary to provide for the reduction of interest rate risk with respect to the interest payable under the debentures, the reduction of currency risk with regard to the principal and interest payable under the debentures, or to minimize the cost or risk associated with the debentures due to fluctuations in interest rates.
 4. City Council authorize the Deputy City Manager and Chief Financial Officer to reopen an existing debenture issue if it is determined that the reopening will be advantageous to the City, depending upon capital market conditions, during 2010.
 5. City Council amend the City's "Financing of Capital Works Policy and Goals" (the "Capital Financing Policy") as required under the City of Toronto Act, 2006, so as to increase the City's total direct obligation limit to \$4.0 billion net debt over the term of Council ending November, 2010, and that the amended Capital Financing Policy as set out in Appendix "A" to the report (November 19, 2009) from the Deputy City Manager and Chief Financial Officer, be adopted.
 6. City Council authorize and direct the appropriate City officials to introduce any necessary Bills and take the necessary action to give effect thereto.
- X. City Council receive the reports, transmittals and communications that are on file with the City Clerk's Office including Appendix 6, as considered by the Budget Committee at its 2010 Capital Budget review meetings of November 16, 2009 and November 26, 2009.

Summary

This report presents the City of Toronto Budget Committee (BC) Recommended 2010 – 2019 Capital Budget and Plan and recommends approval of 2010 cash flow and future years commitments for capital projects. Furthermore, the report requests Council's approval of the 2011 - 2019 Capital Plan, which will form the basis for developing future capital budgets, in accordance with the City's multi-year financial planning and budgeting policy; and recommends that City Council delegate authority to the Mayor and Deputy City Manager and Chief Financial Officer to enter into agreements to borrow for eligible capital projects under the Canada Mortgage and Housing Corporation (CMHC) Low Interest Loan Program on behalf of Toronto Housing Corporation.

The Budget Committee Recommended 2010 Capital Budget and 2011 - 2019 Capital Plan (henceforth 'Capital Budget and Plan') invests in capital projects that fulfil the Mayor and Council's strategic priorities; leverages economic stimulus program funding from the Federal and Provincial governments to renew the City's infrastructure that support City services and create 30,000 jobs in 2010 and 300,000 jobs during the 10-year term of the capital plan (including rate programs); and maintains the City's existing infrastructure in a state of good

repair. Further, the Capital Budget and Plan invests in transit, public works infrastructure; public safety and emergency services; revitalizes and expands public spaces, and as a key priority, invests in projects that protect the environment.

To fulfil the Mayor and Council's priorities, the 2010 - 2019 Capital Budget and Plan totals \$16.230 billion. This is comprised of a 2010 Capital Budget of \$2.430 billion, and estimates of \$13.800 billion for the nine years 2011 – 2019 (see Table 1, below). Capital expenditures to maintain and renew the City's substantive infrastructure total \$9.837 billion, representing 61% of the total Budget Committee Recommended 2010 – 2019 Capital Budget and Plan (see Table 2, below). This strategy has resulted in decreases to the City's state of good repair backlog beginning in 2011 and continuing through to 2019. As illustrated later in this report, the state of good repair backlog will decrease from \$1.578 billion in 2009 to \$1.120 billion in 2019 – a reduction of 29%.

While emphasis has been placed on maintaining and protecting the City's existing infrastructure and physical assets, the Capital Budget and Plan also invests \$5.666 billion over 10 years in strategic and priority service improvement and growth related projects to accommodate increasing service demands and growth.

As illustrated in Table 1 below, Toronto Transit Commission (TTC) alone accounts for more than one-half of the expenditures recommended in the 10-year capital spending plan. Inclusive of Transit City and the Spadina Subway Extension, the TTC 2010 – 2019 Capital Budget and Plan is \$8.713 billion, approximately 54% of the recommended Capital Budget and Plan; and Transportation Services totals \$2.291 billion or 14%. Together, TTC and Transportation Services comprise approximately 68% of expenditures recommended in the Capital Budget and Plan. It is noted that the recommended capital plan includes only one-year funding for Transit City. However, the Province has announced funds totaling \$8.150 billion for four funded Transit City projects.

See Staff Report for Table 1.

Debt and capital from current contributions (CFC) are the primary funding sources for the Capital Budget and Plan. Debt funding totals \$4.740 billion, or 29% of the Capital Budget and Plan. The recommended debt funding exceeds the debt target of \$4.395 billion by \$344 million, primarily to meet the capital needs of TTC and for priority investments in renewed infrastructure such as the Pan Am Games. TTC exceeded its assigned debt target by \$222 million.

Capital from current funding totals \$2.598 billion or 16% of the total funding allocated in the Capital Budget and Plan. CFC will increase from \$165 million in 2010 to \$354 million in 2019. This represents a 10% annual increase beginning in 2010 in order to reduce reliance on debt funding for capital maintenance and repair projects. In part, because of the policy to increase CFC funding, the BC Recommended 2010 – 2019 Capital Budget and Capital Plan will require no new debt funding except for TTC, beginning in 2014, and no new debt at all beginning in 2015.

Financial Impact

Overview

The Budget Committee Recommended 2010 – 2019 Capital Budget and Plan is prioritized into five categories as shown in Table 2 below. Consistent with the 2010 Capital Budget directions and guidelines, the recommended Capital Budget and Plan focuses on maintaining and rehabilitating existing infrastructure to deliver services that are needed by the citizens of Toronto. Table 2 shows that \$10.565 billion or 65% of the Budget Committee Recommended 2010 - 2019 Capital Budget and Plan of \$16.230 billion is allocated to Legislated, Health and Safety, and State of Good Repair (SOGR) projects.

See Staff Report for Table 2.

The emphasis on protection and preservation of existing infrastructure continues throughout the ten-year term of the Capital Budget and Plan as graphically illustrated in Chart 1. Although planned spending on state of good repair decreases from \$1.338 billion in 2010 to \$733 million in 2019, it is noted that as a percent of total annual expenditures, SOGR expenditures grow incrementally from 55% in 2010 to 82% in 2019.

Despite the growing requirement for investment in infrastructure maintenance and to mitigate SOGR backlog, the 10-Year Capital Plan allocates funding to address the need to also invest in essential service improvement and growth related projects to fulfil Council's strategic priorities, as well as to satisfy the increasing service demands of a growing population. Investment in Service Improvement and Growth Related projects totals \$1.002 billion, or approximately 41% of the 2010 Recommended Capital Budget. A further investment of \$4.664 billion or 34% of the recommended funding in 2011 – 2019 Capital Plan is allocated to Service Improvement and Growth Related projects, resulting in a total investment of \$5.666 billion over the 10-year term of the Capital Budget and Plan.

See Staff Report for Chart 1.

Debt financing totals \$4.740 billion or 29% of the funding requirement for the Budget Committee Recommended 2010 to 2019 Capital Budget and Plan of \$16.230 billion. Other financing sources include: Reserve and Reserve Funds of \$1.400 billion or approximately 9% of total funding requirement; Capital from Current financing of \$2.598 billion; Development Charge funding of \$384 million; Federal grants and subsidies of \$2.426 billion; Provincial grants and subsidies of \$2.889 billion; and other funding sources of \$1.793 billion, which include donations, contribution from developers, and other third party funding.

Sections 71-10 and 71-11 of the Financial Control By-law specify: (i) that no expenditure shall be made and no account shall be paid by or on behalf of the City, except with Council approval; and (ii) that no commitment shall be made except where cash flow funding has been provided in the ... capital budget to the satisfaction of the Chief Financial Officer. Therefore, approval of the 2011 – 2019 Capital Plan does not constitute cash flow or spending approval; this is achieved through the approval of the annual capital budget for which funds are appropriated for the fiscal year. The capital budget and plan represents a long-term framework for planning and implementing capital activities, and the basis for developing the annual capital budget.

Toronto Economic Stimulus Program

The Budget Committee Recommended 2010 – 2019 Capital Budget and Plan includes capital projects that are cost-shared with the Federal and Provincial governments under the Infrastructure Stimulus Fund (ISF) and the Recreational Infrastructure Canada Program in Ontario and the Ontario REC (RInC-REC) programs. While these projects were already included in the City's 2009 – 2018 Capital Plan, several were accelerated to 2009, 2010 and 2011 in order to meet the eligibility criteria established by the Federal and Provincial governments.

As shown in Table 3 below, approved economic stimulus program projects total \$675.578 million, of which \$413.722 million is attributed to Tax Supported Programs and ABCs. RInC-REC approved project costs totalling \$80.286 million are fully attributed to the City's Tax Supported programs. By entering into these economic stimulus agreements, the City reduced its debt funding requirement by \$141.242 million and increased Federal and Provincial funding by \$239.478 million. It is estimated (based on the FCM municipal infrastructure multiplier) that the economic stimulus projects will create 7,247 jobs during the years 2009, 2010 and 2011.

Table 3 summarizes by City Program and Agency, Board and Commission the project costs approved for stimulus funding by the Federal and Provincial governments. Total cost of ISF projects is \$595.292 million of which approximately one-third or \$198.184 million is funded by the Federal government; the remaining two-thirds or \$397.108 million is funded by the City. Further, Table 3 shows that of the \$675.578 million of ISF and RInC projects cost, \$598.473 million was already included in the 2009 – 2018 Council Approved Capital Plan. The difference of \$77.105 million is due to project cost increases for previously approved projects primarily for Toronto Water and Toronto Public Library.

To ensure that the City realizes its full share of the economic stimulus funds, City Programs and ABCs have been asked to ensure that ISF and RInC projects are implemented as the highest priority for 2010 and 2011; and Finance staff have been committed to facilitate implementation by streamlining administrative processes, where possible. Moreover, a working group coordinated by City Manager's Office has been established and will meet monthly to facilitate implementation of ISF and RInC projects.

See Staff Report for Table 3.

Other Provincial and Federal Funding

A prevailing assumption of the Capital Budget and Plan is that the Federal and Provincial governments will continue to cost-share the TTC capital program. In 2008 and 2009, the City successfully negotiated significant funding support for base transit needs, including the Scarborough Rapid Transit line conversion and expansion. Funding from the other orders of governments for the TTC Capital Budget and Plan includes \$1.655 billion from the Province of Ontario and \$1.678 billion from the Federal government. Including funding for ISF projects, RInC projects, transit and other cost-shared projects, the Federal and Provincial governments are committed to fund \$2.427 billion and \$2.889 billion respectively, for a total of \$5.316

billion or 33% of the Capital Budget and Plan's financing over the 10-year period.

Debt Financing

Debt targets for the 2010 – 2019 Capital Budget and Plan were established based on debt levels approved by Council for the 2009 – 2018 Capital Budget and Plan, with the addition of debt targets for 2019. In general, except for adjustments for debt relief due to the ISF and RInC-REC programs and announced Transit City funding, the 2010 – 2019 debt targets are the same for most City Programs and ABCs. Exceptions include the Spadina Subway Extension project and the Waterfront Revitalization Initiative that were awarded \$600 million debt to replace funding from the Strategic Infrastructure Reserve Fund; the inclusion of Pan AM Games at a cost of \$49.5 million for which no debt target was awarded; and increase to the TTC to accommodate the \$487 million additional debt needs identified in the approved 2009 – 2018 Capital Budget and Plan. The 2010 – 2019 debt targets total \$4.395 billion, an increase of \$544 million over the 2009 – 2018 amount of \$3.851 billion.

As shown in Table 4 below, the debt target for 2010 was \$911 million and for 2010 – 2019 totalled \$4.395 billion. After adjusting for retired / reissued debt of \$260 million in 2010, the *new* debt requirement was established at \$651 million for 2010 and a total of \$1.563 billion for the 10-year term of the Capital Budget and Plan. As shown in Table 4 and illustrated in Chart 2, new debt is required mainly to fund the TTC. This is primarily due to the fact that, in the absence of sufficient, sustainable alternative funding sources, the City continues to make a disproportionate debt contribution to fund the TTC capital program.

See Staff Report for Table 4.

The Budget Committee Recommended 2010 Capital Budget is under the approved debt target by \$109 million mainly due to TTC which is \$140 million under its debt target (as was shown in Table 1, above). However, over the 10 years 2010 – 2019, the debt required to finance the Capital Budget and Plan is \$4.740 billion which is over the approved debt target by \$344 million - primarily attributed to TTC. The 2010 - 2019 Recommended Capital Plan for the TTC is over the debt affordability target of \$2.038 billion by \$222 million or 10.9% over the 10-year term of the Capital Plan. The TTC is over its debt target primarily due to \$104 million in third party funding which was not received for the H6 replacement subway cars and an additional \$96 million in third party funding which is required for the Automatic Train Control project.

Debt Service Ratio

At its meeting of June 27-29, 2006 (Policy and Finance Committee, Report 5, Clause 25) Council affirmed that the maximum limit of debt service charges as a percentage of total property tax be established at 15% as a benchmark for evaluating capital expenditure levels. As a result of a recommended debt restructuring strategy discussed in the companion report entitled 'Long Term Financial Strategies – Debt Restructuring', the debt service charge ratio resulting from the Budget Committee Recommended 2010 -2019 Capital Budget and Plan will not exceed the approved 15% debt service charge guideline above.

Authority to Issue Debentures During 2010

The proceeds from debentures to be issued under the authority recommended in this report will be used to finance capital expenditures that have been incurred or committed for approved projects. Authority of up to \$700 million for City purposes is being recommended in the companion ‘Long Term Financial Strategies – Debt Restructuring’ report in order to maintain flexibility and the ability to finance:

- a. capital expenditures that were previously approved but not yet permanently financed, and;
- b. debenture requirements as contained in the Budget Committee Recommended 10-Year Capital Budget and Plan will be considered by Council on December, 8, 2009.

The Deputy City Manager & Chief Financial Officer confirms that borrowing \$700 million to fund 2010 capital expenditures: (i) can be financed by the issuance of debentures with terms of up to 30 years; and, (ii) is within the City’s updated Debt and Financial Obligation Limit. The Deputy City Manager & Chief Financial Officer further confirms that funds are available from the other funding sources identified in the Budget Committee Recommended 2010 Capital Budget.

Background Information

2010 Capital Budget and 2011-2019 Capital Plan

<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-25459.pdf>

2010 Capital Budget and 2011-2019 Capital Plan - Staff Report

<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-25460.pdf>

Appendices 1 to 4 - 2010 Capital Budget and 2011 - 2019 Capital Plan

<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-25461.pdf>

Appendix 5 - 2010 Capital Budget and 2011 - 2019 Capital Plan

<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-25462.pdf>