



## City Budget 2012

## Economic Development and Culture Capital Budget Analyst Notes

The City of Toronto's budget is presented by program and service, in Analyst Note format. The City's Capital Budget funds major infrastructure.

# 2012–2021 Capital Program

## 2012 CAPITAL BUDGET ANALYST BRIEFING NOTES BUDGET COMMITTEE NOVEMBER 28, 2011

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## PART I: RECOMMENDATIONS

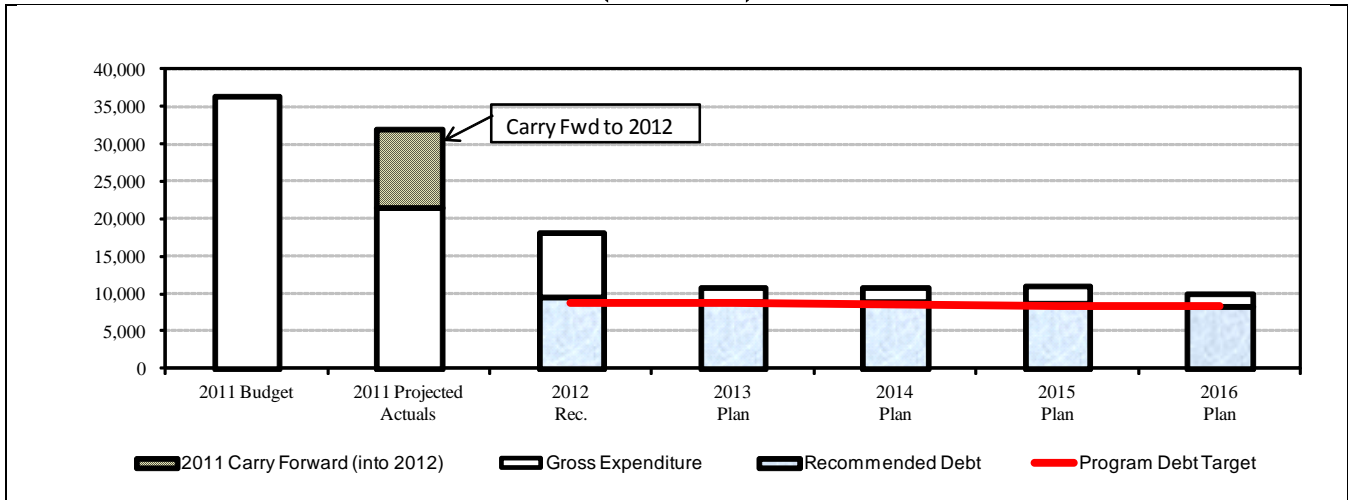
The City Manager and Chief Financial Officer recommend that:

1. Council approve the 2012 Recommended Capital Budget for Economic Development and Culture with a total project cost of \$8.980, and 2012 cash flow of \$33.163 million comprised of the following:
  - a) New Cash Flow Funding for:
    - i) 17 new/change in scope sub-projects with a 2012 total project cost of \$8.980 million that requires cash flow of \$7.174 million in 2012 and a future year commitment of \$1.806 million in 2013;
    - ii) 8 previously approved sub-projects with a 2011 cash flow of \$11.042 million;
    - iii) 1 previously approved sub-project with carry forward funding from 2010 requiring 2012 cash flow of \$4.381 million which forms part of the affordability target that requires Council to reaffirm its commitment; and
  - b) 2011 approved cash flow for 7 previously approved sub-projects with carry forward funding from 2011 into 2012 totaling \$10.566 million;
2. Council approve new debt service costs of \$0.109 million in 2012 and incremental debt costs of \$0.615 million in 2013 and \$0.161 million in 2014 resulting from the approval of the 2012 Recommended Capital Budget, to be included in the 2012 and future year operating budgets;
3. Council approve the 2013–2021 Recommended Capital Plan for Economic Development and Culture totalling \$93.931 million in project estimates, comprised of \$8.978 million in 2013; \$10.875 million in 2014; \$10.958 million in 2015; \$10.035 million in 2016; \$10.910 million in 2017; \$11.135 million in 2018; \$10.900 million in 2019; \$10.070 million in 2020; and, \$10.070 million in 2021;
4. Council consider operating impacts of \$0.160 million net in 2013, including 3 additional positions, emanating from approval of the 2012 Capital Budget for inclusion in future year operating budgets;
5. All sub-projects with third party financing be approved conditionally, subject to the receipt of such funds during 2012 and if such financing is not forthcoming, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs, and

6. The General Manager of Economic Development and Culture and the Chief Financial Officer report to the Budget Committee by June 2012, on the BIA Streetscape "Maturity Model" strategy for managing unfunded demand within debt affordability limits.

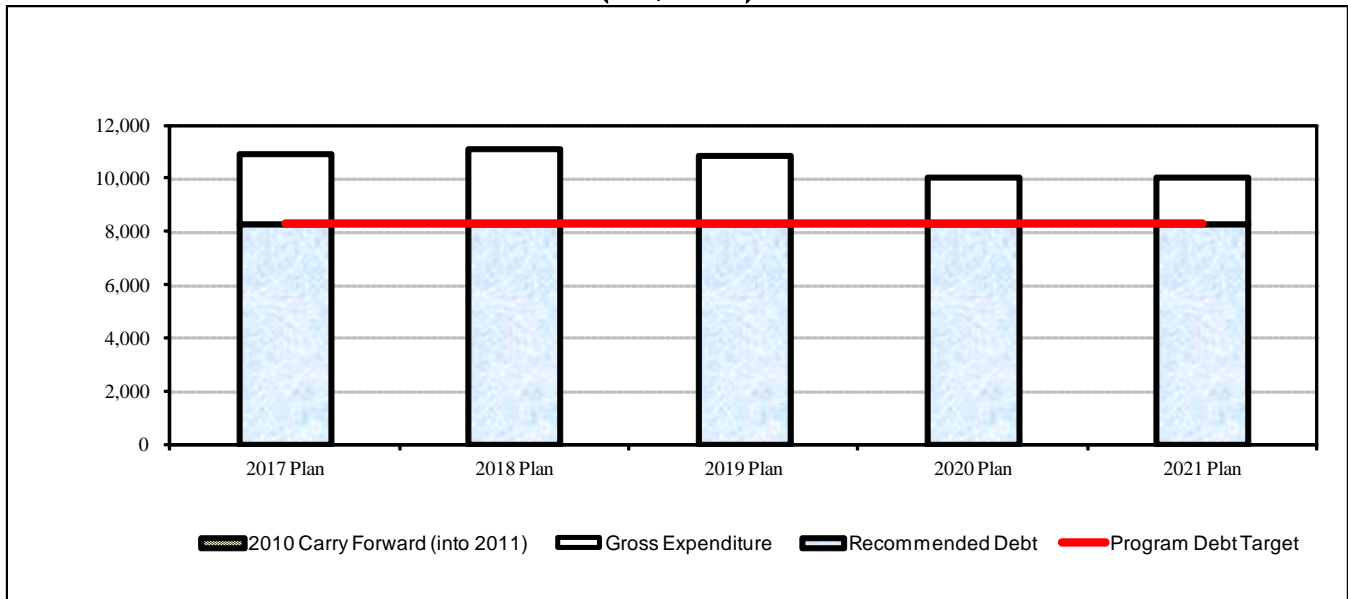
# PART II: 2012 – 2021 CAPITAL PROGRAM

## 10-Year Capital Plan 2012 Recommended Budget, 2013–2016 Recommended Plan (In \$000s)



|   |  | 2012 Rec. Budget and 2013-2016 Plan |                  |               |               |               |               |               |               |              |
|---|--|-------------------------------------|------------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
|   |  | 2011                                |                  | 2012          | 2013          | 2014          | 2015          | 2016          | 2012-2016     | 5-Year Total |
|   |  | Budget                              | Projected Actual |               |               |               |               |               |               |              |
| <b>Gross Expenditures:</b>                        |  |                                     |                  |               |               |               |               |               |               |              |
|   | 2011 Capital Budget & Approved FY Commitments                | 36,400                              | 21,453           | 12,342        |               |               |               |               | 12,342        | 20%          |
|   | Recommended Changes to Approved FY Commitments               |                                     |                  | (1,300)       |               |               |               |               | (1,300)       | N/A          |
|   | 2012 New/Change in Scope and Future Year Commitments         |                                     |                  | 7,174         | 1,806         |               |               |               | 8,980         | 15%          |
|   | 2013 - 2016 Capital Plan Estimates                           |                                     |                  |               | 8,978         | 10,875        | 10,958        | 10,035        | 40,846        | 67%          |
|   | 2-Year Carry Forward for Reapproval                          | 4,381                               |                  |               |               |               |               |               |               |              |
|   | 1-Year Carry Forward to 2012                                 |                                     | 10,566           | →             |               |               |               |               |               |              |
| <b>Total Gross Annual Expenditures &amp; Plan</b> |  | <b>36,400</b>                       | <b>32,019</b>    | <b>18,216</b> | <b>10,784</b> | <b>10,875</b> | <b>10,958</b> | <b>10,035</b> | <b>60,868</b> | <b>102%</b>  |
| <b>Program Debt Target</b>                        |  |                                     |                  | <b>8,830</b>  | <b>8,700</b>  | <b>8,530</b>  | <b>8,268</b>  | <b>8,300</b>  | <b>42,628</b> |              |
| <b>Financing:</b>                                 |  |                                     |                  |               |               |               |               |               |               |              |
|   | <b>Recommended Debt</b>                                      |                                     | <b>2,216</b>     | <b>9,681</b>  | <b>9,049</b>  | <b>9,030</b>  | <b>8,768</b>  | <b>8,300</b>  | <b>44,828</b> | 74%          |
|   | Reserves/Reserve Funds                                       |                                     |                  | 295           | 165           | 165           | 170           | 165           | 960           | 2%           |
|   | Development Charges  |                                     |                  |               |               |               |               |               |               |              |
|   | ISF  |                                     |                  |               |               |               |               |               |               |              |
|   | Provincial/Federal   | 4,381                               | 3,650            | 1,970         |               |               |               |               | 1,970         | 3%           |
|   | Other Revenue  |                                     | 4,700            | 6,270         | 1,570         | 1,680         | 2,020         | 1,570         | 13,110        | 22%          |
| <b>Total Financing</b>                            |  | <b>4,381</b>                        | <b>10,566</b>    | <b>18,216</b> | <b>10,784</b> | <b>10,875</b> | <b>10,958</b> | <b>10,035</b> | <b>60,868</b> | <b>100%</b>  |
| <b>By Project Category:</b>                       |  |                                     |                  |               |               |               |               |               |               |              |
|   | Health & Safety  |                                     |                  | 933           | 636           | 1,314         | 902           | 687           | 4,472         | 7%           |
|   | Legislated   |                                     |                  | 50            | 48            | 125           | 174           | 99            | 496           | 1%           |
|   | SOCR   |                                     |                  | 5,256         | 7,728         | 6,535         | 6,290         | 6,711         | 32,520        | 53%          |
|   | Service Improvement  |                                     |                  | 11,680        | 2,080         | 2,604         | 3,317         | 2,241         | 21,922        | 36%          |
|   | Growth Related   |                                     |                  | 297           | 292           | 297           | 275           | 297           | 1,458         | 2%           |
| <b>Total By Project Category</b>                  |  |                                     |                  | <b>18,216</b> | <b>10,784</b> | <b>10,875</b> | <b>10,958</b> | <b>10,035</b> | <b>60,868</b> | <b>100%</b>  |
|   | Asset Value - end of each year ( \$ )                        | 214,000                             |                  | 214,000       | 214,000       | 214,000       | 214,000       | 214,000       |               |              |
|   | Yearly SOGR Backlog Estimate (not addressed by current plan) |                                     |                  | 229           | 1,422         | (388)         | 773           | 724           |               |              |
|   | Accumulated Backlog Estimate (end of year)                   | 37,272                              |                  | 37,043        | 35,621        | 36,009        | 35,236        | 34,512        |               |              |
|   | Backlog: Percentage of Asset Value (%)                       | 17.4%                               |                  | 17.3%         | 16.6%         | 16.8%         | 16.5%         | 16.1%         |               |              |
|   | Debt Service Costs   |                                     |                  | 109           | 766           | 1,149         | 1,142         | 1,104         | 4,270         |              |
|   | Operating Impact on Program Costs                            |                                     |                  |               | 160           |               |               |               | 160           |              |
|   | New Positions  |                                     |                  |               | 3             |               |               |               | 3             |              |

### 10-Year Capital Plan 2017–2021 Recommended Plan (In \$000s)



|  | 2017 - 2021 Capital Plan |               |               |               |               |                | 10-Year Total Percent |
|--|--------------------------|---------------|---------------|---------------|---------------|----------------|-----------------------|
|  | 2017                     | 2018          | 2019          | 2020          | 2021          | 2012-2021      |                       |
| <b>Gross Expenditures:</b>                                   |                          |               |               |               |               |                |                       |
| 2011 Capital Budget & Approved FY Commitments                |                          |               |               |               |               | 12,342         | 11%                   |
| Recommended Changes to Approved FY Commitments               |                          |               |               |               |               | (1,300)        | -1%                   |
| 2012 New/Change in Scope and Future Year Commitments         |                          |               |               |               |               | 8,980          | 8%                    |
| 2017 - 2021 Capital Plan Estimates                           | 10,910                   | 11,135        | 10,900        | 10,070        | 10,070        | 93,931         | 82%                   |
| <b>Total Gross Annual Expenditures &amp; Plan</b>            | <b>10,910</b>            | <b>11,135</b> | <b>10,900</b> | <b>10,070</b> | <b>10,070</b> | <b>113,953</b> | <b>100%</b>           |
| <b>Program Debt Target</b>                                   | <b>8,300</b>             | <b>8,300</b>  | <b>8,300</b>  | <b>8,300</b>  | <b>8,300</b>  | <b>84,128</b>  |                       |
| <b>Financing:</b>  |                          |               |               |               |               |                |                       |
| <b>Recommended Debt</b>                                      | <b>8,300</b>             | <b>8,300</b>  | <b>8,300</b>  | <b>8,300</b>  | <b>8,300</b>  | <b>86,328</b>  | 76%                   |
| Reserves/Reserve Funds                                       | 880                      | 1,265         | 980           | 150           | 200           | 4,435          | 4%                    |
| Development Charges  |                          |               |               |               |               |                |                       |
| ISF  |                          |               |               |               |               |                |                       |
| Provincial/Federal   | 110                      |               |               |               |               | 2,080          |                       |
| Other Revenue  | 1,620                    | 1,570         | 1,620         | 1,620         | 1,570         | 21,110         | 19%                   |
| <b>Total Financing</b>                                       | <b>10,910</b>            | <b>11,135</b> | <b>10,900</b> | <b>10,070</b> | <b>10,070</b> | <b>113,953</b> | <b>100%</b>           |
| <b>By Project Category:</b>                                  |                          |               |               |               |               |                |                       |
| Health & Safety  | 1,882                    | 1,457         | 1,287         | 600           | 300           | 9,998          | 9%                    |
| Legislated   |                          | 99            |               | 100           | 200           | 895            | 1%                    |
| SOGR   | 6,535                    | 8,126         | 7,626         | 7,874         | 7,714         | 70,395         | 62%                   |
| Service Improvement  | 2,196                    | 1,156         | 1,690         | 1,246         | 1,556         | 29,766         | 26%                   |
| Growth Related   | 297                      | 297           | 297           | 250           | 300           | 2,899          | 3%                    |
| <b>Total By Project Category</b>                             | <b>10,910</b>            | <b>11,135</b> | <b>10,900</b> | <b>10,070</b> | <b>10,070</b> | <b>113,953</b> | <b>100%</b>           |
| Asset Value - end of each year (\$)                          | 214,000                  | 214,000       | 214,000       | 214,000       | 214,000       |                |                       |
| Yearly SOGR Backlog Estimate (not addressed by current plan) | 486                      | 642           | 2,341         | 1,579         | 1,743         |                |                       |
| Accumulated Backlog Estimate (end of year)                   | 34,512                   | 34,026        | 33,384        | 31,043        | 29,464        |                |                       |
| Backlog: Percentage of Asset Value (%)                       | 16.1%                    | 15.9%         | 15.6%         | 14.5%         | 13.8%         |                |                       |
| Debt Service Costs   | 1,054                    | 1,054         | 1,054         | 1,054         | 1,054         | 9,540          |                       |
| Operating Impact on Program Costs                            |                          |               |               |               |               | 160            |                       |
| New Positions  |                          |               |               |               |               | 3              |                       |

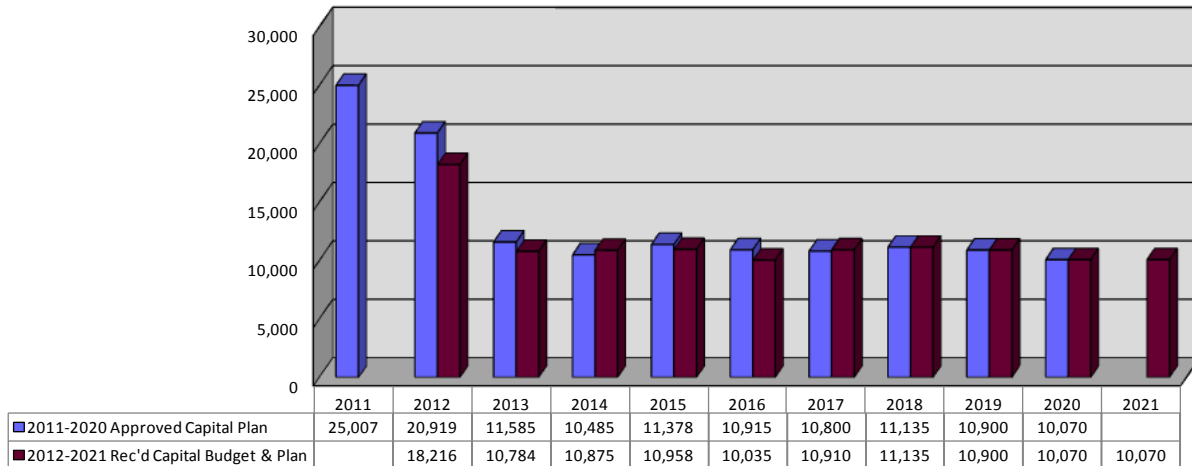
## 10–Year Capital Plan Overview

- The Economic Development and Culture (EDC) 10–Year Recommended Capital Plan aligns with the strategic direction of the Agenda for Prosperity and the Culture Plan. It also supports the City's efforts to improve the business climate, strengthen our at-risk neighbourhoods, and improve public service through access to the City's cultural assets.
- The 10–Year Recommended Capital Plan:
  - Includes strategic investments in the City's cultural resources and public spaces to create a physical environment within which business and culture can thrive;
  - Supports neighbourhoods by working with BIAs to upgrade local employment and commercial areas so that neighbourhood job opportunities can be expanded and living environments enhanced, and.
  - Supports efforts to upgrade the appearance of main streetscapes.
- The EDC 10–Year Recommended Capital Plan is driven by the needs of 96 heritage properties such as Fort York, Spadina Museum, Casa Loma, Berkley Theatre, Loraine Kimsa Theatre, Todmorden Mills, St. Lawrence Centre for the Arts, John Street Roundhouse, as well as the BIA Streetscape Program.
- The 2012–2021 Recommended Capital Plan totals \$128.900 million, including 2011 carry forward funding into 2012 of \$14.947 million. The first 5 years, 2012–2016, requires funding of \$75.815 million or 59%, and the final 5 years requires funding of \$53.085 million or 41% of the total Capital Plan amount.
- The 10–Year Recommended Capital Plan requires new debt funding of \$86.328 million which exceeds the 10–Year affordability target by \$2.2 million of additional funding required for the Fort York Visitor Centre.
  - Debt funding of \$86.328 million comprises 76% of Economic Development and Culture's 10 Year Recommended Capital Plan.
  - Other sources of funding include \$2.080 million from Provincial/Federal Grants, \$15.700 million from 50/50 partnerships with BIAs, \$4.435 of Reserve funding, \$1.700 million Section 37 funding and \$3.710 million from other third-party sources.
- Economic Development and Culture's 10–Year State of Good Repair (SOGR) projects totalling \$70.395 million, will decrease the SOGR backlog from \$37.272 million in 2011 to \$27.721 million by 2021. SOGR backlog, as a percentage of its total asset replacement value of \$214.0 million is 17.4 % at the end of 2011, decreasing to 13.0% by 2021.

- Debt funding limitations represent the biggest challenges to reducing the backlog for the Program's 96 heritage buildings.
- Approval of the 10–Year Recommended Capital Plan will increase the 2013 Operating Budget by \$0.160 million. This funding is required for staffing and maintenance/service costs arising from the completion of the Fort York Visitor Centre.
- The highlight of the 10–Year Recommended Capital Plan is the construction of the new Visitor Centre at Fort York for \$23.100 million.

**Key Changes to the 2011 – 2020 Approved Capital Plan**

**Changes to the 2011–2020 Approved Capital Plan  
(In \$000s)**



- The 2012 Recommended Capital Budget and 2013 – 2020 Capital Plan reflects a decrease of \$4.304 million from the 2011–2020 Approved Capital Plan. The changes to the 2011–2020 Approved Capital Plan reflect the deferral of reserve funded projects at Casa Loma, removal of the Emery Village Flag Pole Project from the City's Capital Plan and a \$2.2 million debt funded project cost increase for the Fort York Visitor Centre in 2012.
- The major changes to the 2011–2020 Approved Capital Plan are outlined below:
  - The reduction of \$4.040 million in the Casa Loma project resulted from the termination of the agreement with the Kiwanis Club, including \$1.400 million one–time funding for the purchase of artifacts and \$2.64 million for reduced contributions to the Casa Loma Maintenance Reserve Fund. Annual contributions to that reserve fund of \$0.800 million were discontinued in 2011 and are



anticipated to start again in 2017, once the future operating structure for the site has been established.

- As the Emery Village Flag Pole project is no longer to be planned on City owned land, and therefore will not be delivered by the City, the project has been removed from the 10–Year Capital Plan resulting in a \$1.720 million reduction.
- An increase of \$2.2 million for the Fort York Visitor Centre is required as a result of construction cost increases.

### Summary of Project Changes

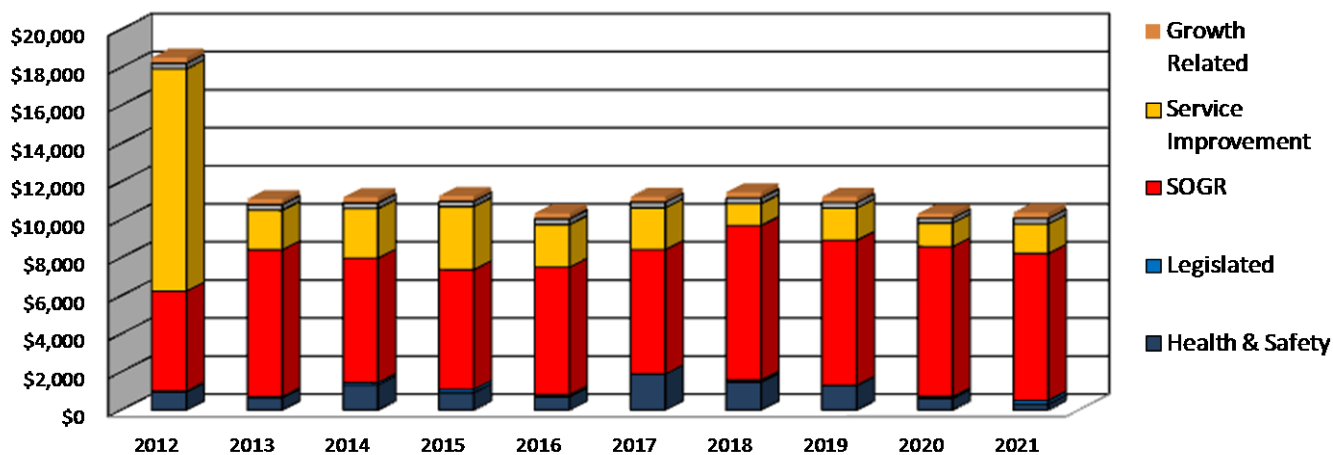
(In \$000s)

| Key Projects                                  | Total Project Cost | 2012           | 2013         | 2014       | 2015         | 2016         | 2017       | 2018     | 2019     | 2020     | 2012 - 2020    | Revised Total Project Cost |
|---|--------------------|----------------|--------------|------------|--------------|--------------|------------|----------|----------|----------|----------------|----------------------------|
| Cultural Infrastructure Development           | 9,072              | (1,434)        | 250          | 320        | 392          | 0            | 110        | 0        | 0        | 0        | (362)          | 8,710                      |
| Service Enhancement                           | 22,210             | 2,160          | (91)         | (594)      | 272          | 1,050        | 0          | 0        | 440      | 0        | 3,237          | 25,447                     |
| Restoration/Preservation of Heritage Elements | 34,296             | (1,310)        | (589)        | 766        | (1,084)      | (1,524)      | 0          | 0        | 0        | 100      | (3,641)        | 30,655                     |
| Refurbishment and Rehabilitation              | 3,233              | 0              | 0            | 0          | 0            | 0            | 0          | 0        | 0        | 0        | 0              | 3,233                      |
| Collections Care                              | 2,845              | (220)          | (220)        | 0          | 0            | 0            | 0          | 0        | 0        | 0        | (440)          | 2,405                      |
| Major Maintenance                             | 11,546             | (179)          | (151)        | (102)      | 0            | (406)        | 0          | 0        | (440)    | (100)    | (1,378)        | 10,168                     |
| BIA Street scape Program                      | 34,692             | 0              | 0            | 0          | 0            | 0            | 0          | 0        | 0        | 0        | 0              | 34,692                     |
| Commercial Façade Program                     | 5,560              | 0              | 0            | 0          | 0            | 0            | 0          | 0        | 0        | 0        | 0              | 5,560                      |
| Mural Program                                 | 500                | 0              | 0            | 0          | 0            | 0            | 0          | 0        | 0        | 0        | 0              | 500                        |
| Emery Village Flag Pole and Public Sq.        | 7,440              | (1,720)        | 0            | 0          | 0            | 0            | 0          | 0        | 0        | 0        | (1,720)        | 0                          |
| IT Projects                                   | 1,800              | 0              | 0            | 0          | 0            | 0            | 0          | 0        | 0        | 0        | 0              | 1,800                      |
| <b>Total Projects Changes</b>                 | <b>133,194</b>     | <b>(2,703)</b> | <b>(801)</b> | <b>390</b> | <b>(420)</b> | <b>(880)</b> | <b>110</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>(4,304)</b> | <b>123,170</b>             |

### 2012 - 2021 Recommended Capital Plan

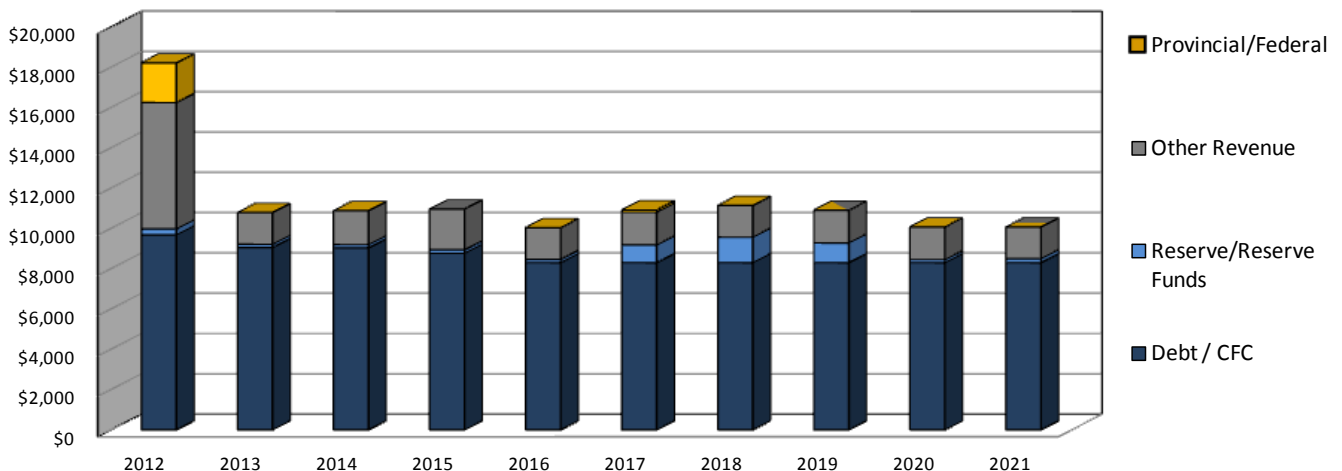
#### 2012–2021 Capital Plan by Project Category

(In \$000s)



- The first 5 years, (2012–2016), of the 10–Year Recommended Capital Plan includes funding of \$32.520 million or 53% for SOGR projects, \$21.922 million or 36% for Service Improvement projects, \$4.968 million or 8% for Health and Safety and Legislated projects combined and \$1.458 million or 2% for Growth Related projects.
- Health and Safety projects represent less than 9% or \$9.998 million of the 10–Year cash flow with all but \$0.050 million dedicated to Casa Loma Restoration.
- State of Good Repair projects address the renewal needs of aging and deteriorating infrastructure. Projects that maintain assets in a state of good repair represent 62% or \$70.395 million of the recommended 10–year cash flow. State of Good Repair projects are driven by the needs of 96 heritage properties such as Fort York, Spadina House, Berkley Theatre, Alumnae Theatre, Lorraine Kimsa Theatre, Todmorden Mills, St. Lawrence Centre for the Arts, and the BIA Streetscape Improvement Program.
- Service Improvement projects account for 26% or \$29.766 million of the recommended 10–year cash flow funding. Examples of the service improvement projects include the Guild Revitalization, Fort York Visitor Centre, John Street Roundhouse, Commercial Façade Improvement and the Mural Program projects.
- Growth Related Projects account for 3% or \$2.899 million and include Public Art Development.

2012–2021 Capital Plan by Funding Source  
(In \$000s)



- The 10–Year Recommended Capital Plan requires total funding of \$113.953 million excluding funding carried forward from 2011. Overall, debt constitutes \$86.328 million or 76% of the 10–Year cash flow. The debt funding exceeds debt affordability

targets by \$2.2 million in the first 5 years of the Capital Plan period and is included to ensure delivery of the Fort York Visitor Centre project.

- The first 5 years, 2012–2016, of the 10–Year Recommended Capital Plan includes \$44.828 million or 74% of debt funding, \$13.110 million or 22% funding from other sources, \$1.970 million or 3% from Provincial/Federal Grants, and \$0.960 million or 2% funding from reserve funds.
- The remaining funding of the 10–Year Capital Plan includes:
  - Reserve Funds that will provide \$4.435 million for Public Art Development and Casa Loma Restoration,
  - Secured Provincial and Federal Funding totalling \$2.080 million for the Fort York Visitor Centre, and
  - Third party donations and partnerships of \$21.110 million will support the Fort York Visitor Centre Project and fund 50% of the cost shared BIA Streetscape Projects.

### Summary of Major Capital Initiatives by Category (In \$000s)

|  | Total Project Cost | 2012 Rec. Budget | 2013 Plan     | 2014 Plan     | 2015 Plan     | 2016 Plan     | 2017 Plan     | 2018 Plan     | 2019 Plan     | 2020 Plan     | 2021 Plan     | 2012-2021 Total |
|--|--------------------|------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-----------------|
| <b>State of Good Repair (incl. H&amp;S , &amp; Leg.)</b> |                    |                  |               |               |               |               |               |               |               |               |               |                 |
| Restoration/Preservation of Heritage Elements            | 1,073              | 1,413            | 1,749         | 1,631         | 1,427         | 1,706         | 1,629         | 2,659         | 1,722         | 3,210         | 2,150         | 19,296          |
| Major Maintenance  | 350                | 280              | 1,109         | 946           | 787           | 694           | 908           | 1,656         | 1,100         | 1,200         | 1,000         | 9,680           |
| BIA Streetscape Program                                  | 3,412              | 3,464            | 3,464         | 3,464         | 3,464         | 3,464         | 3,464         | 3,464         | 3,464         | 3,464         | 3,464         | 34,640          |
| Other SOGR Projects                                      | 99                 | 99               | 1,406         | 494           | 612           | 847           | 534           | 347           | 1,340         |               | 1,100         | 6,779           |
| <b>Sub-Total</b>   | <b>4,934</b>       | <b>5,256</b>     | <b>7,728</b>  | <b>6,535</b>  | <b>6,290</b>  | <b>6,711</b>  | <b>6,535</b>  | <b>8,126</b>  | <b>7,626</b>  | <b>7,874</b>  | <b>7,714</b>  | <b>70,395</b>   |
| <b>Service Improvements</b>                              |                    |                  |               |               |               |               |               |               |               |               |               |                 |
| Fort York Visitor's Centre                               | 1,524              | 10,524           | 624           | 1,023         | 500           | 248           |               | 303           | 440           | 200           |               | 10,524          |
| The Guild Revitalization Project                         |                    |                  |               |               |               |               |               |               |               |               |               | 3,338           |
| Commercial Façade Improvement Program                    | 556                | 556              | 556           | 556           | 556           | 556           | 556           | 556           | 556           | 556           | 556           | 5,560           |
| Other Service Improvement Projects                       | 600                | 600              | 900           | 1,025         | 2,261         | 1,437         | 1,640         | 297           | 694           | 490           | 1,000         | 10,344          |
| <b>Sub-Total</b>   | <b>2,680</b>       | <b>11,680</b>    | <b>2,080</b>  | <b>2,604</b>  | <b>3,317</b>  | <b>2,241</b>  | <b>2,196</b>  | <b>1,156</b>  | <b>1,690</b>  | <b>1,246</b>  | <b>1,556</b>  | <b>29,766</b>   |
| <b>Health and Safety/Legislated /Growth</b>              |                    |                  |               |               |               |               |               |               |               |               |               |                 |
| Casa Loma Exterior Restoration                           | 1,019              | 883              | 636           | 1,314         | 902           | 687           | 1,882         | 1,457         | 1,287         | 600           | 300           | 9,948           |
| Other Projects   | 347                | 397              | 340           | 422           | 449           | 396           | 297           | 396           | 297           | 350           | 500           | 3,844           |
| <b>Sub-Total</b>   | <b>1,366</b>       | <b>1,280</b>     | <b>976</b>    | <b>1,736</b>  | <b>1,351</b>  | <b>1,083</b>  | <b>2,179</b>  | <b>1,853</b>  | <b>1,584</b>  | <b>950</b>    | <b>800</b>    | <b>13,792</b>   |
| <b>Total</b>   | <b>8,980</b>       | <b>18,216</b>    | <b>10,784</b> | <b>10,875</b> | <b>10,958</b> | <b>10,035</b> | <b>10,910</b> | <b>11,135</b> | <b>10,900</b> | <b>10,070</b> | <b>10,070</b> | <b>113,953</b>  |

### Major Capital Initiatives

- The 10–year Recommended Capital Plan includes funding of \$113.953 million for 7 major capital initiatives including \$70.395 million or 62% million for SOGR projects, \$29.766 million or 26% for Service Improvement projects, and \$9.948 or 9% for Health and Safety projects.

### State of Good Repair

- Restoration /Preservation of Heritage Elements require \$19.296 million to restore and preserve the heritage fabric of Museums and Heritage Buildings operated by Culture

Division including major artifacts, monuments and memorials. This is an ongoing project that continues every year within the 10–Year Capital Plan period.

- Major Maintenance funding of \$9.680 million is provided to achieve and maintain a state of good repair of facilities with third party tenants, including Lorraine Kimsa Theatre, Berkley Theatre, Alumnae Theatre, and the Franklin Carmichael Art Centre.
- The BIA Streetscape Program requires \$34.640 million for BIA Streetscape Projects which are cost shared 50/50 with BIAs. Specific Streetscape Projects are identified and funded annually and future year funding is a planned estimate of future projects.

### Service Improvements

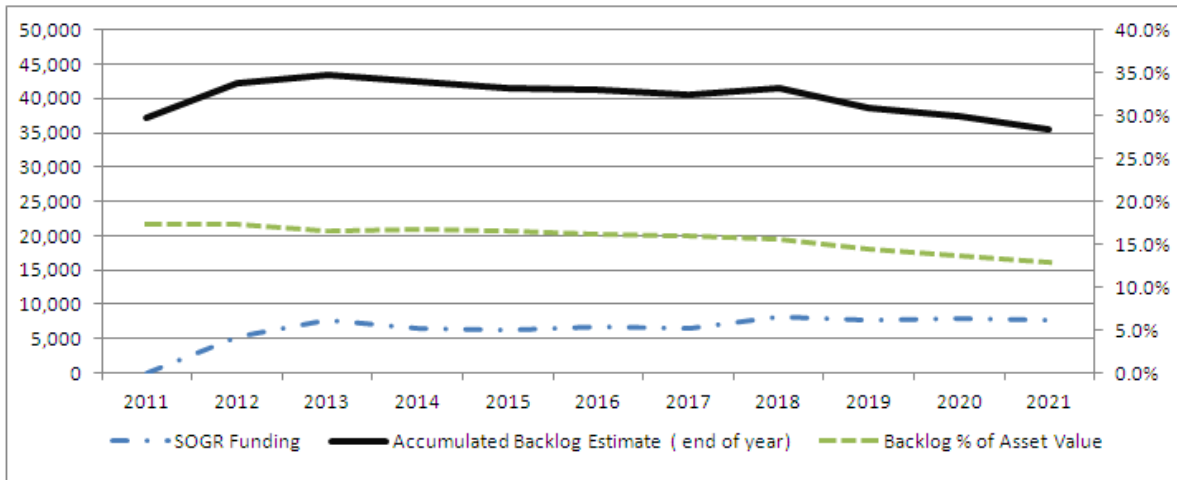
- The Fort York Visitor Centre requires \$10.524 million for the balance of the project comprised of \$3.854 debt, \$1.970 million Provincial and Federal funding, \$1.700 million from Section 37, and \$3.0 million contribution from 3rd party fundraising.
- The Guild Revitalization Project requires \$3.338 million debt funding for the construction of the cultural precinct as part of a potential agreement with a third–party to revive the historic Guild
- The Commercial Façade Improvement Program requires \$5.560 million for Commercial Façade Improvement Projects for cost shared projects such as façade restoration, and brick cleaning.

### Health and Safety

- Casa Loma Restoration includes \$9.948 million for structural repairs of masonry, roofing and windows is comprised of \$7.370 million debt funding and \$2.578 million funding from the Casa Loma Maintenance Reserve Fund.

State of Good Repair (SOGR) Backlog

SOGR Funding & Backlog  
(In \$000s)



State of Good Repair (SOGR) Backlog

- Economic Development and Culture is responsible for 96 heritage buildings. Many historic structures are well over 100 years old. Unlike other buildings in City ownership, they do not have a simple replacement value and expected life span. Replacement values have been used as a proxy value for these buildings.
- The Program's accumulated State of Good Repair backlog was updated in 2008 resulting from an audit of 15 additional properties. Economic Development and Culture currently has a SOGR backlog, estimated at \$37.272 million at year-end 2011. The backlog is projected to decrease by approximately \$9.551 or 25% to \$27.721 million by 2021.
- It should be noted that the backlog has decreased by \$44.088 million from \$81.360 million at the end of 2008. This dramatic backlog decrease is the result of partnerships and the transfer of the responsibilities for certain properties, to outside partners.
  - State of Good Repair work at the Don Valley Brickworks is now the responsibility of Evergreen and the backlog at the John Street Roundhouse was largely eliminated through the investment by the primary lease tenant.
  - Work continues to develop a similar arrangement for the Guild Inn site. In the future.
- The SOGR backlog rate as a percentage of replacement costs is projected at 17.4 % at the end of 2011 and decreases to approximately 13% by 2021.

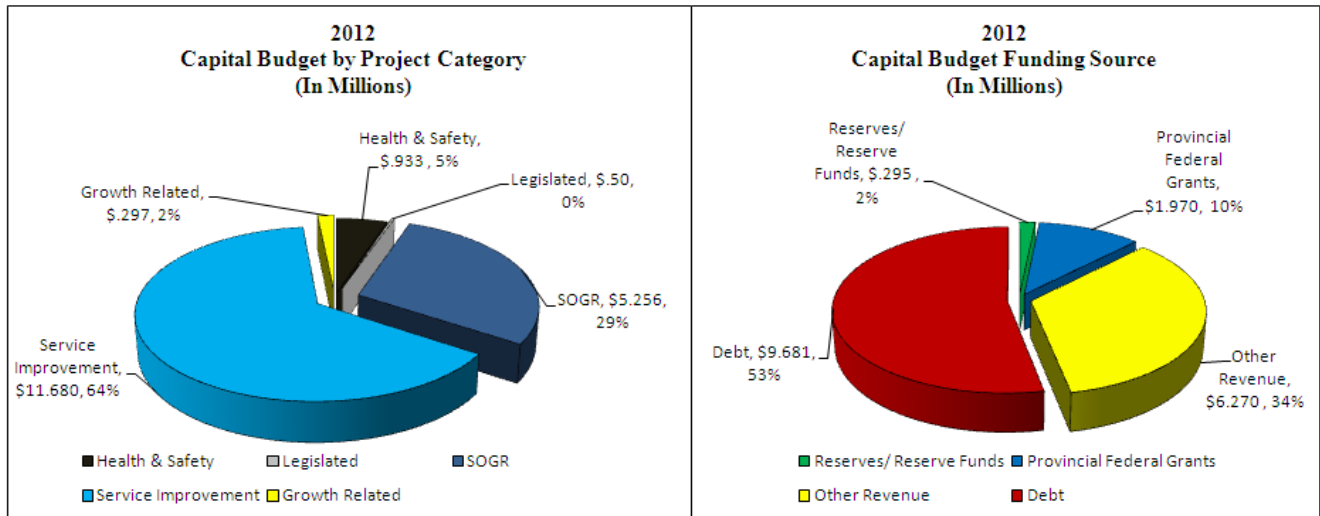
## 10–Year Capital Plan: Operating Impact Summary

|  | 2012<br>Rec.<br>Budget | 2013<br>Plan | 2014<br>Plan | 2015<br>Plan | 2016<br>Plan | 2017<br>Plan | 2018<br>Plan | 2019<br>Plan | 2020<br>Plan | 20201<br>Plan | 2012-<br>2021<br>Total |
|--|------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|------------------------|
| <b>2012 Recommended Capital Budget</b> |                        |              |              |              |              |              |              |              |              |               |                        |
| Program Cost (Net)                     |                        | 160          |              |              |              |              |              |              |              |               | 420                    |
| Approved Positions                     |                        | 3            |              |              |              |              |              |              |              |               | 3                      |
| Program Net                            | -                      | 160          |              | -            | -            | -            | -            | -            | -            | -             | 160                    |
| Approved Positions                     | -                      | 3            |              | -            | -            | -            | -            | -            | -            | -             | 3                      |

- Approval of the 10–Year Recommended Capital Plan results in Operating impacts from previously approved and new capital projects of \$0.160 million net and the addition of 3 positions in 2013.
- This incremental net impact is for the planned opening of the Fort York Visitor Centre in 2013. Three additional permanent positions will provide historic interpretation and physical plant support will require expenditures of \$0.545 million gross. The increased attendance at the Visitor Centre will contribute \$0.385 million revenue, resulting in \$0.160 million net cost. EDC will confirm the part–time staffing requirements once the final funding and project details are confirmed. The goal in future years is to recover all operating costs through increased revenues, resulting in no net cost to the City.

**PART III - 2012 RECOMMENDED CAPITAL BUDGET**

**2012 Capital Budget by Project Category and Funding Source**



- The 2012 Recommended Capital Budget, excluding funding carried forward from 2011 to 2012, requires \$18.216 million, including \$9.681 million or 53% funding from debt , exceeding the debt affordability target for 2012 by \$0.851 million. \$6.270 million or 34% is planned from third party contributions, \$1.970 million or 10% from Provincial and Federal funds, and \$0.295 million or 2% funding from Reserve Funds.
- Health and Safety – \$0.933 million or 5.4% is allocated to Health and Safety Projects, mostly for the continuation to the Casa Loma Restoration project.
- Legislated – \$0.50 million or 0.3% is allocated to Legislated projects for mechanical repairs resulting from Technical Standard and Safety Authority (TSSA) inspections of facilities.
- State of Good Repair –\$5.256 million or 30% is allocated to State of Good Repair projects. The 2012 Recommended Capital Budget has sufficient funding to address approximately 0.6% of the accumulated SOGR backlog through planned work at 97 sites.
- Service Improvement – \$11.680 million or 64% is allocated to Service Improvement projects, with the Fort York Visitor Centre project allocated \$10.524 million, and Commercial Façade projects allocated \$0.556 million.
- Growth Related – \$0.297 million or 2% is allocated to Growth Related Projects, consisting of Public Art Development.

**2012 Recommended Cash Flow & Future Year Commitments  
(In \$000s)**

|                                     | 2010 & Prior Year Carry Forward | 2012 Previously Approved Cash Flow Commitments | 2012 New Cash Flow Rec'd | 2012 Total Cash Flow Rec'd | 2011 Carry Forwards | Total 2012 Cash Flow (Incl 2011 C/Fwd) | 2013  | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | Total Cost |
|-------------------------------------|---------------------------------|--|--------------------------|----------------------------|---------------------|--|-------|------|------|------|------|------|------|------|------|------------|
| <b>Expenditures</b>                 |                                 |  |                          |                            |                     |  |       |      |      |      |      |      |      |      |      |            |
| Previously Approved Change in Scope | 4,381                           | 11,042   |                          | 15,423                     | 10,566              | 25,989                                 |       |      |      |      |      |      |      |      |      | 25,989     |
| New                                 |                                 |  | 3,318                    | 3,318                      |                     | 3,318                                  |       |      |      |      |      |      |      |      |      | 3,318      |
| New w/Future Year                   |                                 |  | 3,856                    | 3,856                      |                     | 3,856                                  | 1,806 |      |      |      |      |      |      |      |      | 5,662      |
| <b>Total Expenditure</b>            |                                 | 11,042   | 7,174                    | 22,597                     | 10,566              | 33,163                                 | 1,806 |      |      |      |      |      |      |      |      | 34,969     |
| <b>Financing</b>                    |                                 |  |                          |                            |                     |  |       |      |      |      |      |      |      |      |      |            |
| Debt                                |                                 | 4,216  | 5,465                    | 9,681                      | 2,216               | 11,897                                 | 1,506 |      |      |      |      |      |      |      |      | 13,403     |
| Other                               |                                 | 4,856  | 1,414                    | 6,270                      | 4,700               | 10,970                                 | 300   |      |      |      |      |      |      |      |      | 11,270     |
| Reserves/Res Funds                  |                                 |  | 295                      | 295                        |                     | 295                                    |       |      |      |      |      |      |      |      |      | 295        |
| Provincial/Federal                  | 4,381                           | 1,970  |                          | 6,351                      | 3,650               | 10,001                                 |       |      |      |      |      |      |      |      |      | 10,001     |
| <b>Total Financing</b>              | 4,381                           | 11,042   | 7,174                    | 22,597                     | 10,566              | 33,163                                 | 1,806 |      |      |      |      |      |      |      |      | 34,969     |

\*Please refer to Appendix 4 for detailed project listings

- The 2012 Recommended Capital Budget totals \$33.163 million including \$4.381 million for projects carried forward from 2010 to 2012, \$10.566 million for projects carried forward from 2011 to 2012, \$7.174 million for new projects, and \$11.042 million for previously approved commitments, requiring cash flow funding of \$33.163 million in 2012 and \$1.806 million in 2013.
- The 2012 recommended debt funding for the program is \$9.681 million. The 2012 debt affordability target for Economic Development and Culture of \$8.830 million was exceeded by \$0.851 million required to fund the increased 2012 requirements for the Fort York Visitor Centre project.
- The 2012 Recommended Capital Budget also includes:
  - \$0.295 million or 2% funding from Reserve Funds is required for Casa Loma Restoration and Public Art.
  - \$1.970 million or 10% will be funded from the Federal and Provincial governments for the Fort York Visitor Centre Project.
  - \$4.570 million or 25% third party contributions including \$1.544 million from BIA partnerships and \$3.0 million donations for the Fort York Visitor Centre Project.
  - \$1.700 million or 9% funding from Section 37 reserves for Fort York Visitor Centre.



## 2012 Recommended Capital Project Highlights

### 2012 Recommended Capital Projects (In \$000s)

| Project                                       | Total Project Costs | 2012          | 2013         | 2014 | 2015 | 2016 | 2012-2016     | 2017 | 2018 | 2019 | 2020 | 2021 | 2012-2021     |
|---|---------------------|---------------|--------------|------|------|------|---------------|------|------|------|------|------|---------------|
| Cultural Infrastructure Development           | 297                 | 1,058         |              |      |      |      | 1,058         |      |      |      |      |      | 1,058         |
| Service Enhancement                           | 10,574              | 23,375        |              |      |      |      | 23,375        |      |      |      |      |      | 23,375        |
| Restoration/Preservation of Heritage Elements | 3,032               | 2,732         | 736          |      |      |      | 3,468         |      |      |      |      |      | 3,468         |
| Refurbishment and Rehabilitation              | 99                  | 533           |              |      |      |      | 533           |      |      |      |      |      | 533           |
| Major Maintenance                             | 550                 | 895           | 170          |      |      |      | 1,065         |      |      |      |      |      | 1,065         |
| BIA Street scape Program                      | 4,064               | 3,464         | 600          |      |      |      | 4,064         |      |      |      |      |      | 4,064         |
| Commercial Façade Program                     | 856                 | 556           | 300          |      |      |      | 856           |      |      |      |      |      | 856           |
| Mural Program                                 | 50                  | 50            |              |      |      |      | 50            |      |      |      |      |      | 50            |
| IT Projects                                   | 500                 | 500           |              |      |      |      | 500           |      |      |      |      |      | 500           |
| <b>Total (including carry forward)</b>        | <b>20,022</b>       | <b>33,163</b> | <b>1,806</b> |      |      |      | <b>34,969</b> |      |      |      |      |      | <b>34,969</b> |

- The 2012 Recommended Capital Budget, including funding carried forward from 2010 and 2011 of \$33.163 million provides funding to continue with the following projects:
  - **Cultural Infrastructure Development Project** totals \$1.058 million including \$0.297 million for Public Art Development and \$0.761 million for Guild Revitalization.
  - **Service Enhancement Projects** total \$23.325 million for The *Fort York Visitor Centre Project* to continue development of the new Visitors Centre at Fort York. The cash flow funding includes \$8.0 million previously committed in 2011, \$8.420 million carried forward from 2011, \$4.381 million carried forward from 2010 and \$2.524 million in new funding for 2012.
  - **Restoration and Preservation Projects** include \$1.519 million for The *Casa Loma Project* to continue the ongoing restoration of external structures. Cash flow requirements include \$0.883 million in 2012 and \$0.636 million in 2013.
  - **Major Maintenance Projects** provides funding of \$1.065 million for a number of projects supporting the restoration and preservation for heritage buildings including, Spadina Museum, the Berkley Street Theatre, Lorraine Kimsa Theatre and Franklin Carmichael. These properties are accessible to the public for cultural uses such as museums, art centres, theatres and galleries. Cash flow requirements include \$0.895 million in 2012 and \$0.170 million in 2013.
  - **BIA Streetscape Improvement Program** has recommended cash flow funding of \$4.064 million to continue streetscape beautification projects. This program is financed based on a 50/50 cost sharing with BIAs. Cash flow requirements include \$3.464 million in 2012 and \$0.600 million in 2013.

- **Commercial Façade Improvement Program** totals \$0.856 million to continue physical improvements to the public face of buildings in eligible BIAs. Cash flow requirements include \$0.556 million in 2012 and \$0.300 million in 2013.
- **Mural Program** of \$0.050 million is recommended to continue the creation of murals in commercial districts with preference given to the City’s priority neighborhoods.

## PART IV: ISSUES FOR DISCUSSION

### 2012 Issues

#### *Core Service Review Approvals:*

City Council on September 26 and 27, 2011, adopted the following:

- City Council initiate the divestment of the following City agencies or bodies by taking the following actions and request the City Manager to report back to Executive Committee as required:
  - *The City Manager be requested to review the City's heritage assets to find operational efficiencies and strengthening fundraising ability, by considering public/private models adopted by other levels of government and by reviewing the partnership model adopted by the City's successful Bicentennial program;*
  - *Given the legislative responsibilities of the City in relation to its heritage assets, the City Manager ensure the review process is transparent and includes consideration of best practices, including those currently practiced by the City; and*
  - *Given the scale and significance of Fort York, and given that the City is three months from the start of the Bicentennial of the War of 1812 and the Fort York Foundation is in the midst of a capital campaign to effect the greatest transformation of the site ever, that any review of the Fort be considered after the Bicentennial and its impact can be assessed.*
- *Economic Development and Culture reduce cultural services activities by closing museums with the least attendance, and revenues compared to costs*
- *City Council direct the City Manager, in his review of the option of consolidating Museum Services (Culture) and Heritage Preservation Services (City Planning) as previously directed by the Executive Committee [Decision Advice Item 4], to examine the economic viability of Heritage Toronto as a not-for-profit organization with the new responsibility of operating City owned Museums, to allow greater opportunity for Federal and Provincial Capital grants and revenue generating opportunities.*
- The 2012–2021 Recommended 10–Year Capital Plan does not include changes arising from these Core Service Review directions. Once Council decisions arise from these requested reviews then the 10–Year Plan will be adjusted.

***Fort York Visitor Centre***

- The tenders for the construction for the Fort York Visitor Centre that were received in September 2011 were greater than the approved budget for the project. Staff has determined that the project budget needs to be increased by \$2.2 million and that the project should be re-tendered after modifications to the tender package.
- The revised approved project will have a total project cost of \$25.213 million to be funded from these funding sources: \$5.513 million in debt, \$10.0 million contribution from the Provincial/Federal governments, \$3.7 million in Section 37 funding and \$6.0 million in fundraising by the Fort York Foundation. Both the federal and provincial funding have been confirmed and \$3.7 million (only \$2.7 million received to date) Section 37 funding has been identified.
- The 2012 Recommended Capital Budget includes an increase of \$2.2 million debt funding for the Fort York Visitor Centre.

***Guild Inn Revitalization***

- Cultural Services staff has continued to work towards a revitalized cultural precinct at the Guild Inn site. The economic downturn has had a negative impact on Centennial College's ability to secure the investment needed to fulfill its obligation to the project. As a result, the City terminated the Letter of Intent with Centennial College on November 2, 2011.
- Given the termination of the project with Centennial College, however, the City will now need to devise an alternate plan to provide hospitality services at the Guild site. The implementation of the cultural precinct will be delayed while the City formulates a new plan to work with the private sector at the Guild site.
- \$1.349 million in cash flow funding for the Guild Revitalization project has been deferred from 2012 resulting in the following revised cash flow estimates: \$0.349 million for 2013, \$0.500 million for 2014 and \$0.500 million for 2015.
- This revised cash flow is required as a new proposal will require another year to develop.

***Casa Loma Restoration***

- The project cost for the Casa Loma Restoration project has been reduced by \$4.040 in the 10-Year Recommended Capital Plan resulting in total project cost of \$9.948 million funded by \$7.37 million or 74% debt and \$2.578 million or 26% from the Casa Loma Capital Maintenance Reserve Fund.

- The Executive Committee on May 24, 2011, authorized the General Manager, Economic Development and Culture to execute a termination and transition agreement between the City and the Kiwanis Club of Casa Loma (KCCL). The City is to pay KCCL \$1.45 million for artifacts to be drawn from the City of Toronto Casa Loma Capital Maintenance Reserve Fund that has a current balance of \$2.494 million.
- The \$1.0 million balance in the Reserve Fund is sufficient for the completion of Phase 7 spent in 2011 and 2012. Expenditures and associated funding from the reserve will be reduced by \$1.4 million in 2012, \$0.880 million in 2013, and \$0.880 million in 2015 and 2016 anticipating no contributions from operating surplus for the first five years of the plan.
- The last five years of the plan anticipate the return of annual contribution of \$0.800 million.
- The General Manager will prepare a long term strategy for Casa Loma including financial impact and future continuation of contributions to the Casa Loma Capital Maintenance Reserve Fund.

## Future Year Issues

### Increased Demand for BIA Streetscape Program

- Over the past 5 years City Council has established 17 new BIAs, bringing the total to 72. This trend towards 3–4 new BIAs per year is expected to continue as interest grows from businesses and property owners in unorganized retail areas to form new BIAs.
  - The BIA Streetscape Projects continue to increase in size and scope. In the early years of the Capital Cost–Share Program, most BIAs undertook relatively small projects such as the installation of banners, hanging baskets, and street signs.
  - However, larger more complicated projects have been on the rise as BIAs mature.
  - For example, the Bloor Street Transformation Project was funded through a loan to the BIA repaid by the way of a levy on participating members within the BIA.
  - This alternative funding mechanism may be a solution for large funding requests in the future. The maximum annual request for larger projects is now limited to \$0.600 million gross, \$0.300 million net.
- The Program in conjunction with Financial Planning staff are finalizing a strategy utilizing a "Maturity Model Approach" that will address the funding gap and goal to maintain funding within debt affordability targets.

*Maturity Model Approach*

- The term "maturity" does not refer to the length of time a BIA has been in existence. Instead, it is a reference to the level of operational sophistication and financial stability achieved by the City's BIAs, including many that have only recently been created. The maturity model approach consists of two components: a financing/funding trade-off; and a five-year maximum project funding cap.
- This approach will take into account the level of BIA maturity together with the City's funding affordability.
- Staff will review the proposed Maturity Model Approach with BIAs before presenting it to Council for approval.
- The General Manager of Economic Development and Culture and the Chief Financial Officer will report to Budget Committee by June 2012, on the BIA Streetscape "Maturity Model" strategy for managing unfunded demand within debt affordability limits.

## Appendix 1

### 2011 Performance

#### 2011 Key Accomplishments

- ✓ Alumnae Theatre – Replacement of original slate roof and associated flat roofs.
- ✓ Berkeley St Theatre – Continuation of major masonry repointing and replacement to the east wall.
- ✓ Lorraine Kimsa Theatre – Restoration of all wood windows.
- ✓ Theatre Passe Muraille – Replacement of flat roof and HVAC system.
- ✓ Spadina Museum – Completion of main house roof and windows; greenhouse and potting shed roof. Planning for entrance renovations to improve accessibility.
- ✓ Cedar Ridge – Interior renovations to improve accessibility. Structural landscaping restoration for public safety. .
- ✓ Approximately 76 BIA streetscape improvements across the City are under construction or completed. The businesses in BIAs pay for at least half the total cost of these investments in the public realm.
- ✓ Commercial Façade Improvement Program: Façade renovations for 70 buildings will be completed. In 2011, this program has leveraged \$1 million in private sector investment.
- ✓ BIA Mural Program: Funding to 13 organizations across the City approved for wall mural with priority given to the thirteen at-risk neighbourhoods for investment.

#### 2011 Capital Variance Review

##### 2011 Budget to Actuals Comparison – Total Gross Expenditures (In \$000s)

| 2011 Approved | Actuals as of September 30th<br>(3rd Qtr Variance) |         | Projected Actuals at Year End |         | Unspent Balance |           |
|---------------|--|---------|-------------------------------|---------|-----------------|-----------|
|               | \$   | % Spent | \$                            | % Spent | \$              | % Unspent |
| 36,400        | 5,100  | 14.0%   | 11,840                        | 32.5%   | 24,560          | 67.5%     |

- Economic Development and Culture's capital expenditures for the period ending September 30, 2011 totalled \$5.1 million or 14% of the 2011 Approved Capital Budget

of \$36.4. Capital spending is projected to reach \$11.84 million or 32% of the 2011 Approved Budget by year-end.

- Emery Village Flag Pole and Public Square project (\$5.72 million) will not proceed as a City project.
- Fort York Visitor Centre (\$5.5 million): Tenders received in September were over the approved budget. A re-tender is required, causing a delay to the start of the project until spring 2012.
- Casa Loma Exterior Restore (\$3.0 million): Tender originally planned for December 2010, was suspended until negotiations with Kiwanis were complete. A new tender package for urgent repair work has been prepared for construction to take place in 2012.
- The Guild Revitalize Project (\$1.01 million): Centennial College has been unable to proceed with their project due to market conditions. The project has been deferred while the City considers a process to find an alternate development partner.
- John St. Roundhouse Museum (\$0.64 million): The project is delayed until Toronto Hydro plans for the Machine Shop are finalized.
- Final carry forward funding requirements will be reported in the First Quarter Variance Report.



## Appendix 2

### 10 – Year Recommended Capital Plan Project Summary

| Project                                | Total Project Costs | 2012          | 2013          | 2014          | 2015          | 2016          | 2012-2016     | 2017          | 2018          | 2019          | 2020          | 2021          | 2012-2021      |
|--|---------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Cultural Infrastructure Development    | 7,654               | 297           | 916           | 1,547         | 1,855         | 545           | 5,160         | 407           | 600           | 737           | 450           | 300           | 7,654          |
| Service Enhancement                    | 17,882              | 10,574        | 350           | 0             | 911           | 1,793         | 13,628        | 1,480         | 0             | 1,084         | 440           | 1,250         | 17,882         |
| Restoration/Preservation of Heritage E | 29,987              | 2,296         | 2,385         | 3,193         | 2,824         | 2,393         | 13,091        | 3,511         | 4,116         | 3,009         | 3,810         | 2,450         | 29,987         |
| Refurbishment and Rehabilitation       | 3,500               | 99            | 1,208         | 321           | 222           | 303           | 2,153         | 347           | 0             | 100           | 0             | 900           | 3,500          |
| Collections Care                       | 2,355               | 0             | 198           | 248           | 190           | 138           | 774           | 187           | 594           | 800           | 0             | 0             | 2,355          |
| Major Maintenance                      | 10,375              | 380           | 1,157         | 996           | 886           | 793           | 4,212         | 908           | 1,755         | 1,100         | 1,300         | 1,100         | 10,375         |
| BIA Street scape Program               | 34,640              | 3,464         | 3,464         | 3,464         | 3,464         | 3,464         | 17,320        | 3,464         | 3,464         | 3,464         | 3,464         | 3,464         | 34,640         |
| Commercial Façade Program              | 5,560               | 556           | 556           | 556           | 556           | 556           | 2,780         | 556           | 556           | 556           | 556           | 556           | 5,560          |
| Mural Program                          | 500                 | 50            | 50            | 50            | 50            | 50            | 250           | 50            | 50            | 50            | 50            | 50            | 500            |
| Emery Village Flag Pole and Public S   | -                   | -             | -             | -             | -             | -             | -             | -             | -             | -             | -             | -             | -              |
| IT Projects                            | 1,500               | 500           | 500           | 500           | -             | -             | 1,500         | -             | -             | -             | -             | -             | 1,500          |
| <b>Total (including carry forward)</b> | <b>113,953</b>      | <b>18,216</b> | <b>10,784</b> | <b>10,875</b> | <b>10,958</b> | <b>10,035</b> | <b>60,868</b> | <b>10,910</b> | <b>11,135</b> | <b>10,900</b> | <b>10,070</b> | <b>10,070</b> | <b>113,953</b> |

## Appendix 3

### 2012 Recommended Capital Budget; 2013 to 2021 Capital Plan

## Appendix 4

### 2012 Recommended Cash Flow and Future Year Commitments

## Appendix 5

### 2012 Recommended Capital Projects with Financing Details

## Appendix 6

### 2012 Reserve/Reserve Fund Review

#### Reserve/Reserve Fund Review - Program Specific

(\$ million)

| Table 1                                       |  | Projected Balance as at Dec. 31, 2011 * | Proposed Withdrawals |           |           |           |           |           |           |           |           |           |                   |
|---|--|---|----------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------------------|
| Reserve / Reserve Fund Name                   | Project / SubProject Name and Number   |   | 2012 Rec. Budget     | 2013 Plan | 2014 Plan | 2015 Plan | 2016 Plan | 2017 Plan | 2018 Plan | 2019 Plan | 2020 Plan | 2021 Plan | 2012 - 2021 Total |
| Casa Loma Maintenance XR1501                  | Beginning Balance                      | \$1.000                                 |                      |           |           |           |           |           |           |           |           |           |                   |
|   | <i>Casa Loma Resoration (Exterior)</i> |   | \$0.030              |           |           |           |           | \$0.660   | \$1.100   | \$0.788   |           |           | \$2.578           |
|   | Total Proposed Withdrawals             |   | \$0.030              | \$0.000   | \$0.000   | \$0.000   | \$0.000   | \$0.660   | \$1.100   | \$0.788   | \$0.000   | \$0.000   | \$2.578           |
|   | Projected Contributions                |   |                      |           |           |           |           | \$0.800   | \$0.800   | \$0.800   | \$0.800   | \$0.800   | \$4.000           |
| <b>TOTAL RESERVE FUND BALANCE AT YEAR-END</b> |  | <b>\$1.000</b>                          | \$0.970              | \$0.970   | \$0.970   | \$0.970   | \$0.970   | \$1.110   | \$0.810   | \$0.822   | \$1.622   | \$2.422   |                   |

| Table 1                                       |                                      | Projected Balance as at Dec. 31, 2011 * | Proposed Withdrawals |           |           |           |           |           |           |           |           |           |                   |
|---|--------------------------------------|---|----------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------------------|
| Reserve / Reserve Fund Name                   | Project / SubProject Name and Number |   | 2012 Rec. Budget     | 2013 Plan | 2014 Plan | 2015 Plan | 2016 Plan | 2017 Plan | 2018 Plan | 2019 Plan | 2020 Plan | 2021 Plan | 2012 - 2021 Total |
| 16 Ryerson Capital Maintenance XR3213         | Beginning Balance                    | \$0.157                                 |                      |           |           |           |           |           |           |           |           |           |                   |
|   | <i>Theatre Passe Muraille</i>        |   |                      |           | \$0.027   | \$0.027   | \$0.055   |           | \$0.027   |           | \$0.050   | \$0.186   |                   |
|   | Total Proposed Withdrawals           |   | \$0.000              | \$0.000   | \$0.000   | \$0.027   | \$0.027   | \$0.055   | \$0.000   | \$0.027   | \$0.000   | \$0.050   | \$0.186           |
|   | Projected Contributions              |   | \$0.020              | \$0.020   | \$0.020   | \$0.020   | \$0.020   | \$0.020   | \$0.020   | \$0.020   | \$0.020   | \$0.020   | \$0.200           |
| <b>TOTAL RESERVE FUND BALANCE AT YEAR-END</b> |                                      | <b>\$0.157</b>                          | \$0.177              | \$0.197   | \$0.217   | \$0.210   | \$0.203   | \$0.168   | \$0.188   | \$0.181   | \$0.201   | \$0.171   |                   |

| Table 1                                       |                                      | Projected Balance as at Dec. 31, 2011 * | Proposed Withdrawals |           |           |           |           |           |           |           |           |           |                   |
|---|--------------------------------------|---|----------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------------------|
| Reserve / Reserve Fund Name                   | Project / SubProject Name and Number |   | 2012 Rec. Budget     | 2013 Plan | 2014 Plan | 2015 Plan | 2016 Plan | 2017 Plan | 2018 Plan | 2019 Plan | 2020 Plan | 2021 Plan | 2012 - 2021 Total |
| Public Art Res. Fund XQ4002                   | Beginning Balance                    | \$0.387                                 |                      |           |           |           |           |           |           |           |           |           |                   |
|   | <i>Public Art</i>                    |   | \$0.165              | \$0.165   | \$0.165   | \$0.143   | \$0.165   | \$0.165   | \$0.165   | \$0.165   | \$0.150   | \$0.150   | \$1.598           |
|   | Total Proposed Withdrawals           |   | \$0.165              | \$0.165   | \$0.165   | \$0.143   | \$0.165   | \$0.165   | \$0.165   | \$0.165   | \$0.150   | \$0.150   | \$1.598           |
|   | Projected Contributions              |   | \$0.150              | \$0.150   | \$0.150   | \$0.150   | \$0.150   | \$0.150   | \$0.150   | \$0.150   | \$0.150   | \$0.150   | \$1.500           |
| <b>TOTAL RESERVE FUND BALANCE AT YEAR-END</b> |                                      | <b>\$0.387</b>                          | \$0.372              | \$0.357   | \$0.342   | \$0.349   | \$0.334   | \$0.319   | \$0.304   | \$0.289   | \$0.289   | \$0.289   |                   |

| Table 1                                       |                                      | Projected Balance as at Dec. 31, 2011 * | Proposed Withdrawals |           |           |           |           |           |           |           |           |           |                   |
|---|--------------------------------------|---|----------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------------------|
| Reserve / Reserve Fund Name                   | Project / SubProject Name and Number |   | 2012 Rec. Budget     | 2013 Plan | 2014 Plan | 2015 Plan | 2016 Plan | 2017 Plan | 2018 Plan | 2019 Plan | 2020 Plan | 2021 Plan | 2012 - 2021 Total |
| Heritage Res. Fund XR1019                     | Beginning Balance                    | \$0.145                                 |                      |           |           |           |           |           |           |           |           |           |                   |
|   | Preventive Maintenance               |   | \$0.100              |           |           |           |           |           |           |           |           |           | \$0.100           |
|   | Total Proposed Withdrawals           |   | \$0.100              | \$0.000   | \$0.000   | \$0.000   | \$0.000   | \$0.000   | \$0.000   | \$0.000   | \$0.000   | \$0.000   | \$0.100           |
|   | Projected Contributions              |   |                      |           |           |           |           |           |           |           |           |           | \$0.000           |
| <b>TOTAL RESERVE FUND BALANCE AT YEAR-END</b> |                                      | <b>\$0.145</b>                          | \$0.045              | \$0.045   | \$0.045   | \$0.045   | \$0.045   | \$0.045   | \$0.045   | \$0.045   | \$0.045   | \$0.045   |                   |