



City Budget
2012

Toronto and Region Conservation Authority (TRCA) 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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Contacts: **Judy Skinner**
Manager, Financial Planning
Tel: (416) 397–4219

Aneta Poznanski
Financial Planning Analyst
Tel: (416) 397–4295

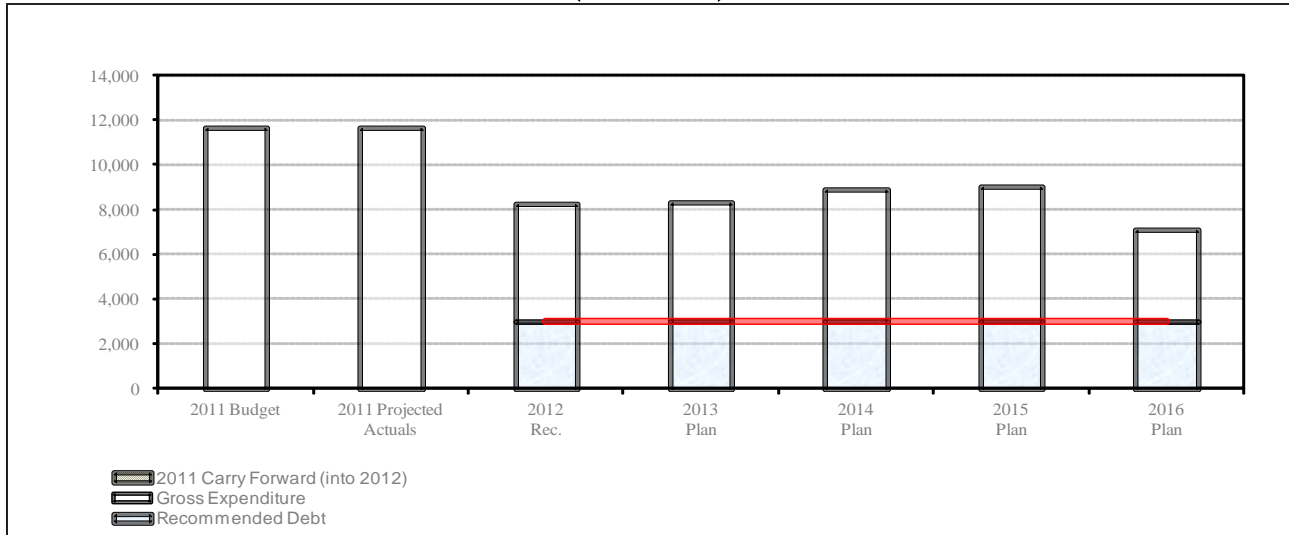
PART I: RECOMMENDATIONS

The City Manager and Chief Financial Officer recommend that:

1. Council approve the 2012 Recommended Capital Budget for Toronto and Region Conservation Authority with a total project cost and 2012 cash flow of \$8.235 million.
2. Council approve new debt service costs of \$0.060 million in 2012 and incremental debt costs of \$0.382 million in 2013, resulting from the approval of 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 Toronto and Region Conservation Authority totaling \$70.301 million in project estimates, comprised of \$8.330 million in 2013, \$8.925 million in 2014, \$9.021 million in 2015, \$7.122 million in 2016, \$7.225 million in 2017, \$7.330 million in 2018, \$7.438 million in 2019, \$7.455 million in 2010, and \$7.455 million in 2021.

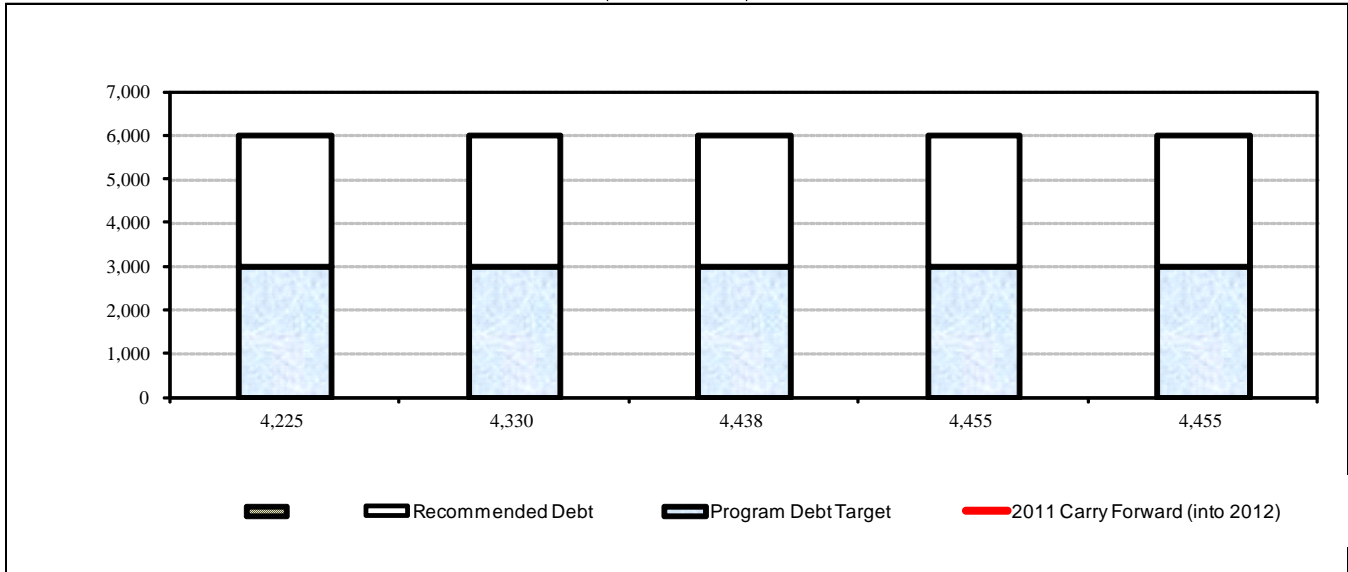
PART II: 2012 – 2021 CAPITAL PROGRAM

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



	2012 Rec. Budget and 2013-2016 Plan								5-Year Total
	2011		2012	2013	2014	2015	2016	2012-2016	
	Budget	Projected Actual							
Gross Expenditures:									
2011 Capital Budget & Approved FY Commitments	11,645	11,645							
Recommended Changes to Approved FY Commitments									
2012 New/Change in Scope and Future Year Commitments			8,235					8,235	20%
2013 - 2016 Capital Plan Estimates				8,330	8,925	9,021	7,122	33,398	80%
2-Year Carry Forward for Reapproval									
1-Year Carry Forward to 2012			→						
Total Gross Annual Expenditures & Plan	11,645	11,645	8,235	8,330	8,925	9,021	7,122	41,633	100%
Program Debt Target	3,000		3,000	3,000	3,000	3,000	3,000	15,000	
Financing:									
Recommended Debt			3,000	3,000	3,000	3,000	3,000	15,000	36%
Reserves/Reserve Funds									
Development Charges									
ISF									
Provincial/Federal									
Other Revenue	8,645		5,235	5,330	5,925	6,021	4,122	26,633	64%
Total Financing	8,645		8,235	8,330	8,925	9,021	7,122	41,633	100%
By Project Category:									
Health & Safety									
Legislated									
SOGR	11,267		7,917	8,010	8,605	8,701	6,802	40,035	96%
Service Improvement	468		318	320	320	320	320	1,598	4%
Growth Related									
Total By Project Category	11,735		8,235	8,330	8,925	9,021	7,122	41,633	100%
Asset Value - end of each year (\$)	397,958		397,958	397,958	397,958	397,958	397,958		
Yearly SOGR Backlog Estimate (not addressed by current plan)			5,032	5,114	3,700	3,701	3,744		
Accumulated Backlog Estimate (end of year)	188,842		185,957	183,061	178,156	173,156	170,098		
Backlog: Percentage of Asset Value (%)	47.5%		46.7%	46.0%	44.8%	43.5%	42.7%		
Debt Service Costs			60	382	382	382	382	1,586	
Operating Impact on Program Costs			0	0	0	0	0	0	
New Positions			0	0	0	0	0	0	

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	
Gross Expenditures:							
2011 Capital Budget & Approved FY Commitments							
Recommended Changes to Approved FY Commitments							
2-Year Carry Forward for Reapproval							
2012 New/Change in Scope and Future Year Commitments						8,235	10%
2017 - 2021 Capital Plan Estimates	7,225	7,330	7,438	7,455	7,455	70,301	90%
Total Gross Annual Expenditures & Plan	7,225	7,330	7,438	7,455	7,455	78,536	100%
Program Debt Target	3,000	3,000	3,000	3,000	3,000	30,000	
Financing:							
Recommended Debt	3,000	3,000	3,000	3,000	3,000	30,000	38%
Reserves/Reserve Funds							
Development Charges							
ISF							
Provincial/Federal							
Other Revenue	4,225	4,330	4,438	4,455	4,455	48,536	62%
Total Financing	7,225	7,330	7,438	7,455	7,455	78,536	100%
By Project Category:							
Health & Safety							
Legislated							
SOGR	7,225	7,330	7,438	7,455	7,455	76,938	98%
Service Improvement						1,598	2%
Growth Related							
Total By Project Category	7,225	7,330	7,438	7,455	7,455	78,536	100%
Asset Value - end of each year (\$)	397,958	397,958	397,958	397,958	397,958		
Yearly SOGR Backlog Estimate (not addressed by current plan)	3,650	3,651	3,742	3,743	3,743		
Accumulated Backlog Estimate (end of year)	170,098	166,523	162,844	159,148	155,436	151,724	
Backlog: Percentage of Asset Value (%)	42.7%	41.8%	40.9%	40.0%	39.1%	38.1%	
Debt Service Costs	382	382	382	382	382	3,495	
Operating Impact on Program Costs	0.00	0.00	0.00	0.00	0.00	0.00	
New Positions	0.00	0.00	0.00	0.00	0.00	0.00	

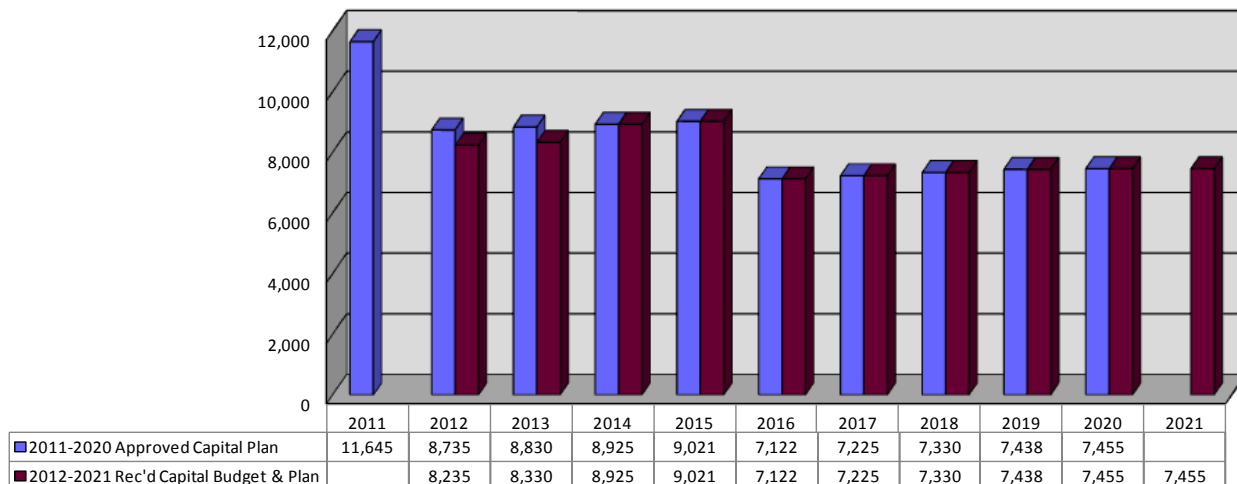
10–Year Capital Plan Overview

- The capital projects included in the 10–Year Recommended Capital Plan support the strategic objectives of TRCA's vision for the Living City which encompasses flood protection, erosion protection, waterfront regeneration, acquisition of environmentally significant properties and the Remedial Action Plan for which environmental rehabilitation is the main objective.
- Toronto and Region Conservation Authority is responsible for the maintenance of assets valued \$397.958 million consisting of land, land improvements, buildings, infrastructure and capital work–in–progress in its overall watershed areas.
- TRCA's 10–Year Recommended Capital Plan mainly focuses on maintenance and monitoring of a growing backlog of state of good repair projects to alleviate potential safety issues caused by valley and waterfront erosion and damage from high intensity and localized storms. Approximately \$76.938 million or 98% of funding included in the 10–Year Recommended Capital Plan is allocated to State of Good Repair projects.
- TRCA's 10–Year Recommended Capital Plan also includes Service Improvement projects amounting to \$1.598 million or 2% of all the projects included in 10–Year Recommended Capital Plan, such as waterfront parkland development at Tommy Thompson Park, and Base Scarborough Shoreline Access.
- The 2012–2021 Recommended Capital Plan totals \$78.536 million of which \$30.000 million or 38% is funded by debt and \$48.536 million or 62% is funded from Toronto Water contributions. The 10–Year Recommended Capital Plan has met the debt and Toronto Water contribution affordability targets for each of the ten years.
- TRCA's State of Good Repair (SOGR) projects of \$76.938 million will address \$37.118 million or 19.7% of their SOGR backlog from \$188.842 million in 2011 to \$151.724 million by 2021. TRCA has over 400 valley and waterfront erosion control structures in the City of Toronto that that require repairing and monitoring resulting in extensive backlog of SOGR projects.
- TRCA SOGR backlog, as a percentage of its total asset replacement value of \$397.958 million is 46.7% in 2012, decreasing to 38.1% by 2021.
- In accordance with established practice, TRCA will absorb any operating costs arising from the completion of the projects included in its 10–Year Recommended Capital Plan, except in cases where TRCA transfers completed project to the City to manage it on an ongoing basis. Currently, Parks, Forestry and Recreation's 2012 Recommended Operating Budget includes new funding of approximately \$0.220 million to cover

operating costs for Tommy Thompson Park that was transferred to Parks, Forestry and Recreation Division in 2011.

Key Changes to the 2011 – 2020 Approved Capital Plan

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



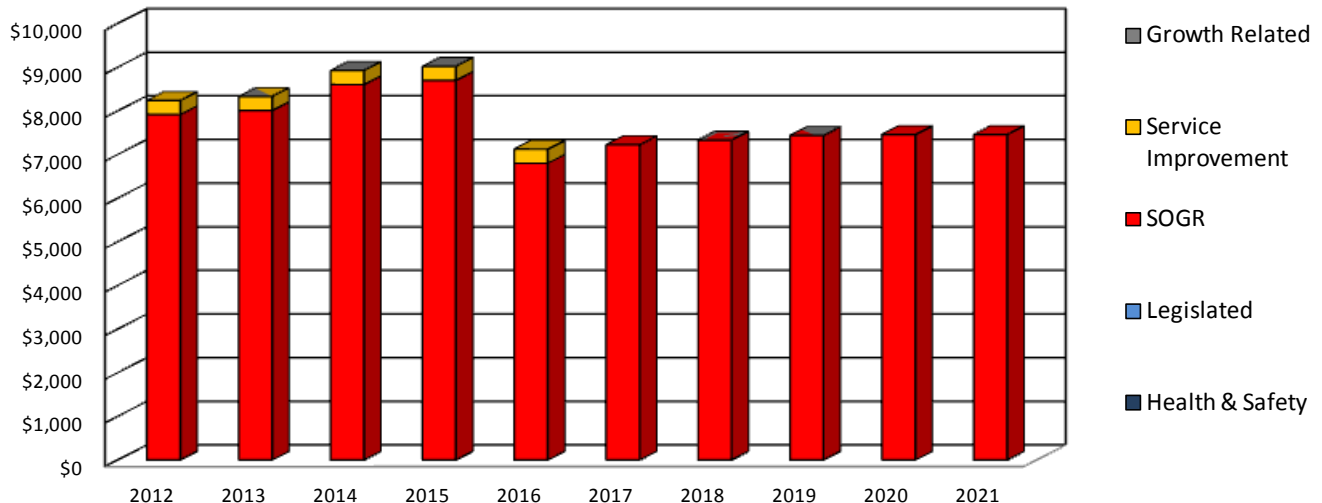
- The TRCA 2012 Recommended Capital Budget and 2013–2021 Recommended Capital Plan has been reduced by \$0.500 million in 2012 and 2013 in order to comply with Toronto Water funding targets.
- Details of changes to project cash flow funding as a result of the 2012 – 2021 Recommended Capital Plan are noted below:

**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
<i>Critical Erosion Control & Floodwork:</i>												
Meadowcliffe Drive Erosion Control Project	5,500	(500)	(500)								(1,000)	4,500
Total Change	5,500	(500)	(500)	0	0	0	0	0	0	0	(1,000)	4,500

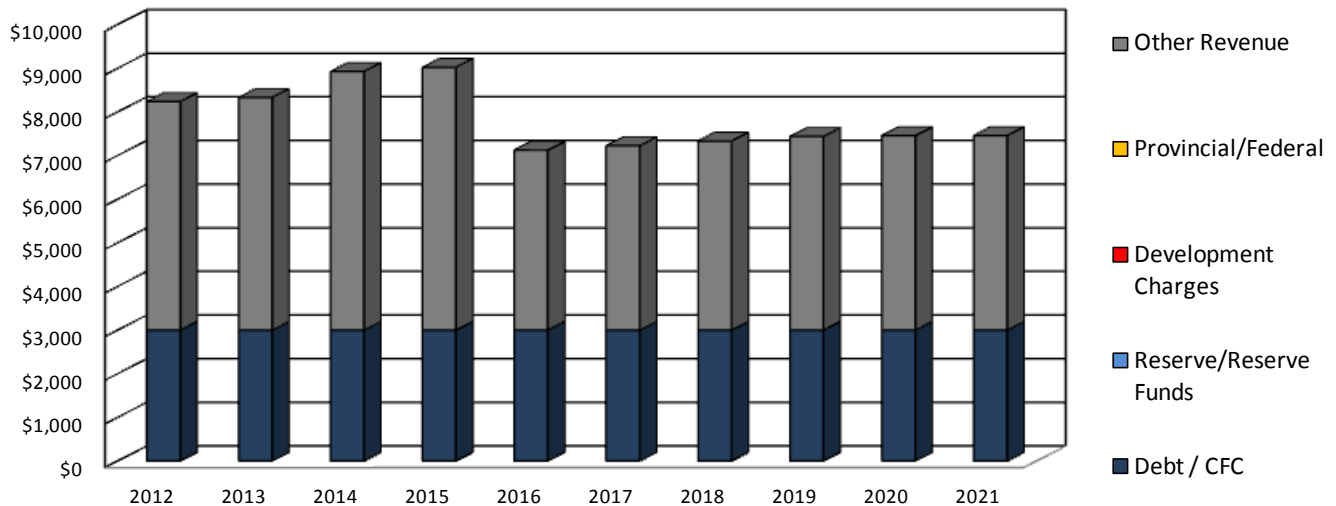
- The cash flows for the Second Layer Meadowcliffe Project required for erosion and shoreline protection with a total project cost of \$5.500 million are reduced by \$0.500 million in 2012 and 2013 to meet Toronto Water funding target. TRCA will adjust activities within the project to accommodate reduced funding in the short term. TRCA and Toronto Water will be reviewing in detail the transfer of funds from Toronto Water to TRCA required for erosion control project needs in 2012 (see details on page 18).

2012 – 2021 Recommended Capital Plan

2012–2021 Capital Plan by Project Category
(In \$000s)

- TRCA's 2012–2021 Recommended Capital Plan is almost entirely comprised of State of Good Repairs (SOGR) projects.
 - The SOGR funding is higher in the first 4 years, totaling \$7.917 million in 2012, \$8.010 million in 2013, \$8.605 million in 2014 and \$8.701 million in 2015, to undertake critical erosion work required to be addressed at Meadowcliffe and the Guild Inn sites. In 2016, the SOGR capital work declines to \$6.802 million as funding source transferred from the source water protection land acquisition to critical erosion control projects will no longer be available.
 - Over the second 5 year period, SOGR funding increases by 3.2% or \$0.230 million from \$7.225 million in 2017 to \$7.455 million in 2021 to continue addressing aging waterfront erosion control structures.
 - At the end of the 10–year period, SOGR projects will account for \$76.938 million or 98% of recommended capital project funding.
- Service Improvement projects comprise about 2% of all remaining capital projects in the 10–Year Recommended Capital Plan and will be completed by 2017.
 - Funding for these projects is stable over the first 5 year period of the Recommended Capital Plan, averaging approximately \$0.320 million annually, and is required for Waterfront development projects such as the Tommy Thompson Park and Base Scarborough Shoreline access projects.

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



- TRCA'S Capital Program relies on two funding sources, City debt and Toronto Water rate contribution, which appears as "other revenue".
- The 2012–2021 Recommended Capital Plan relies on annual debt funding of \$3.000 million totaling \$30.000 million or 38% of the funding source over the 10 years.
- Toronto Water rate funding amounts to \$48.536 million over the 10 years and comprise about 64% or \$26.633 million of total 2012 to 2016 funding and about 59% or 21.903 million of funding in 2017 to 2021.
 - The 2012–2021 Toronto Water rate contribution is comprised of:
 - \$3.735 million for 2012 that escalates by 2.5% annually to 2019 and remains stable at \$4.455 million in 2020 and 2021 to partially fund TRCA projects related to water quality and quantity; and
 - Supplementary funding of \$1.500 million in each of 2012 and 2013 and \$2.000 million in each of 2014 and 2015 for key projects that will address critical erosion control issues. This funding source is transferred from the source water protection land acquisition project to fund critical erosion control 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
State of Good Repair (incl. H&S , & Leg.)												
- Waterfront & Valley Erosion Control		1,500	1,530	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	15,830
- Toronto Remedial Action Plan		2,318	2,321	2,380	2,626	2,727	2,830	2,935	3,043	3,060	3,060	27,300
- Waterfront Development		1,234	1,288	1,253	1,103	1,103	1,423	1,423	1,423	1,423	1,423	13,096
- Critical Erosion Control & Floodwork		1,500	1,500	2,000	2,000							7,000
- Other Projects		1,365	1,372	1,372	1,372	1,372	1,372	1,372	1,372	1,372	1,372	13,713
Sub-Total		7,917	8,010	8,605	8,701	6,802	7,225	7,330	7,438	7,455	7,455	76,938
Service Improvements												
- Waterfront Development												
Tommy Thompson Park Interim Management		240	240	240	240	240						1,200
Base Scarborough Shoreline Access		78	80	80	80	80						398
Sub-Total		318	320	320	320	320	0	0	0	0	0	1,598
Growth Related												0
Sub-Total		0	0	0	0	0	0	0	0	0	0	0
Health & Safety												0
Sub-Total		0	0	0	0	0	0	0	0	0	0	0
Total		8,235	8,330	8,925	9,021	7,122	7,225	7,330	7,438	7,455	7,455	78,536

Major Capital Initiatives

- The main focus of the 10-Year Recommended Capital Plan is to undertake on-going State of Good Repair projects for erosion control needs and Waterfront development.

State of Good Repair (SOGR):

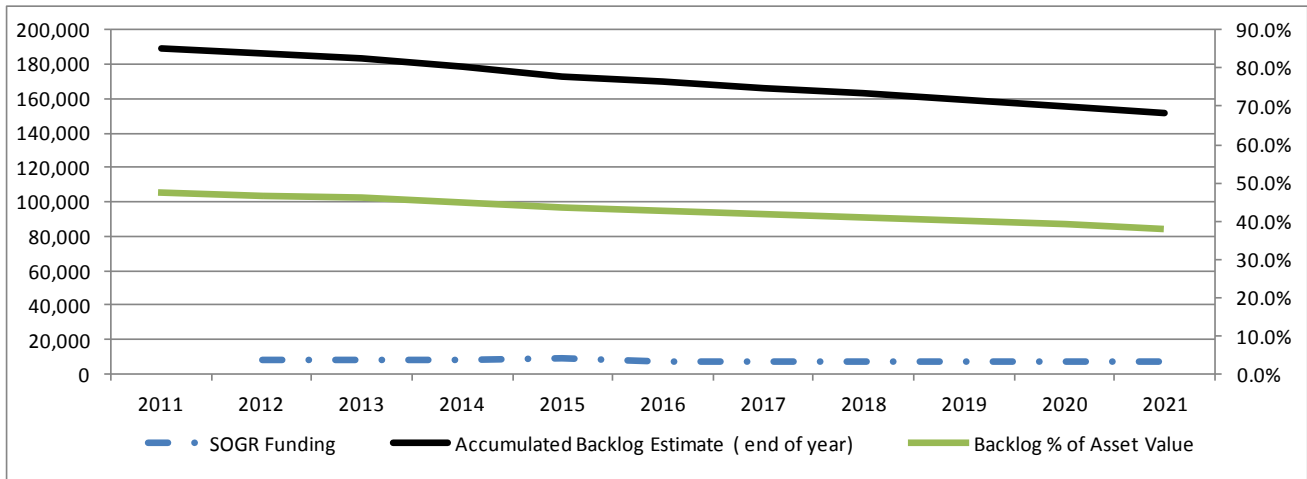
- State of Good Repair projects* provide funding of \$76.938 million for the major maintenance of existing waterfront erosion control structures to address safety concerns in flood prone areas and where land loss is occurring along river valleys and shorelines; environmental rehabilitation through the Toronto Remedial Action Plan and the Don, Rouge, Highhighland, Etobicoke–Mimico, Humber watersheds, as well as along the waterfront; development at the Waterfront; and infrastructure improvements and enhancements.
- Major SOGR projects include Waterfront and Valley Erosion Control (\$15.830 million gross/ \$7.915 million debt), Toronto Remedial Action Plan (\$27.300 million gross/ \$0 debt), Waterfront Development (\$13.096 million gross/ \$9.365 million debt), and Critical Erosion Control and Floodwork (\$7.000 million gross/ \$0 debt).

Service Improvement:

- Service Improvement projects provide funding of \$1.598 million for Waterfront parkland development at Tommy Thompson Park and Base Scarborough Shoreline Access.

State of Good Repair (SOGR) Backlog

SOGR Funding & Backlog
(In \$000s)



- TRCA will have a backlog of state of good repair work estimated at \$188.842 million by year-end 2011, representing 47.5% of the asset replacement value of \$397.958 million. This figure includes maintenance of the natural environment through activities such as erosion control and source water protection; as well as the restoration of facilities such as the Black Creek Pioneer Village, and Kortright/Living City Centre and TRCA's Head office building.
- The 2012–2021 Recommended Capital Plan will reduce on average \$7.694 million of State of Good Repair (SOGR) backlog per year and as a result, the current SOGR backlog of \$188.842 million will decline to \$170.089 million by the end of 2016, with a further decline over the second five years of the 10–year planning horizon to \$151.724 million or 38.1% of the asset replacement value by the end of 2021.
- The backlog remains high because of increasing issues related to erosion and damage from high intensity, localized storms as well as growing costs of construction and maintenance that require substantial increase in investment for SOGR projects.

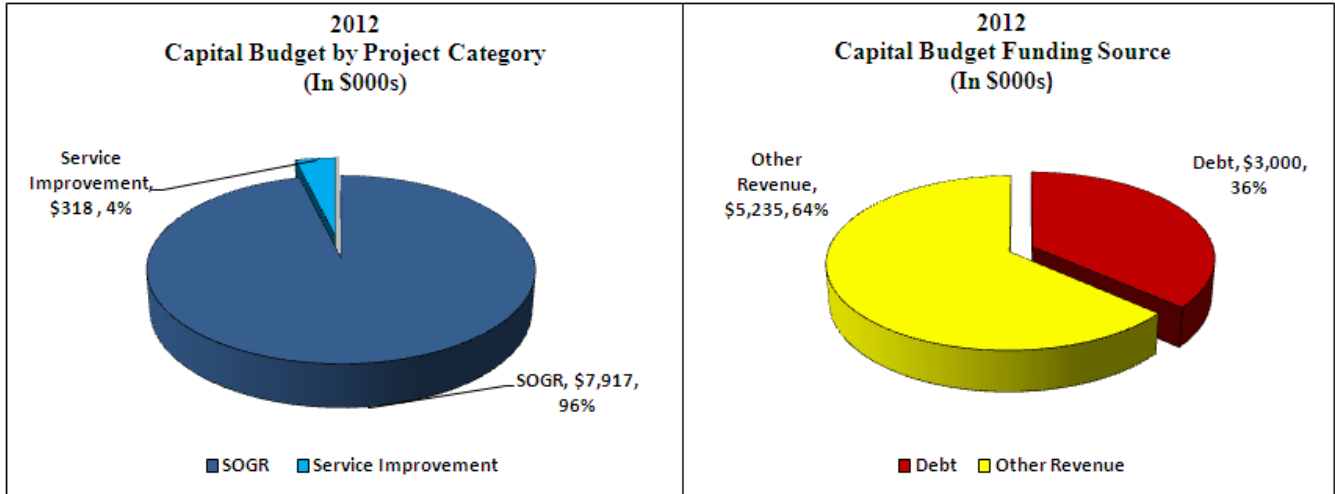
10–Year Capital Plan: Operating Impact Summary

TRCA typically absorbs the operating impact of its completed capital projects, except in cases where it transfers an asset arising from a completed project to the City to manage it on an ongoing basis. For example, upon completion of TRCA's capital work on ravine parkland, TRCA transfers over the operation of the park to the City's Parks, Forestry and Recreation Program under the existing agreement between TRCA and the City. This increased operational responsibility impacts the operating budget of Parks, Forestry and Recreation.

TRCA staff is working closely with Parks, Forestry and Recreation staff to ensure that future-year budget submissions identify such operating impacts. Currently, the Parks, Forestry and Recreation's 2012 Recommended Operating Budget includes new funding of approximately \$0.220 million to cover operating costs for the completed Tommy Thompson Park that was transferred to Parks, Forestry and Recreation Division in 2011.

PART III – 2012 RECOMMENDED CAPITAL BUDGET

2012 Capital Budget by Project Category and Funding Source



- The 2012 Recommended Capital Budget requires \$8.235 million and is primarily comprised of State of Good Repair projects representing \$7.917 million or 96% of the 2012 Capital Budget in order to preserve Toronto's natural environment.
- Service Improvement projects account for \$0.318 million or 4% of the funding included in the 2012 Recommended Capital Budget and these projects will develop waterfront parkland.
- The 2012 Recommended Capital Budget is funded from debt, which accounts for \$3.000 million or 36% of total recommended funding for 2012, and from Toronto Water rate funding of \$5.235 million or 64%, both which meet their respective targets set for 2012.

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 2010 C/Fwd)	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total Cost
Expenditures																
Previously Approved Change in Scope																
New			8,235	8,235		8,235										8,235
New w/Future Year																
Total Expenditure	0	0	8,235	8,235	0	8,235	0	0	0	0	0	0	0	0	0	8,235
Financing																
Debt			3,000	3,000		3,000										3,000
Other			5,235	5,235		5,235										5,235
Reserves/Res Funds																
Development Charges																
ISF																
Provincial/Federal																
Total Financing	0	0	8,235	8,235	0	8,235	0	0	0	0	0	0	0	0	0	8,235

*Please refer to Appendix 3 for detailed project listings

- The 2012 Recommended Capital Budget is \$8.235 million for new projects, funded by City debt of \$3.000 million and contributions from Toronto Water of \$5.235 million.
- There are no future-year commitments arising from the approval of the 2012 Recommended Capital Budget as there are no multi-year projects.

2012 Recommended Capital Project Highlights

2012 Recommended Cash Projects

(In \$000s)

Project	Total Project Cost	2012	2013	2014	2015	2016	2012 - 2016	2017	2018	2019	2020	2021	2012 - 2021
Waterfront & Valley Erosion Control	1,500	1,500					1,500						1,500
Waterfront Development	1,552	1,552					1,552						1,552
Toronto Remedial Action Plan	2,318	2,318					2,318						2,318
Black Creek Pioneer Village Retrofit	350	350					350						350
Major Facilities Retrofit	460	460					460						460
TRCA Information Technology	264	264					264						264
Greenspace Land Acquisition	93	93					93						93
Public Use Infrastructure	198	198					198						198
Critical Erosion Control & Floodwork	1,500	1,500					1,500						1,500
Total (including carry forward)		8,235					8,235						8,235

The 2012 Capital Budget provides funding of \$8.235 million to continue the following projects:

- **Waterfront & Valley Erosion Control:** The 2012 Recommended Capital Budget allocates \$1.500 million for valley and shoreline erosion protection initiatives at a number of sites within Toronto including Lake Ontario shorelines.
- **Waterfront Development:** Funding in the amount of \$1.552 million is provided for land creation and site preparation at various waterfront sites including Tommy Thompson

Park as well as dredging of the Keating Channel and Ashbridges Bay. Funding is also provided to monitor and maintain the substantial lakefill land created over the last 30 years.

- **Toronto Remedial Action Plan:** This project provides for the monitoring and re-naturalization of watercourses, water quality and habitat improvements at sites in the Don, Rouge, Highland, Etobicoke, Mimico and Humber watersheds, as well as along the waterfront. It also includes a water management component which covers items such as channel maintenance, flood control works and watershed plans. The 2012 Recommended Capital Budget allocates \$2.318 million to this project.
- **Black Creek Pioneer Village Retrofit:** The 2012 Recommended Capital Budget provides cash flow funding of \$0.350 million for this project to address the backlog of restoration and major maintenance needs as well as public safety issues in the historical buildings at the village, such as:
 - Restoration of Black Creek Pioneer Village
 - Snider Drive shed restoration;
 - Tinsmith verandah and window replacement, siding replacement, exterior painting
 - Smoke House repairs
 - Slaughter House restoration
 - North Property Buildings upgrades
 - Fence and Landscape renewal
 - Livestock building upgrades
 - Major Maintenance projects
 - Parking Lot survey
 - Road and parking lot repairs
- **Major Facilities Retrofit:** The work included in this project consists of retrofitting various administrative offices to provide improved energy efficiency and healthier working conditions. The 2012 Recommended Capital Budget allocates \$0.460 million to complete repairs at Boyd and Head Office such as interior painting and repairs to meeting rooms. It also includes installation of a generator at Boyd location, asbestos abatement and upgrades to Swan Lake Property.
- **TRCA Information Technology:** \$0.264 million is provided to upgrade/replace servers and network devices and operating systems to ensure adequate capacity and integration of databases and other tools to enhance TRCA service delivery.

- **Greenspace Land Acquisition:** The 2012 Recommended Capital Budget provides \$0.093 million for legal costs to acquire small, environmentally–significant land parcels.
- **Public Use Infrastructure:** \$0.198 million is allocated to this project to improve facilities used by the public such as Petticoat Creek Aquatic Facility and Albion Hills Beach Centre for the purpose of revenue generation, safety, and energy conservation.
- **Critical Erosion Control Needs:** The Meadowcliffe Drive and Hoggs Hollow projects are significant projects with funding in the amount of \$1.500 million allocated to continue erosion protection and flood control, which address critical safety concerns where land loss is occurring along river valleys and shorelines.

PART IV: ISSUES FOR DISCUSSION

2012 Issues

Unfunded Priority Projects

- The approved established debt target and Toronto Water contributions for TRCA's capital program enable it to maintain most projects and infrastructure in the short term. TRCA sees increased needs resulting from the growing backlog of State of Good Repair issues and long term capital needs. In addition, construction costs have increased which have inflated capital projects beyond the projected funding for equivalent work.
- TRCA has identified the following priority projects which are not included in the 10–Year Recommended Capital Plan due to funding limitations, but are becoming increasingly critical over time. The following projects would provide slope stabilization measures where slope failure is occurring, safe public access to Toronto waterfront and restoration of flood control structures:

➤ *Waterfront Major Maintenance:*

In addition to TRCA's ongoing Waterfront Major Maintenance that provides limited maintenance for existing structures, an additional \$1.000 million annually is needed to provide long–term protection for life, property and existing infrastructure against the hazards of river erosion and slope instability.

➤ *Scarborough Waterfront Access Plan Project:*

This project would provide a continuous trail connection between Bluffers Park and East Point Park. Public access to the Scarborough waterfront is limited as the shoreline is dominated by the Scarborough Bluffs, which begin east of Victoria Park Avenue and extend 15 km in a northeasterly direction to Highland Creek. If not able to proceed with the work, impacts include ongoing deterioration of temporary protection, increased risk of damage to access roads, safety hazard and increased risk to life, property and infrastructure, potential increase in the number of emergency works and higher project costs. The estimated cost of needed work is \$5.000 million annually for a total cost of \$30.000 million over 5 years. In 2010, City Council approved (June 8 and 9, 2010: PW33.4) a recommendation that Toronto Water provide \$7 million annually towards the Scarborough Waterfront Trail.

- TRCA will report back in time for 2013 Capital Budget process on strategies to ensure funding capacity by adjustments to/or re-prioritization of initiatives and/or reductions in current project costs to address existing unfunded capital priorities.

Future Year Issues

- TRCA has also identified projects that will need to be reviewed and addressed in the future. These projects are:

- *Long Term Office Accommodation:*

In 2011, TRCA proposed to replace its aging administrative office buildings which no longer meet its needs which have grown substantially in recent years. A project commenced in August 2006 to determine how best to meet office space requirements. The purpose of the Long Term Office Accommodation Project was to determine the office accommodation needs of TRCA over the next 20 years and recommend a comprehensive, cost effective solution.

Originally, TRCA proposed to build a new office building in the parking area at Black Creek Pioneer Village near the existing office at 5 Shoreham Drive. The total cost of this project was estimated at \$47.254 million over 20 year period with estimated total cost to the City of \$30.785 million or 65.5%. However, as discussion with funding partners indicated that this is not a project that can be supported at this time, TRCA decided to take advantage of the existing commercial real estate market and move to purchase a building in a nearby location that can meet TRCA needs for at least the next 10 to 15 years for \$14 million with estimated total cost to the City of \$9.220 million or 65.5% distributed over the 10–Year Plan. This project was not approved in 2011 due to funding limitations.

TRCA continues to explore opportunities to secure adequate office accommodation. In the long term, TRCA is still looking at buying an office building or entering into a partnership with the Region of York when the Region develops its lands near the subway. Also, TRCA is looking at a public–private partnership for TRCA lands adjacent to BCPV. In the short term, TRCA is retrofitting existing small buildings owned by TRCA, adding IT capacity for remote/home offices and possibly leasing short term space.

- *Rouge Park Pedestrian Bridge:*

Rouge Park represents 2,377 hectares of parkland in the eastern portion of the City's jurisdiction which is largely inaccessible to residents due to incomplete

access opportunities. In 2011, TRCA requested \$0.300 million for the construction of a pedestrian bridge across the Little Rouge Creek south of Woodlands Trail Park to help achieve a connected trail system from Lake Ontario to Steeles Avenue. This project was excluded from the 2011 Recommended Capital Budget due to funding limitations.

Furthermore, in 2011, the federal government announced its commitment to creation of the Rouge National Park and has directed Parks Canada to enter into discussions with all the Rouge Park stakeholders to determine the best way to achieve a National Park. In the interim, TRCA is continuing to seek funding for Rouge Park projects and programs.

➤ *Gibraltar Point:*

TRCA is proposing to carry out remedial erosion control works to provide long term protection for the Gibraltar Point Sector of the Toronto Islands, located between the Western Gap and Centre Island in the City of Toronto and to develop a long term, sustainable solution to halt further erosion which will protect existing infrastructure and public safety, and both preserve and enhance existing aquatic and terrestrial habitat. The total project cost is estimated at \$15.200 million over a 2 year period. TRCA communicated a need for this project to Toronto Water, however due to funding limitations it is excluded from the 2012 Recommended Capital Budget.

➤ *Kortright Centre for Conservation Campus Development Project:*

The development and implementation of the Living City Campus, a facility for the Toronto region that will educate and demonstrate sustainable living practices, is estimated at average annual cost of \$0.225 million over 10 years for a total of \$2.250 million.

Issues Referred to the 2012 Capital Budget Process

Toronto Water contribution

- Toronto Water provides funding to TRCA's Capital Budget to partially fund TRCA projects that sustain, improve and protect water quality and quantity and for TRCA to acquire source water protection lands. In 2011, \$5.000 million was transferred from the source water protection land acquisition to critical erosion control and flood-work projects to accelerate erosion control work in order to minimize the critical hazard and

safety issues at Meadowcliffe Drive and Troutbrook Drive locations. An additional \$2.000 million would also be provided annually for the next 4 years and is included in the 2011–2020 Approved Capital Plan.

- Based on its affordability, Toronto Water reduced its funding of \$2.000 million to TRCA for critical erosion control needs to \$1.500 million for 2012 and 2013. Toronto Water and TRCA will be reviewing the transfer of funds from the source water protection land acquisition project to TRCA for erosion control and flood-work needs in 2012.

Appendix 1

2011 Performance

2011 Key Accomplishments

In 2011, TRCA achieved the following:

- ✓ *Toronto Waterfront:*
 - Continued construction on the Port Union Waterfront Park project. When completed in fall 2012, this park will provide a 3.8-kilometre waterfront park amenity, with a multi-use trail system connecting Highland Creek to the Rouge River.
 - Began construction of the second phase of Mimico Waterfront Park in July, 2011. This new park amenity, to be completed in fall 2012, will create 1.1 kilometres of new waterfront trail, connecting Norris Crescent Parkette to Humber Bay Park West.
 - Began construction of \$2.3 million in park infrastructure at Tommy Thompson Park in the summer of 2011. Construction of the staff booth, environmental shelter, and research station will continue through the winter with project completion expected in spring 2012.
- ✓ *Waterfront and Valley Erosion Control:* TRCA continued its 40 years of work on the Toronto waterfront and watersheds. In 2011, major maintenance and dredging was undertaken in the Keating Channel and Ashbridge's Bay/Coatsworth Cut and priority valley erosion works and trail improvements were completed in partnership with Toronto Parks and Toronto Water. Work continued on the Tommy Thompson Interim Park Management. TRCA supplied native trees and shrub material cost effectively for City projects.
- ✓ *Toronto Remedial Action Plan (RAP) Regeneration:* TRCA continued work in a variety of areas including: production of bio-regionally diverse tree/shrub/seedlings; goose management program; barrier mitigation on Toronto watercourses; and aquatic planting and regeneration at the Toronto Islands, Humber, Don and Rouge watersheds.
- ✓ *Toronto Remedial Action Plan (RAP) – Stewardship, Education, Sustainable Communities & Technology:*
 - Stewardship staff organized and attended 51 events in the City of Toronto; engaged a total of 4068 participants in stewardship programs. The watershed on Wheels outreach education team visited with 5856 Toronto students in their schools to deliver hands on curriculum based programs.
 - Sustainable Communities delivered a wide variety of programs including, Partners in Project Green the Pearson Eco-Industrial Zone, Greening Health Care, Mayors'

Megawatt Challenge, Greening Retail, Yellow Fish Road, aquatic plants, stream gauges, tree planting, trails and pedestrian bridges.

- ✓ *Toronto Remedial Action Plan (RAP) Monitoring:* Continued terrestrial and aquatic monitoring providing critical data and analysis of the health of the watersheds and impacts of development and adding to long-term data collection and analysis that is critical to decision making, facilitating aquatic and terrestrial modeling and research, and helps in the creation of restoration and recovery plans.
- ✓ *Toronto Remedial Action Plan (RAP) – Regional Watershed Management:*
 - TRCA continued with the development a Greening Strategy in partnership with Toronto Water and parks Forestry and Recreation to provide a strategic restoration action plan to enhance the Highland Creek valley system and overall watershed function. The strategy focuses on addressing urban stormwater management and terrestrial natural heritage system improvements.
- ✓ In 2011, a baseline conditions report and Habitat Implementation Plan was completed and three neighbourhood greening concept site plans were initiated.
- ✓ *Infrastructure Projects:* Four major infrastructure programs were carried out to assist TRCA in dealing with maintenance and replacement of major facilities and service delivery systems, retrofit work at Black Creek Pioneer Village, and technology and information system upgrades and major maintenance on public use structures.

2011 Capital Variance Review

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

2011 Approved	Actuals as of September 30th (3rd Qtr Variance)		Projected Actuals at Year End		Unspent Balance	
	\$	% Spent	\$	% Spent	\$	% Unspent
11,645	9,704	83.3%	11,645	100.0%	0	

- ✓ Capital expenditures for the period ending September 30th, 2011 totalled \$9.704 million or 83.3% of the 2011 Approved Capital Budget of \$11.645 million. The Program is projecting spending of \$11.645 million or 100% of the 2011 Approved Capital Budget by year-end.

Appendix 2

10 – Year Recommended Capital Plan Project Summary

Project	Total Project Cost	2012	2013	2014	2015	2016	2012 - 2016	2017	2018	2019	2020	2021	2012 - 2021
Waterfront & Valley Erosion Control		1,500	1,530	1,600	1,600	1,600	7,830	1,600	1,600	1,600	1,600	1,600	15,830
Waterfront Development		1,552	1,608	1,573	1,423	1,423	7,579	1,423	1,423	1,423	1,423	1,423	14,694
Toronto Remedial Action Plan		2,318	2,321	2,380	2,626	2,727	12,372	2,830	2,935	3,043	3,060	3,060	27,300
Black Creek Pioneer Village Retrofit		350	350	350	350	350	1,750	350	350	350	350	350	3,500
Major Facilities Retrofit		460	460	460	460	460	2,300	460	460	460	460	460	4,600
TRCA Information Technology		264	264	264	264	264	1,320	264	264	264	264	264	2,640
Greenspace Land Acquisition		93	99	100	100	100	492	100	100	100	100	100	992
Public Use Infrastructure		198	198	198	198	198	990	198	198	198	198	198	1,980
Critical Erosion Control & Floodwork		1,500	1,500	2,000	2,000		7,000						7,000
Total (including carry forward)		8,235	8,330	8,925	9,021	7,122	41,633	7,225	7,330	7,438	7,455	7,455	78,536

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 Project with Financing Details