



Toronto 2015 BUDGET

CAPITAL ANALYST NOTES



Shelter Support and Housing Administration

2015 – 2024 CAPITAL BUDGET AND PLAN OVERVIEW

Shelter, Support and Housing Administration (SSHA) is responsible for maintaining the City's 16 owned and operated/ leased facilities in a state of good repair for the delivery of shelter services.

The 10-Year Recommended Plan includes funding to complete a feasibility study and examine redevelopment options, including financing details for the George Street Revitalization project (GSR), a joint initiative of LTCHS and SSHA for the redevelopment of George Street to replace and reconfigure existing facilities, including Seaton House with a joint facility. The redevelopment proposals will be presented to Council for approval in 2015.

Funding of \$61.451 million is included towards the estimated cost of redevelopment of the shelter component of the GSR project, pending Council approval in the fall of 2015.

A total of \$11.5 million is allocated to the SOGR capital program to support major maintenance or infrastructure upgrade requirements in the 16 shelter sites.

Highlights

Overview & Recommendations

I: 10-Year Rec'd Capital Plan	5
II: 2015 Rec'd Capital Budget	14
III: Issues for Discussion	18

Appendices:

1. 2014 Performance	22
2. 10-Year Recommended Capital Plan Summary	24
3. 2015 Rec'd Capital Budget; 2016-2024 Rec'd Capital Plan	25
4. 2015 Recommended Cash Flow & Future Year Commitments	26
5. 2015 Recommended Capital Projects with Financing Detail	27
6. 2015 Reserve / Reserve Fund Review	N/A

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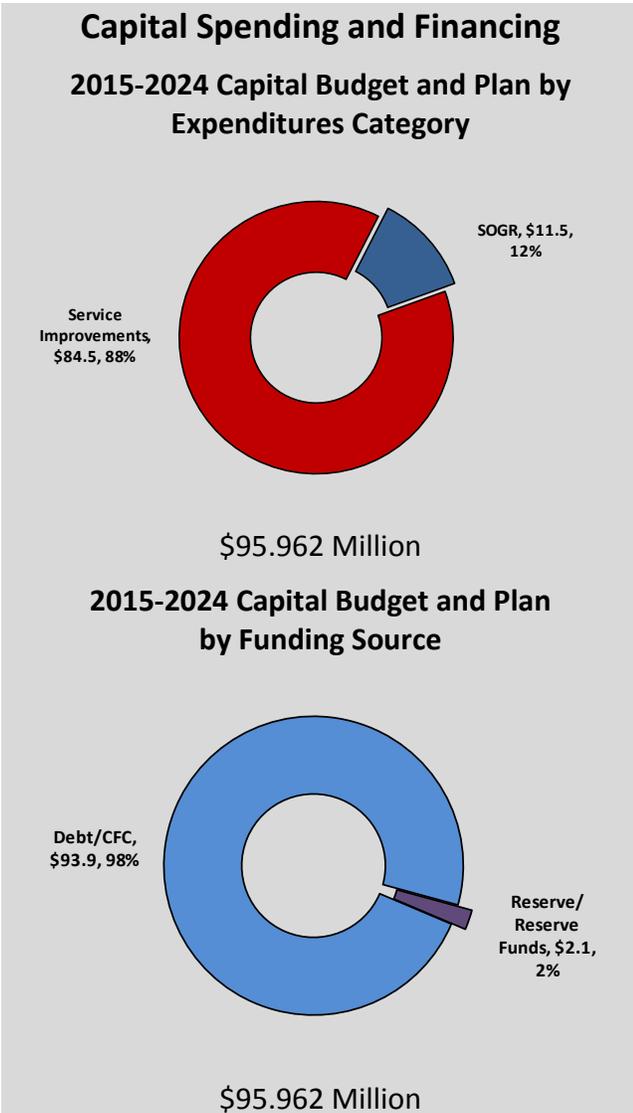
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Where does the money go?

The 2015–2024 Recommended Capital Budget and Plan totals \$95.962 million and includes funding for:

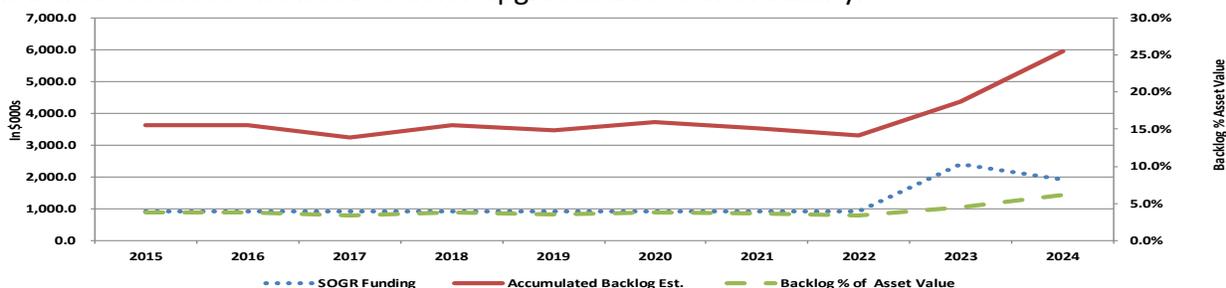
- Project management services to support the development of a project plan for the redevelopment of Seaton House Shelter and the surrounding George Street properties as a joint project with LTCHS to be considered by City Council in 2015.
- Estimated cost of redevelopment of the Shelter component of the George Street revitalization project.
- Capital maintenance program that supports the SOGR in the 16 City owned and leased shelter facilities.

Where does the money come from?

- The 10-Year Recommended Capital Plan requires new debt funding of \$93.901 million or 97.9%. The initial debt target has been increased to include the \$61.451 million for the Seaton House Redevelopment initiative.
 - Additional source of capital financing is the Reserve Fund that provides funding of \$2.061 million or 2.1% of SSHA's 10-year capital funding.

State of Good Repair Backlog

The 10-Year Recommended Capital Plan's spending on State of Good Repair is \$11.500 million, providing funding to support the Program's ongoing maintenance needs for the City's 16 owned and leased facilities. The accumulated backlog at the end of 2014 is estimated at \$3.972 million or 4.0% of the asset replacement value of \$98.103 million. With consistent on-going funding, the backlog averages 3.6% for the first 8 years, increasing to 4.5% in 2023, with a further increase to 6.1% by 2024. This increase reflects the need to defer upgrades due to affordability.



Our Key Challenges & Priority Actions

Seaton House/ George Street Revitalization (GSR): The Seaton House Shelter (built in 1959) is in critical need of redevelopment due to the building's aging condition and the difficulty of providing appropriate emergency shelter programming arising from limitations inherent in the structure of the facility.

- ✓ 10-Year Recommended Capital Plan includes funding for project management services for the GSR project to develop options, project plan, cost estimates and financing options to replace and reconfigure existing facilities, including Seaton House Shelter and a long term care home, with a joint co-located facility with a full report expected in the fall of 2015.
- ✓ Funding of \$61.451 million is included towards the estimated cost of redeveloping the shelter component of the George Street Revitalization project.

Improving SOGR Capital Maintenance Delivery: Historically, the Program has faced challenges coordinating SOGR needs, as the delivery of upgrades in the 16 shelter sites was dependant on the shelter managers.

- ✓ SSHA has partnered with Facilities Management, to improve the coordination and delivery of capital upgrades by maximizing the use of Facilities Management resources.
- ✓ \$11.500 million is provided to support the Program's ongoing major maintenance requirements and support major infrastructure upgrades to electrical and mechanical systems, foundation repairs, HVAC replacements, security systems, roof repairs and window and door replacements in the City's shelters.

2015 Capital Budget Highlights

The 2015 Recommended Capital Budget for SSHA of \$7.237 million, including carry forward funding, will:

- Provide \$1.360 million to continue the capital maintenance program for the ongoing repairs in the City's 16 shelter sites.
- Provide \$5.877 million to acquire properties on George Street, and to complete a feasibility study and examine redevelopment options, including financing details for the George Street Revitalization project.



Recommendations

The City Manager and Chief Financial Officer recommend that:

1. City Council approve the 2015 Recommended Capital Budget for Shelter, Support and Housing Administration with a total project cost of \$3.323 million, and 2015 cash flow of \$7.237 million, comprised of the following:
 - a) New Cash Flow Funding for:
 - i. four new sub-projects with a 2015 total project cost of \$3.323 million that require cash flow of \$3.323 million in 2015;
 - ii. one previously approved sub-project that requires cash flow of \$1.000 million in 2015;
 - iii. one previously approved sub-project with carry forward funding from 2013 into 2015 totaling \$2.061 million; and,
 - b) 2014 approved cash flow for two previously approved sub-projects with carry forward funding from 2014 into 2015 totaling \$0.853 million;
2. City Council approve new debt service costs of \$0.072 million in 2015 and incremental debt costs resulting from the approval of the 2015 Recommended Capital Budget, to be included in the 2015 and future year operating budgets;
3. City Council approve the 2016-2024 Recommended Capital Plan for Shelter, Support and Housing Administration totaling \$89.578 million in project estimates, comprised of \$15.541 million in 2016; \$21.032 million in 2017; \$21.032 million in 2018; \$22.449 million in 2019; and, \$9.524 million for 2020 - 2024.
4. City Council approve one new temporary capital position for the delivery of the 2015 capital projects and that the duration for the temporary position does not exceed the life of the funding of its respective capital projects / sub projects;
5. City Council request the General Manager of Shelter, Support and Housing Administration in collaboration with Long-Term Care Homes & Services to report to Budget Committee through the Executive Committee on the details of the George Street Revitalization proposal including the financing plan by the third quarter of 2015 in time for the 2016 Budget process.

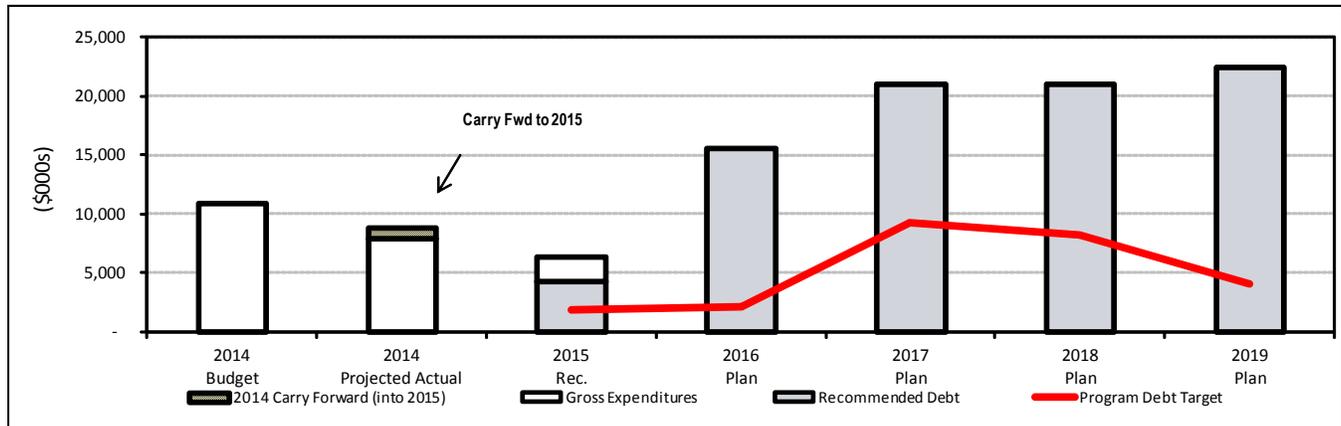


Part I:

10-Year Capital Plan

10 Year Capital Plan

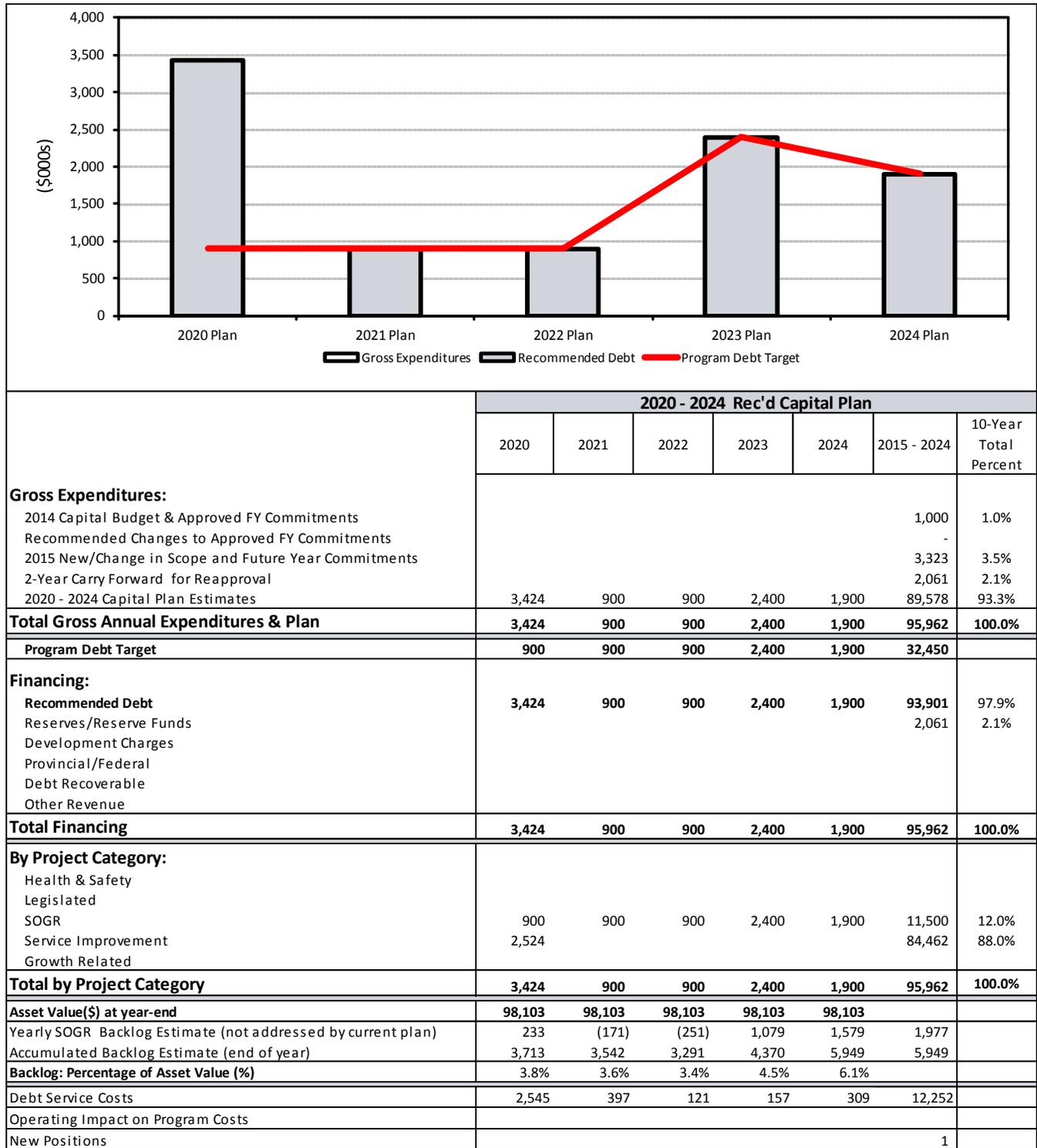
Table 1a
2015 Recommended Budget, 2016-2019 Recommended Capital Plan



	2015 Rec'd Capital Budget and 2016 - 2019 Rec'd Capital Plan								5-Year Total Percent
	2014		2015	2016	2017	2018	2019	2015 - 2019	
	Budget	Projected Actual							
Gross Expenditures:									
2014 Capital Budget & Approved FY Commitments	10,899	7,986	1,000					1,000	1.2%
Recommended Changes to Approved FY Commitments								-	
2015 New/Change in Scope and Future Year Commitments			3,323					3,323	3.8%
2016- 2019 Capital Plan Estimates				15,541	21,032	21,032	22,449	80,054	92.6%
2-Year Carry Forward for Reapproval		2,061	→ 2,061					2,061	2.4%
1-Year Carry Forward to 2015		853	→						
Total Gross Annual Expenditures & Plan	10,899	10,900	6,384	15,541	21,032	21,032	22,449	86,438	100.0%
Program Debt Target			1,900	2,100	9,200	8,200	4,050	25,450	
Financing:									
Recommended Debt			4,323	15,541	21,032	21,032	22,449	84,377	97.6%
Reserves/Reserve Funds			2,061					2,061	2.4%
Development Charges									
Provincial/Federal									
Debt Recoverable									
Other Revenue									
Total Financing			6,384	15,541	21,032	21,032	22,449	86,438	100.0%
By Project Category:									
Health & Safety									
Legislated									
SOGR			900	900	900	900	900	4,500	5.2%
Service Improvement			5,484	14,641	20,132	20,132	21,549	81,938	94.8%
Growth Related									
Total by Project Category			6,384	15,541	21,032	21,032	22,449	86,438	100.0%
Asset Value (\$) at year-end	98,103		98,103	98,103	98,103	98,103	98,103	98,103	
Yearly SOGR Backlog Estimate (not addressed by current plan)			(336)	2	(394)	383	(147)	(492)	
Accumulated Backlog Estimate (end of year)	3,972		3,636	3,638	3,244	3,627	3,480	3,480	
Backlog: Percentage of Asset Value (%)	4.0%		3.7%	3.7%	3.3%	3.7%	3.5%		
Debt Service Costs			72	790	2,188	2,819	2,854	8,722	
Operating Impact on Program Costs									
New Positions				1				1	

* New position fully funded from capital

Table 1b
2020 - 2024 Recommended Capital Plan

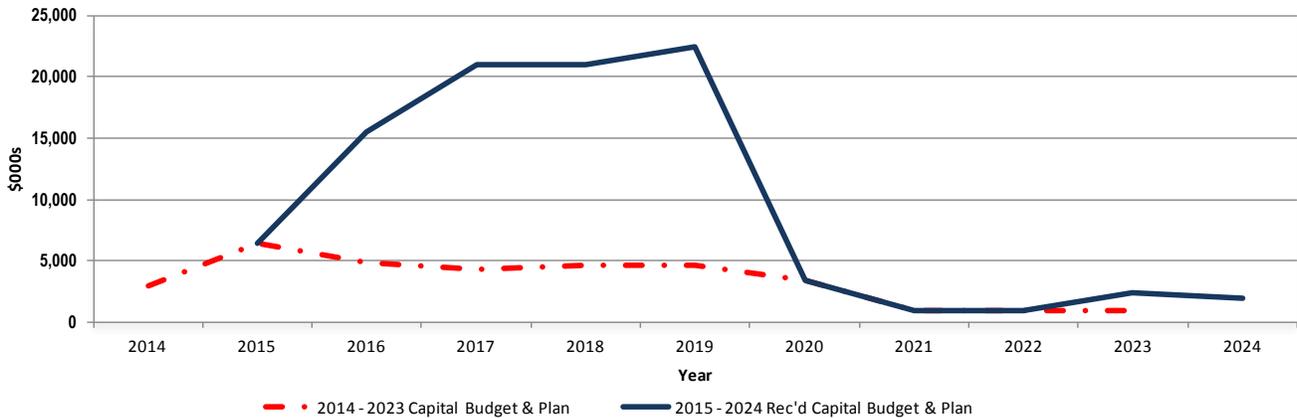


Key Changes to the 2014 - 2023 Approved Capital Plan

The 2015 Recommended Capital Budget and the 2016 - 2024 Recommended Capital Plan reflects an increase of \$62.251 million in capital funding from the 2014 to 2023 Approved Capital Plan.

The table and chart below provide a breakdown of the \$62.251 million or 184% increase in the Capital Program on an annual basis from 2014 to 2024.

Chart 1
Changes to the 2014 -2023 Approved Capital Plan (In \$000s)



(\$000s)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	10-Year Total
2014 - 2023 Capital Budget & Plan	2,900	6,384	4,827	4,292	4,592	4,592	3,424	900	900	900		33,711
2015 - 2024 Rec'd Capital Budget & Plan		6,384	15,541	21,032	21,032	22,449	3,424	900	900	2,400	1,900	95,962
Change %		0.0%	222.0%	390.0%	358.0%	388.9%	0.0%	0.0%	0.0%	166.7%		184.7%
Change \$		0	10,714	16,740	16,440	17,857	0	0	0	1,500		62,251

As made evident in the chart above, the \$62.251 million increase in the Capital Program is primarily the result of new funding of \$61.451 million that has been included in the 2015-2024 Recommended Capital Plan for the estimated cost of redeveloping the shelter component of the George Street Revitalization project.

Changes to the 2014 – 2023 Approved Capital Plan, specifically the recommended \$62.951 million in increased capital funding in the 9 common years of the Capital Plans (2015 – 2023) is based on the following factors:

- Additional funding included as a cost estimate for the redevelopment of the shelter component of the George Street Revitalization project.
- Additional funding for major capital upgrades in the capital maintenance program.

A summary of project changes for the years 2015 to 2023 totalling \$62.951 million are provided in Table 2 below:

Table 2
Summary of Project Changes (In \$000s)

\$000s	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2015 - 2023 Total
2014 - 2023 Capital Budget & Plan	2,900	6,384	4,827	4,592	4,592	4,592	3,424	900	900	900		31,111
2015 - 2024 Rec'd Capital Budget & Plan		6,384	15,541	21,032	21,032	22,449	3,424	900	900	2,400	1,900	94,062
Capital Budget & Plan Changes (2015 - 2023)			10,714	16,440	16,440	17,857				1,500		62,951

	Total Project Cost	2015	2016	2017	2018	2019	2020	2021	2022	2023	2015 - 2023	2024	Revised Total Project
<i>Previously Approved</i>													
Capital Repairs - City Leased	900									200	200	272	1,372
Capital Repairs - City Operated	7,200									1,300	1,300	1,628	10,128
Total Previously Approved	8,100									1,500	1,500	1,900	11,500
<i>New</i>													
Seaton House Redevelopment	61,451		10,714	16,440	16,440	17,857					61,451		61,451
Total New	61,451		10,714	16,440	16,440	17,857					61,451		61,451
Total Changes	69,551		10,714	16,440	16,440	17,857				1,500	62,951	1,900	72,951

Significant Capital Project Changes in SSHA:

The following previously approved SSHA capital project has been allocated increased funding to address key priorities outlined below:

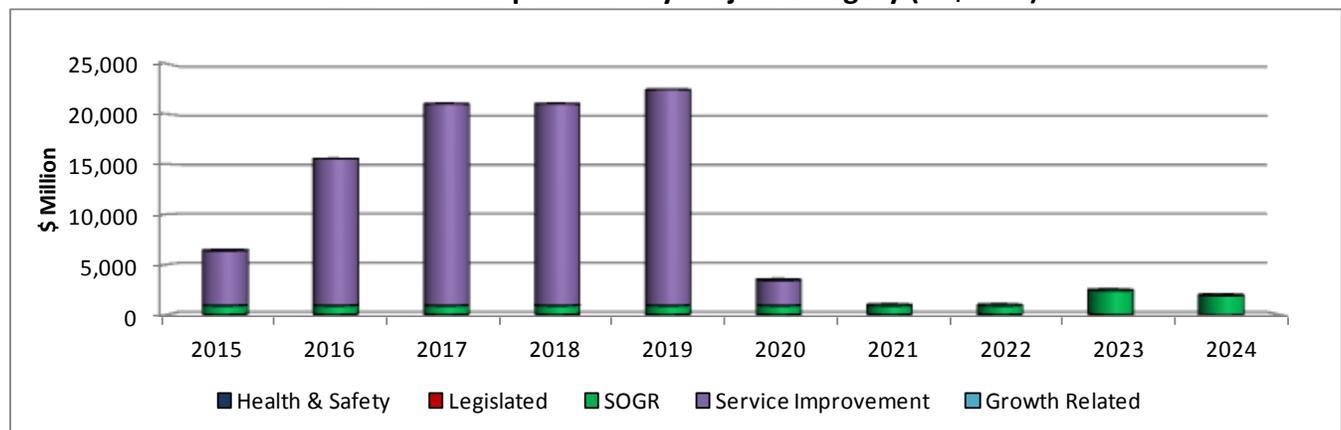
- *The Capital Repairs/Replacement City Operated* capital maintenance project has been allocated an additional \$1.500 million in 2023 to fund mechanical upgrades and roof repairs required for the Family Residence and Fort York shelters.

The following new project has been added to the 10-Year Recommended Plan:

- *Seaton House Redevelopment* project has been allocated additional funding of \$61.451 million as an estimated cost of redevelopment of the shelter component of the George Street Revitalization project, which is subject to adjustment should Council grant its approval for the broader George Street Revitalization Initiative in 2015.

2015 – 2024 Recommended Capital Plan

Chart 2
2015 – 2024 Capital Plan by Project Category (In \$000s)



As illustrated in the chart above, the 10-Year Recommended Capital Plan for Shelter, Support and Housing Administration of \$95.962 million predominately provides funding for Service Improvement projects, which represent \$84.462 million or 88% of total funding over the 10-year period.

The increased level of funding for the Service Improvement projects supports the Program's objective to redevelop the ageing Seaton House shelter facility. The redeveloped facility may form part of an integrated co-located facility that will include a men's shelter, a long term care home and a community hub, with any surplus land available for affordable housing initiatives. This redevelopment is subject to the outcome of a feasibility study currently underway, with results of the study, including the redevelopment options, firm project costs and financing details, will be included in a report due in the fall of 2015.

State of Good Repair projects account for the remaining \$11.500 million or 12% of total funding directed at providing the ongoing capital maintenance of the City's 16 facilities in which Shelter Services are provided.

Table 3
Summary of Capital Projects by Category (In \$000s)

	Total App'd Cash Flows to Date*	2015 Budget	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan	2021 Plan	2022 Plan	2023 Plan	2024 Plan	2015 - 2024 Total	Rec'd Total Project Cost
State of Good Repair													
Capital Repairs Leased Buildings	N/A	100	100	100	100	100	100	100	100	300	272	1,372	1,372
Capital Repairs City Operated	N/A	800	800	800	800	800	800	800	800	2,100	1,628	10,128	10,128
Sub-Total		900	900	900	900	900	900	900	900	2,400	1,900	11,500	11,500
Service Improvements													
George Street Revitalization - Planning and Project Mangement	9,761	5,484	3,927	3,692	3,692	3,692	2,524					23,011	32,772
Seaton House Redevelopment			10,714	16,440	16,440	17,857						61,451	61,451
Sub-Total		5,484	14,641	20,132	20,132	21,549	2,524					84,462	94,223
Total Expenditures by Category		6,384	15,541	21,032	21,032	22,449	3,424	900	900	2,400	1,900	95,962	105,723

*Life to Date approved cash flows are provided for multi-year capital projects with cash flow approvals prior to 2015, excluding ongoing capital projects projects; eg. George Street Project Revitalization

2015 – 2024 Recommended Capital Projects

The 10-Year Recommended Capital Plan supports Shelter Support and Housing Administration's priority to redevelop the aging Seaton House shelter to include supportive and affordable housing initiatives that align with the Council approved HOT Framework, and provides funding for SOGR maintenance for the City's 16 owned and leased shelter facilities.

State of Good Repair (SOGR)

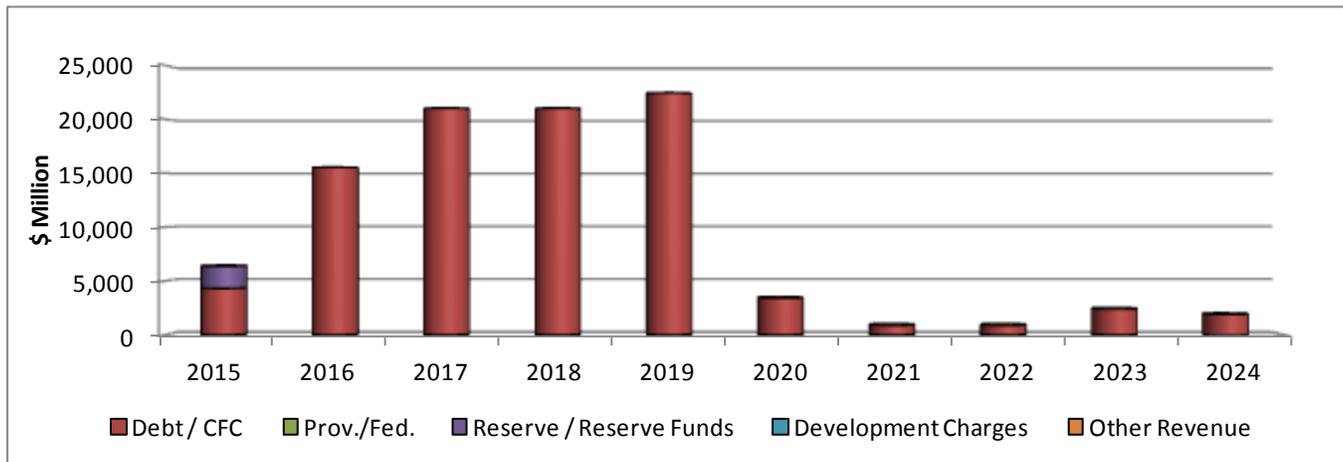
- The 10-Year Recommended Capital Plan provides funding of \$11.500 million for SOGR maintenance in the 16 City owned and leased facilities. Funding will provide HVAC, electrical, mechanical and safety upgrades, window, roof and floor replacements and other general repairs.

Service Improvement

- Service Improvement projects, aimed at the redevelopment of Seaton House and the George Street Redevelopment initiative are comprised of 2 projects, the George Street Revitalization project and Seaton House Redevelopment project.

- The *George Street Revitalization* project of \$23.011 million provides funding for project management costs to enable the development of options for the proposed joint George Street redevelopment initiative, preparation of project plans including cost estimates and financing details as well as architectural drawings with a proposed approach for construction be presented to Council in the fall of 2015 for consideration.
- The *Seaton House Redevelopment* project includes funding of \$61.451 million as the estimated cost of redeveloping the shelter component of the potential integrated facility at George Street. These costs are included as estimates only, and are subject to adjustment following a fulsome report that will be submitted to Committee and Council in the fall of 2015.

Chart 3
2015 – 2024 Capital Plan by Funding Source (In \$000s)

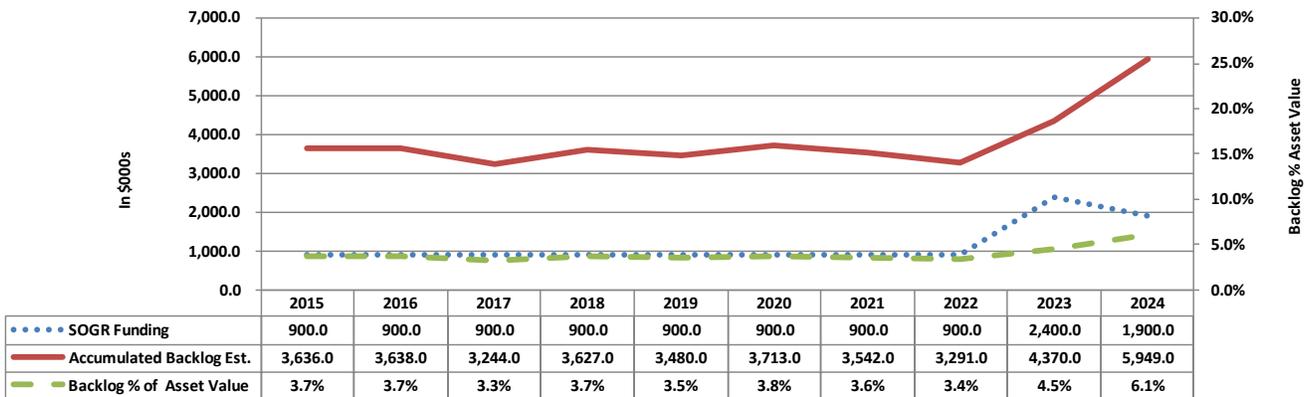


The 10-Year Recommended Capital Plan of \$95.962 million will be financed by the following sources:

- Debt, which accounts for \$93.901 million or 97.9% of the financing over the 10-year period.
 - The Program's debt requirements reflect the timing of the *George Street Revitalization* project, with \$82.401 million required in 2015-2020.
 - The cash flow funding for the capital maintenance program has been aligned with the Program's SOGR requirements to address the increased backlog in 2023-2024.
 - The recommended debt target has been increased by \$61.451 million from the initial debt target to include the estimated funding required for the shelter component of the George Street Revitalization project.
- Reserve funding represents the remaining \$2.061 million or 2.1% of funding for the 10-Year Recommended Capital Plan.

State of Good Repair (SOGR) Backlog

Chart 4
SOGR Funding & Backlog (In \$000s)



- SSHA is responsible for maintaining 16 of the City's facilities, including 12 shelter sites; 1 administrative site, 2 social housing sites; and 1 assessment and referral centre, with an asset replacement value of \$98.103 million, and 7 of these sites are leased to operators and 9 are managed by the City.
- The 10-Year Recommended Capital Plan dedicates consistent funding of \$0.900 million annually in each of the years 2015 – 2022 for the State of Good Repair work at 16 City-owned and leased shelter facilities. Additional funding has been provided in 2023 and 2024 to fund upgrades to Family Residence and Fort York shelters.
- Based on the most recent Facilities Management assessment and maintenance plan, the Program has established that its 2015 SOGR maintenance backlog for these facilities is \$3.972 million, or 4.0% of the Program's asset replacement value. As the Seaton House Shelter is scheduled for demolition, maintenance projects for this shelter are not included in the backlog.
- The backlog averages \$3.521 million or 3.6% of the asset value for the 2015 – 2022 period. The backlog increases to \$5.949 million or 6.1% of the asset value at the end of 2024, reflecting the need to defer washroom upgrades and roof repairs at the Fort York Shelter and Family Residence beyond the 10 year period, due to affordability.

10-Year Capital Plan: Net Operating Budget Impact

The 10-Year Recommended Capital Plan for SSHA has no impact on the Program's Operating Budget. If Council approves the redevelopment of the George Street Revitalization project, the operating impact will be revisited as part of future year budget processes.

**Table 5
Capital Project Delivery: Temporary Positions**

Position Title	CAPTOR Project Number	# of Positions	Project Delivery		Salary and Benefits \$ Amount(\$000s)					
			Start Date	End Date (m/d/yr)	2015	2016	2017	2018	2019	2020 - 2024
Support Assistant A	SHL907278	1.0	4/01/15	12/31/16	64.5	87.0	22.5			
Total		1.0			64.5	87.0	22.5			

Approval of the 2015 – 2024 Recommended Capital Budget and Plan will require 1 temporary capital position to help coordinate the George Street Revitalization project. The cost for this position is fully funded from the George Street Revitalization project.

- It is recommended that Council approve the 1.0 new temporary capital position for the delivery of the George Street Revitalization project and that the duration of the temporary position does not exceed the life of the funding of its respective capital projects / sub projects.

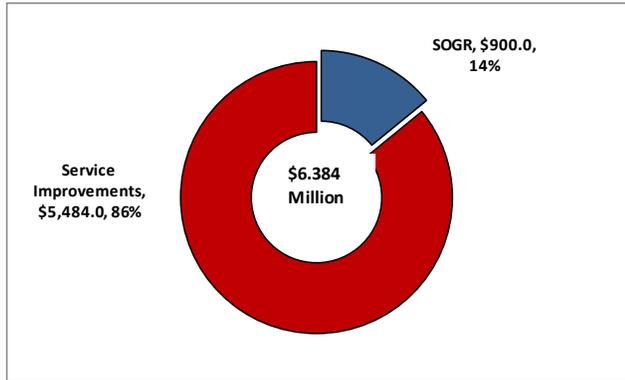


Part II:
2015 Capital Budget

2015 Recommended Capital Budget

2015 Capital Budget by Project Category and Funding Source

2015 Capital Budget by Project Category
(in \$000s)



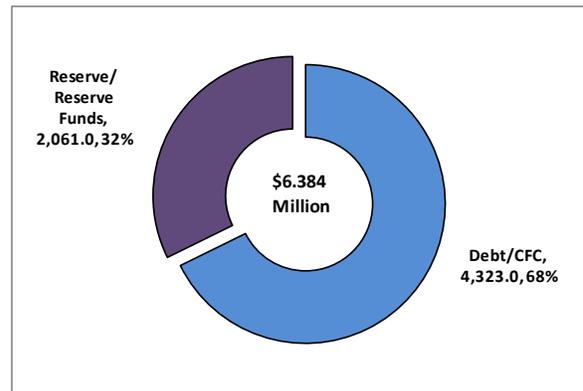
\$6.384 million

The 2015 Recommended Capital Budget, excluding funding carried forward from 2014 into 2015, requires cash flow funding of \$6.384 million.

The 2015 Capital Budget expenditures are allocated to the following categories:

- *State of Good Repair (SOGR) (\$0.900 million, 14%)*
 - Funding is provided to continue the State of Good Repair work in the City's 16 owned and leased shelter facilities.
- *Service Improvements (\$5.484 million, 86%)*
 - Funding required to acquire the remaining parcels of land as well as to complete a feasibility study and examine redevelopment options for the George Street Revitalization Project (GSR).

2015 Capital Budget by Funding Source
(in \$000s)



\$6.384 million

The 2015 Recommended Capital Budget is financed primarily by:

- *Debt (\$4.323 million, 68%)*
 - Funding required for the Capital Repairs/Replacement SOGR program and the George Street Revitalization project.
 - The recommended debt target has been increased from the initial debt target to accommodate the estimated funding for the GSR project.
- *Reserve and Reserve Funds (\$2.061 million, 32%)*
 - Reserve Fund financing is required to partially fund the *George Street Revitalization initiative*.

Table 7
2015 Recommended Cash Flow & Future Year Commitments (In \$000s)

	2014 Carry Forward Funding	2015 Rec'd Cash Flow	Total 2015 Cash Flow (Incl 2014 C/Fwd)	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total 2015 Rec'd Cash Flow & FY Commits
Expenditures													
Previously Approved	853	3,061	3,914										3,914
Change in Scope													
New		3,323	3,323										3,323
New w/Future Year													
Total Expenditure	853	6,384	7,237										7,237
Financing													
Debt	853	4,323	5,176										5,176
Other													
Reserves/Res Funds		2,061	2,061										2,061
Development Charges													
Provincial/Federal													
Total Financing (including carry forward funding)	853	6,384	7,237										7,237

Approval of the 2015 Recommended Capital Budget of \$7.237 million will result in the following:

- Provide \$0.853 million in 2014 funding that will be carried forward into 2015 for 2 previously approved projects currently underway: *the Capital Repairs/ Replacement in City Owned/ Leased Buildings* project and completion of a feasibility study for the *George Street Revitalization* project.
- \$3.061 million for 2 previously approved subprojects as part of the *George Street Revitalization* project, including a two-year carry forward requirement of \$2.061 million from 2013 that requires Council to reconfirm.
- \$3.323 million in new funding is required for the *Capital Repairs/ Replacement in City Owned/ Leased Buildings* project and funding for the *George Street Revitalization* project.

2015 Recommended Capital Project Highlights

Table 8
2015 Recommended Capital Project Highlights (in \$000s)

Project	Total Project Cost	2015	2016	2017	2018	2019	2015 - 2019	2020	2021	2022	2023	2024	2015 - 2024 Total
Capital Repairs / Replacement City Owned / Leased Bldgs	1,360	1,360					1,360						1,360
George Street Revitalization	5,877	5,877					5,877						5,877
Total (including carry forward funding)	7,237	7,237					7,237						7,237

The 2015 Recommended Capital Budget, including funding carry forward from 2014 into 2015, provides funding of \$7.237 million to:

- Continue the State of Good Repair work plan for the ongoing repairs at owned operated/ leased shelter sites; and
- Complete a feasibility study and examine redevelopment options for the *George Street Revitalization* project that includes the preparation of architectural drawings, project plan as well as the development of project cost estimates, and financing details.



Part III:

Issues for Discussion

Issues for Discussion

Issues Impacting the 2015 Capital Budget

Improving Delivery of SOGR Maintenance Program

- The 2015-2024 Recommended Capital Plan for SSHA provides \$11.500 million for the Program's SOGR capital program over the 10-year planning horizon, allocating \$0.900 million per year in years 2015- 2022, with \$4.300 million in years 2023 and 2024 to address the SOGR backlog needs in the City's 16 owned and leased shelters facilities.
- As noted in the SOGR backlog analysis, the backlog at the end of December, 2014, is \$3.972 million or 4.0%, averages 3.6% for the 2015 - 2022 period and increases to 6.1% at the end of 2024 reflecting the need to defer washroom upgrades and roof replacement at the Fort York Shelter and Family Residence beyond the 10-year period, due to affordability.
- The Program's SOGR capital activities are supported by a documented work plan, and provides sufficient funding to address on-going major maintenance requirements. Previously, the Program has had difficulty in coordinating the maintenance requirements in the City's 16 shelter sites located across the City. This has resulted in an average spending rate of 32% in years 2010 through 2013.
- In order to more effectively manage the delivery of its capital program, SSHA worked closely with Facilities Management in 2014, and where appropriate, moved the responsibility of managing the larger SOGR capital works to an assigned project manager in Facilities Management. The 2014 year-end spending rate projection for the SOGR capital maintenance is 60%, reflecting an increase of 28% from the historical average spending rate of 32% for SOGR, as a result of the new SOGR management process.
- SSHA is requested to continue to monitor its SOGR project spending rate in 2015 to ensure cash flow funding is expended to maintain the City facilities in a state of good repair.

Issues Impacting the 10-Year Capital Plan

Major Capital Projects

Seaton House / George Street Redevelopment Status Update

- The Seaton House Shelter, a 543-bed City-operated emergency shelter for men located at 339 George Street has been identified in critical need of redevelopment due to the building's aging condition and challenges in providing appropriate emergency shelter programs.
- At its meeting of July 16, 2013, Council approved the recommendations included in EX33.17 "*Update and Next Steps of Proposed Redevelopment of Seaton House and Revitalization of George Street*" that authorized the increase to the 2013 Capital Budget by \$8.500 million, directing the City to purchase 8 properties adjacent to the Seaton House Shelter site in preparation for the Seaton House / George Street redevelopment.
- Long Term Care Homes and Services (LTCHS) has started developing a Capital renewal strategy that supports the redevelopment of 5 of its 6 homes categorized as Category "B" or "C" homes as part of a capital renewal program mandated by the Province. The LTCHS renewal strategy includes the

option of integrating both SSHA's and LTCHS's capital renewal needs through a joint capital project on George Street.

- Taking advantage of the partnership opportunity, this option proposes that the Seaton House / George Street Redevelopment project be considered as a joint development initiative, as it combines SSHA's need to redevelop Seaton House and LTCHS's need to develop a long-term care home in downtown Toronto. As a result, a feasibility study has been undertaken to explore the joint redevelopment of George Street between SSHA and LTCHS to address the needs of both short-term homeless men and an aging vulnerable population that requires on-going, permanent accommodation.
- In August, 2014, Council approved EX44.12 "Project Management Contract Award for the Proposed Redevelopment of Seaton House and Revitalization of George Street." With the approval of this report, Council has authorized SSHA to engage project management services to develop a detailed plan that examines the project's feasibility, oversees the preparation of architectural drawings, prepares the full costing estimates of the revitalization project, and provides financing options.
- This information will identify various options for the development of Seaton House, either independently, or in conjunction with LTCHS as part of a larger George Street revitalization project. These findings will be used by SSHA and LTCHS to bring forward a joint report to Council in the fall of 2015 that will provide the status, cost estimates, and financing plans for the redevelopment initiative.
- The 10-Year Recommended Capital Plan for SSHA includes \$20.950 million towards the project management costs for the George Street Revitalization project and \$61.451 million towards the estimated cost of redevelopment of the shelter component of the George Street revitalization initiative. These are preliminary estimates, funded from debt and are subject to adjustment should Council grant its approval for the broader George Street Revitalization initiative in 2015.
- It is recommended that the General Manager of Shelter, Support and Housing Administration in collaboration with Long-Term Care Homes & Services report to Budget Committee through the Executive Committee on the details of the George Street Revitalization proposal including the financing plan by the third quarter of 2015 in time for the 2016 Budget process.

Appendices

Appendix 1 2014 Performance

2014 Key Accomplishments

The 2014, Shelter, Support and Housing Administration accomplished the following:

- ✓ Engaged the services of a project manager to assist in the development of a detailed plan to support the feasibility analysis and provide project costing that will inform Council on the status of the George Street Revitalization project;
- ✓ Completed SOGR projects at various shelter facilities, including:
 - Roof replacement at Robertson House;
 - Shelter wide back-up generator upgrades;
 - Security enhancements at the Family Residence and Streets to Homes Assessment and Referral Center (SHARC);
 - Access for Ontarians with Disabilities (AODA) upgrades at the Robertson House and Family Residence; and,
 - Ventilation upgrades at SHARC.

2014 Financial Performance

**Table 9
2014 Budget Variance Analysis (In \$000's)**

2014 Approved	As of Sept. 30, 2014		Projected Actuals at Year End		Unspent Balance	
\$	\$	% Spent	\$	% Spent	\$ Unspent	% Unspent
10,900	6,792	62.3%	7,986	73.3%	2,914	26.7%

2014 Experience

- Capital expenditures for the 9 months ended September 30, 2014 totaled \$6.792 million or 62.3% of its 2014 Approved Capital Budget of \$10.900 million.
- The Program is projecting to spend \$7.986 million, or 73.3% by year-end, with the projected year-end under-spending attributable to the following projects:
 - The George Street Revitalization project, a multiphase project to redevelop Seaton House and adjacent sites at George Street spent \$6.575 million, or 67.4% of the approved cash flow of \$9.761 million. Year-end spending for this project is projected to be \$7.307 million. Estimated unspent cash flow of \$2.454 million will be carried forward into 2015 to complete the feasibility study and purchase the remaining parcels of land adjacent to the existing Seaton House Shelter.
 - The Capital Repairs/ Replacements for City Operated/ Leased Shelters project spent \$0.217 million or 19.1% of the approved cash flow of \$1.139 million. As the Program is working in partnership with Facilities to reduce its SOGR backlog, the Program is estimating spending of

\$0.679 million, or 60% of the 2014 approved cash flow by year-end. The estimated unspent cash flow of \$0.460 million will be carried forward into 2015.

Impact of the 2014 Capital variance on the 2015 Recommended Budget

Funding of \$2.914 million is being carried forward to 2015, with \$2.454 million for the George Street Revitalization (GSR) project that includes 2-year carry forward funding of \$2.061 million for a previously approved project that requires Council's re-approval, and \$0.393 million from 2014 to complete the feasibility study for the GSR project. Funding of \$0.460 million is required for the Capital Repairs/ Replacement project.

Appendix 2

Table 10
2015 Rec'd Capital Budget; 2016 to 2024 Rec'd Capital Plan (\$000s)

Project	Total Project Cost	2015	2016	2017	2018	2019	2015 - 2019	2020	2021	2022	2023	2024	2015 - 2024 Total
Capital Repairs / Replacement City Owned / Leased Bldgs	11,500	1,360	900	900	900	900	4,960	900	900	900	2,400	1,900	11,960
Shelter Redevelopment	84,462	5,877	14,641	20,132	20,132	21,549	82,331	2,524					84,855
Total (including carry forward funding)	95,962	7,237	15,541	21,032	21,032	22,449	87,291	3,424	900	900	2,400	1,900	96,815

Appendix 3

2015 Rec'd Capital Budget; 2016 to 2024 Rec'd Capital Plan

CITY OF TORONTO

Gross Expenditures (\$000's)

Appendix 3:

Shelter, Support & Housing Administration

Sub- Priority	Project No. SubProj No.	Project Name Sub-project Name	Ward	Stat.	Cat.	Current and Future Year Cash Flow Commitments						Current and Future Year Cash Flow Commitments Financed By												
						2015	2016	2017	2018	2019	Total 2015-2019	Total 2020-2024	Total 2015-2024	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing	
<u>SHL906660 Capital Repairs/Repl : City Operated</u>																								
0	11	Capital Repairs/Replacement-City Operated-2013	CW	S2	03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
0	13	Capital Repairs/Repl : City Operated 2014	CW	S2	03	460	0	0	0	0	460	0	460	0	0	0	0	460	0	0	0	460		
0	14	Capital repairs/Replacement - City Operated	CW	S6	03	0	800	800	800	800	3,200	6,128	9,328	0	0	0	0	0	0	9,328	0	9,328		
0	15	Capital Repairs/Replacement - City Operated 2015	CW	S4	03	800	0	0	0	0	800	0	800	0	0	0	0	0	0	800	0	800		
Sub-total						1,260	800	800	800	800	4,460	6,128	10,588	0	0	0	0	0	460	0	10,128	0	10,588	
<u>SHL907278 Shelter Development/Redevelopment</u>																								
0	14	Shelter Development/Redevelopment-2013	CW	S2	04	2,061	0	0	0	0	2,061	0	2,061	0	0	0	0	2,061	0	0	0	0	2,061	
0	15	Shelter Development Redevelopment	27	S6	04	0	10,714	16,440	16,440	17,857	61,451	0	61,451	0	0	0	0	0	0	61,451	0	61,451		
0	16	Shelter Development Redevelopment 2014	27	S2	04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
0	17	Shelter Development/Redevelopment	27	S6	04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
0	19	Project Management Consultant	27	S2	04	393	0	0	0	0	393	0	393	0	0	0	0	0	0	393	0	393		
0	20	George Street Revitalization	CW	S6	04	0	3,927	3,692	3,692	3,692	15,003	2,524	17,527	0	0	0	0	0	0	17,527	0	17,527		
0	21	Architect - 2014 EX44.2	27	S2	04	1,000	0	0	0	0	1,000	0	1,000	0	0	0	0	0	0	1,000	0	1,000		
0	22	Architect, Project Management Q3	27	S4	04	1,064	0	0	0	0	1,064	0	1,064	0	0	0	0	0	0	1,064	0	1,064		
0	23	Project Management - Q4	CW	S4	04	1,359	0	0	0	0	1,359	0	1,359	0	0	0	0	0	0	1,359	0	1,359		
Sub-total						5,877	14,641	20,132	20,132	21,549	82,331	2,524	84,855	0	0	0	0	2,061	0	0	82,794	0	84,855	
<u>SHL906659 Capital Repairs/Replacement - Leased Bldgs</u>																								
0	13	Capital Repairs/Replacement 2014	CW	S2	03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
0	15	Capital Repairs/Replacement	CW	S4	03	100	0	0	0	0	100	0	100	0	0	0	0	0	0	100	0	100		
14	14	Capital Repairs/Replacement - lease Building	CW	S6	03	0	100	100	100	100	400	872	1,272	0	0	0	0	0	0	1,272	0	1,272		
Sub-total						100	100	100	100	100	500	872	1,372	0	0	0	0	0	0	1,372	0	1,372		
Total Program Expenditure						7,237	15,541	21,032	21,032	22,449	87,291	9,524	96,815	0	0	0	0	2,061	0	460	0	94,294	0	96,815

CITY OF TORONTO

Gross Expenditures (\$000's)

Appendix 3:

Shelter, Support & Housing Administration

Sub- Project No. Project Name Priority SubProj No. Sub-project Name		Ward Stat. Cat.		Current and Future Year Cash Flow Commitments and Estimates						Current and Future Year Cash Flow Commitments and Estimates Financed By										
				2015	2016	2017	2018	2019	Total 2015-2019	Total 2020-2024	Total 2015-2024	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt
Financed By:																				
Provincial Grants & Subsidies																				
Federal Subsidy																				
Development Charges																				
Reserves (Ind. "XQ" Ref.)																				
Reserve Funds (Ind."XR" Ref.)																				
Capital from Current																				
Other1 (Internal)																				
Other2 (External)																				
Debt																				
Debt - Recoverable																				
Total Program Financing																				

Status Code	Description
S2	S2 Prior Year (With 2015 and/or Future Year Cashflow)
S3	S3 Prior Year - Change of Scope 2015 and/or Future Year Cost/Cashflow)
S4	S4 New - Stand-Alone Project (Current Year Only)
S5	S5 New (On-going or Phased Projects)
S6	S6 New - Future Year (Commencing in 2016 & Beyond)

Category Code	Description
01	Health and Safety C01
02	Legislated C02
03	State of Good Repair C03
04	Service Improvement and Enhancement C04
05	Growth Related C05
06	Reserved Category 1 C06
07	Reserved Category 2 C07

Appendix 4

2015 Recommended Cash Flow and Future Year Commitments

CITY OF TORONTO

**Gross Expenditures (\$000's)
Appendix 4:**

Shelter, Support & Housing Administration

Sub- Project No. Project Name PrioritySubProj No. Sub-project Name Ward Stat. Cat.						Current and Future Year Cash Flow Commitments						Current and Future Year Cash Flow Commitments Financed By									
						2015	2016	2017	2018	2019	Total 2015-2019	Total 2020-2024	Total 2015-2024	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserves	Reserve Funds	Capital from Current	Other 1	Other2
<u>SHL906660 Capital Repairs/Repl : City Operated</u>																					
0	11	Capital Repairs/Replacement-City Operated-2013	CW	S2	03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	13	Capital Repairs/Repl : City Operated 2014	CW	S2	03	460	0	0	0	0	460	0	460	0	0	460	0	0	0	0	460
0	15	Capital Repairs/Replacement - City Operated 2015	CW	S4	03	800	0	0	0	0	800	0	800	0	0	0	0	800	0	0	800
Sub-total						1,260	0	0	0	0	1,260	0	1,260	0	0	0	460	0	800	0	1,260
<u>SHL907278 Shelter Development/Redevelopment</u>																					
0	14	Shelter Development/Redevelopment-2013	CW	S2	04	2,061	0	0	0	0	2,061	0	2,061	0	0	0	0	0	0	0	2,061
0	16	Shelter Development Redevelopment 2014	27	S2	04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	19	Project Management Consultant	27	S2	04	393	0	0	0	0	393	0	393	0	0	0	0	393	0	0	393
0	21	Architect - 2014 EX44.2	27	S2	04	1,000	0	0	0	0	1,000	0	1,000	0	0	0	0	1,000	0	0	1,000
0	22	Architect, Project Management Q3	27	S4	04	1,064	0	0	0	0	1,064	0	1,064	0	0	0	0	1,064	0	0	1,064
0	23	Project Management - Q4	CW	S4	04	1,359	0	0	0	0	1,359	0	1,359	0	0	0	0	1,359	0	0	1,359
Sub-total						5,877	0	0	0	0	5,877	0	5,877	2,061	0	0	0	3,816	0	0	5,877
<u>SHL906659 Capital Repairs/Replacement - Leased Bldgs</u>																					
0	13	Capital Repairs/Replacement 2014	CW	S2	03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	15	Capital Repairs/Replacement	CW	S4	03	100	0	0	0	0	100	0	100	0	0	0	0	100	0	0	100
Sub-total						100	0	0	0	0	100	0	100	0	0	0	0	100	0	0	100
Total Program Expenditure						7,237	0	0	0	0	7,237	0	7,237	2,061	0	460	0	4,716	0	0	7,237

CITY OF TORONTO

Gross Expenditures (\$000's)

Appendix 4:

Shelter, Support & Housing Administration

Sub- Priority	Project No. SubProj No.	Project Name Sub-project Name	Ward	Stat. Cat.	Current and Future Year Cash Flow Commitments and Estimates						Current and Future Year Cash Flow Commitments and Estimates Financed By									
					2015	2016	2017	2018	2019	Total 2015-2019	Total 2020-2024	Total 2015-2024	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserves	Reserve Funds	Capital from Current	Other 1	Other2
Financed By:																				
		Provincial Grants & Subsidies			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Federal Subsidy			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Development Charges			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Reserves (Ind. "XQ" Ref.)			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Reserve Funds (Ind."XR" Ref.)			2,061	0	0	0	0	2,061	0	2,061	0	2,061	0	0	0	0	0	2,061
		Capital from Current			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Other1 (Internal)			460	0	0	0	0	460	0	460	0	0	0	460	0	0	0	460
		Other2 (External)			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Debt			4,716	0	0	0	0	4,716	0	4,716	0	0	0	0	0	4,716	0	4,716
		Debt - Recoverable			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Program Financing					7,237	0	0	0	0	7,237	0	7,237	0	2,061	0	460	0	4,716	0	7,237

Status Code Description
 S2 S2 Prior Year (With 2015 and/or Future Year Cashflow)
 S3 S3 Prior Year - Change of Scope 2015 and/or Future Year Cost\Cashflow)
 S4 S4 New - Stand-Alone Project (Current Year Only)
 S5 S5 New (On-going or Phased Projects)

Category Code Description
 01 Health and Safety C01
 02 Legislated C02
 03 State of Good Repair C03
 04 Service Improvement and Enhancement C04
 05 Growth Related C05
 06 Reserved Category 1 C06
 07 Reserved Category 2 C07

Appendix 5

2015 Recommended Capital Budget with Financing Detail

(Phase 2) 15-Shelter, Support & Housing Administration

Sub-Project Category: 01,02,03,04,05,06,07

Type: B Sub-Project Status: S2

Type: C Sub-Project Status: S2,S3,S4,S5



CITY OF TORONTO

**Appendix 5:
Shelter, Support & Housing Administration
Sub-Project Summary**

Project/Financing

Priority Project Project Name

Project/Financing	Priority Project	Project Name	Start Date	Completion Date	2015	Financing									
					Cash Flow	Provincial Grants Subsidies	Federal Subsidy	Developmt Charges	Reserves	Reserve Funds	Capital From Current	Other 1	Other 2	Debt	Debt - Recoverable
0	SHL906660	Capital Repairs/Repl : City Operated													
0	11	Capital Repairs/Replacement-City Operated-2013	01/01/2013	12/31/2013	0	0	0	0	0	0	0	0	0	0	0
0	13	Capital Repairs/Repl : City Operated 2014	01/01/2014	12/31/2014	460	0	0	0	0	0	0	460	0	0	0
0	15	Capital Repairs/Replacement - City Operated 2015	01/01/2015	12/31/2015	800	0	0	0	0	0	0	0	0	800	0
		Project Sub-total:			1,260	0	0	0	0	0	0	460	0	800	0
0	SHL907278	Shelter Development/Redevelopment													
0	14	Shelter Development/Redevelopment-2013	01/01/2013	12/31/2013	2,061	0	0	0	0	2,061	0	0	0	0	0
0	16	Shelter Development Redevelopment 2014	01/01/2014	12/31/2014	0	0	0	0	0	0	0	0	0	0	0
0	19	Project Management Consultant	10/01/2014	10/01/2014	393	0	0	0	0	0	0	0	0	393	0
0	21	Architect - 2014 EX44.2	10/01/2014	10/01/2014	1,000	0	0	0	0	0	0	0	0	1,000	0
0	22	Architect, Project Management Q3	10/01/2014	10/01/2014	1,064	0	0	0	0	0	0	0	0	1,064	0
0	23	Project Management - Q4	10/01/2014	10/01/2014	1,359	0	0	0	0	0	0	0	0	1,359	0
		Project Sub-total:			5,877	0	0	0	0	2,061	0	0	0	3,816	0
12	SHL906659	Capital Repairs/Replacement - Leased Bldgs													
0	13	Capital Repairs/Replacement 2014	01/01/2014	12/31/2014	0	0	0	0	0	0	0	0	0	0	0
0	15	Capital Repairs/Replacement	01/01/2015	12/31/2015	100	0	0	0	0	0	0	0	0	100	0
		Project Sub-total:			100	0	0	0	0	0	0	0	0	100	0
		Program Total:			7,237	0	0	0	0	2,061	0	460	0	4,716	0

Status Code Description
 S2 S2 Prior Year (With 2015 and/or Future Year Cashflow)
 S3 S3 Prior Year - Change of Scope 2015 and/or Future Year Cost/Cashflow
 S4 S4 New - Stand-Alone Project (Current Year Only)
 S5 S5 New (On-going or Phased Projects)

Category Code Description
 01 Health and Safety C01
 02 Legislated C02
 03 State of Good Repair C03
 04 Service Improvement and Enhancement C04
 05 Growth Related C05
 06 Reserved Category 1 C06
 07 Reserved Category 2 C07