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## 2017 CAPITAL BUDGET BRIEFING NOTE

### **TransformTO: Short Term Strategies & Financial Estimates**

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#### Issue/Background:

At its meeting of January 12<sup>th</sup>, 2017 the Budget Committee requested the Chief Corporate Officer to provide a briefing note that outlines the funding and timelines for TransformTO for the purpose of making the information more accessible on the Toronto 2017 portal Budget website

(<http://www1.toronto.ca/wps/portal/contentonly?vgnextoid=eac1031d15528510VgnVCM10000071d60f89RCRD>).

Decision History: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.PE15.1>

#### Staff Reports:

1) Item 2016.PE15.1: *TransformTO: Climate Action for a Healthy, Equitable and Prosperous Toronto: Report #1.*

Presented to City Council on December 13<sup>th</sup>, 2016 this report outlined a series of short term strategies for ensuring Toronto will meet and exceed its goal of reducing greenhouse gas emissions by 30% by the year 2020.

TransformTO: Climate Action for a Healthy, Equitable and Prosperous Toronto Report #1

(<http://www.toronto.ca/legdocs/mmis/2016/pe/bgrd/backgroundfile-98039.pdf>)

Attachment A: TransformTO Short-term Strategies

(<http://www.toronto.ca/legdocs/mmis/2016/pe/bgrd/backgroundfile-98040.pdf>)

Attachment B: TransformTO Phase 1 Community Engagement Report - Part 1

(<http://www.toronto.ca/legdocs/mmis/2016/pe/bgrd/backgroundfile-98041.pdf>)

Attachment B: TransformTO Phase 1 Community Engagement Report - Part 2

(<http://www.toronto.ca/legdocs/mmis/2016/pe/bgrd/backgroundfile-98042.pdf>)

Attachment C: TransformTO Technical Backgrounder

(<http://www.toronto.ca/legdocs/mmis/2016/pe/bgrd/backgroundfile-98043.pdf>)

2) Item 2016.PE15.1b: *TransformTO: Short-term Strategies Business Case.*

Presented to City Council on December 13<sup>th</sup>, 2016 this report provided, as requested by the Parks and Environment Committee, a summary of the scale of investment and resource requirements needed to implement the short-term strategies presented in the first report. This report was received for information.

TransformTO Short-term Strategies Business Case (PE15.1b)  
(<http://www.toronto.ca/legdocs/mmis/2016/cc/bgrd/backgroundfile-99126.pdf>)  
Attachment A: TransformTO Short-Term Strategies Business Cases  
(<http://www.toronto.ca/legdocs/mmis/2016/cc/bgrd/backgroundfile-99127.pdf>)

3) Item 2017.BU29.1v: *TransformTO Short-term Strategies Financial Estimates*.

Presented to the Budget Committee on January 12<sup>th</sup>, 2017 this report provided, as requested by City Council, an estimate of the operating budget funding required in 2017 to initiate the short-term strategies.

TransformTO Short-term Strategies Financial Estimates  
(<http://www.toronto.ca/legdocs/mmis/2017/bu/bgrd/backgroundfile-99799.pdf>)  
Attachment A - TransformTO Short-Term Strategies Business Cases  
(<http://www.toronto.ca/legdocs/mmis/2017/bu/bgrd/backgroundfile-99820.pdf>)

### **Key Points:**

- Table 1 below outlines the estimated Operating Budget funding requirements for 2017 to 2020 for the short-term strategies outlined in the *TransformTO: Report #1*. Projects that could be initiated in 2017 with the initial funding of \$1.6 million, are listed first in the table. The 2017 annualization impact of this accelerated work plan is \$1.6 million gross and net in 2018, reflecting the full year impact. A detailed discussion about each strategy can be found in Attachment A to the report (Item 2017.BU29.1v) *TransformTO Short-term Strategies Financial Estimates*.
- Operating Budget funding for all strategies is primarily to accommodate the need for additional staffing resources, access to external expertise, program evaluation and program marketing and communications.
- The Capital Budget funding identified in the staff reports is the estimated requirement for community wide investment, meaning investments from other orders of government, the private sector and residents.
- Included in the 2017 Preliminary Capital Budget is \$5.0 million for TransformTO initiatives funded by recoverable debt. Any additional capital funding requirements from the City will be identified as each program is developed and initiated.

<b>Table 1</b>							
<b>TransformTO Short-term Strategy</b>		<b>Operating Budget Estimate by Year, 2017 to 2020 (\$000)</b>					<b>Projected Community Wide Capital Requirements 2017- 2020 (\$000)</b>
		<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>TOTAL</b>	
1.2	Innovative financing mechanisms	\$60	\$130	\$130	--	\$320	--
4.4	Improve fleet fuel efficiency	\$60	\$230	\$350	\$360	\$1,000	\$650 to \$900
4.5	Promote Smart Commute to Toronto Public Service	\$40	\$80	\$90	\$90	\$300	--
1.1	Enhance the Better Buildings Partnership	\$350	\$1,850	\$2,110	\$1,890	\$6,200	\$85,000 to \$156,000
1.5	Continue support for residential property owners	\$210	\$550	\$790	\$950	\$2,500	\$18,000 to \$208,000
2.3	Advance low-carbon/renewable thermal energy networks	\$70	\$350	\$380	\$400	\$1,200	\$1,000 to \$10,000
2.2	Advance community energy planning	\$110	\$430	\$460	\$500	\$1,500	--
2.1	Advance leading edge new construction standard	\$70	\$260	\$280	\$300	\$910	--

<b>Table 1</b>							
<b>TransformTO Short-term Strategy</b>		<b>Operating Budget Estimate by Year, 2017 to 2020 (\$000)</b>					<b>Projected Community Wide Capital Requirements 2017-2020 (\$000)</b>
		<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>TOTAL</b>	
5.2	Use building energy disclosure as an engagement tool	\$70	\$140	\$140	\$140	\$480	--
5.1	TransformTO community engagement	\$340	\$670	\$510	\$380	\$1,900	--
5.3	Leverage Live Green Toronto	\$170	\$600	\$750	\$780	\$2,300	--
1.3	Dedicate funding for community based climate action	--	\$120	\$130	--	\$250	\$20,000
5.4	Collaborate with utilities on local programming	No business case / refer to Attachment A of the original staff report. ( <a href="http://www.toronto.ca/legdocs/mmis/2016/pe/bgrd/backgroundfile-98040.pdf">http://www.toronto.ca/legdocs/mmis/2016/pe/bgrd/backgroundfile-98040.pdf</a> )					
4.3	Utilize landfill gas & biogas	--	--	--	--	--	\$30,800
4.1	Expand energy retrofits in City facilities	--	\$180	\$570	\$1,150	\$1,900	\$84,000 to \$147,000
1.4	Improve energy efficiency in social housing	--	\$350	\$370	\$380	\$1,100	\$55,000 to \$240,000
4.2	Scale-up renewable energy installations	--	\$350	\$370	\$380	\$1,100	\$26,000 to \$53,000

<b>Table 1</b>							
<b>TransformTO Short-term Strategy</b>		<b>Operating Budget Estimate by Year, 2017 to 2020 (\$000)</b>					<b>Projected Community Wide Capital Requirements 2017-2020 (\$000)</b>
		<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>TOTAL</b>	
3.5	Enable electric vehicles	--	\$110	\$120	--	\$230	--
3.4	Develop a freight strategy	--	\$130	\$140	--	\$270	--
2.4	Create a renewable energy strategy	--	\$170	\$140	--	\$310	--
3.1	Explore road pricing	Refer to status update in Attachment A of the original staff report. ( <a href="http://www.toronto.ca/legdocs/mmis/2016/pe/bgrd/backgroundfile-98040.pdf">http://www.toronto.ca/legdocs/mmis/2016/pe/bgrd/backgroundfile-98040.pdf</a> )					
3.2	Support safe cycling & walking						
3.3	Enhance transit service						
<b>TOTAL</b>		<b>\$1,550</b>	<b>\$6,700</b>	<b>\$7,830</b>	<b>\$7,700</b>	<b>\$23,770</b>	<b>\$320,450 to \$865,700</b>

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