

**REPORT FOR ACTION****Transportation Services 2019 Capital Budget and 2019-2028 Adjustments**

Date: June 3, 2019

To: Budget Committee

From: General Manager, Transportation Services

Wards: All

SUMMARY

This report requests City Council's authority to amend Transportation Services' approved 2019 Capital Budget and 2019-2028 Capital Plan by reallocating cash flows within the 2019 Budget.

In addition, the report requests authority to amend Transportation Services' 2019 Capital Budget and 2019-2028 Plan by creating a new Future of King Street capital project with 2019 total project costs of \$1.5 million gross and \$0 debt with cash flows of \$1 million in 2019 and \$0.5 million in 2020, fully funded from the Public Realm Reserve Account.

These adjustments will align program requirements and project delivery schedules resulting in improved spending rates.

RECOMMENDATIONS

The General Manager, Transportation Services recommends that:

1. City Council amend the Transportation Services' approved 2019 Capital Budget by reallocating funding of \$1 million between projects, as presented in Attachment 1 of the report from the General Manager, Transportation Services, with a zero budget impact.
2. City Council amend the 2019-2028 approved Capital Budget and Plan for Transportation Services by creating a new Future of King Street project with total project costs of \$1.5 million gross and \$0 debt, with committed cash flows of \$1 million in 2019 and \$0.5 million in 2020, fully funded by the Public Realm Reserve Fund.

FINANCIAL IMPACT

This report requests City Council's authority to amend Transportation Services' approved 2019 Capital Budget by reallocating funding of \$1 million as presented in Attachment 1 with a zero budget impact.

In addition, approval of the recommendations in this report will result in the creation of a new Future of King Street project with total project costs of \$1.5 million gross and \$0 debt, with committed cash flows of \$1 million in 2019 and \$0.5 million in 2020, fully funded by the Public Realm Reserve Fund.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

At its meeting of March 7, 2019, City Council approved Transportation Services' 2019 Capital Budget and 2019-2028 Capital Plan, which included approval of a 2019 Capital Budget cash flow of \$477.724 million and 2018 carry-forward funding of \$124.966 million.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EX2.5>

At its meeting of May 14 and 15, 2019, City Council approved additional carry forward funding from unspent capital projects and adjustments to the 2019 Approved Capital Budgets for respective City Programs and Agencies in order to continue work on previously approved capital projects, with no incremental net impact on debt. The adjustment to the carry-forwards for Transportation Services resulted in an overall increase of carry-forward funding to \$56.336 million.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EX5.4>

At its meeting on April 16 and 17, 2019 City Council approved that King Street continue to operate as a Transit Priority Corridor between Bathurst Street and Jarvis Street, along with the incorporation of improvements to the public realm in the near-term through the durability and quality of public realm materials, and in the longer-term through streetscaping improvements in coordination with private development and the capital program. The capital funding required to make permanent and incorporate improvements to the King Street Transit Priority Corridor is expected to be approximately \$1.5 million (excluding HST recoveries). While reallocations within the 2019 Capital Budget would partially offset the estimated requirement of \$1.5 million, Transportation Services would seek Council approval to fund the remaining costs from the Public Realm Reserve Fund.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EX4.2>

COMMENTS

Transportation Services is seeking approval to amend the 2019-2028 Approved Capital Budget and Plan to better align cash flows to revised forecasted expenditures, reflecting project and program requirements, in accordance with Section 71-9 B to E of the Financial Control By-Law.

Project Delivery Schedule Amendments

Several Transportation Services' 2019 Capital Programs and Projects, as identified below and summarized in Attachment 1, are recommended to be adjusted.

1) Reallocation of Funds Between Programs within the 2019 Budget

Road Safety Plan - New Traffic Control Signals and Devices

Additional funding within the Road Safety Plan (RSP) New Traffic Control Signals and Devices Programs is required for the completion of projects due to an increase of Community Council and/or City Council approvals of new signals to address safety concerns.

The reallocation will result in an increase of \$1 million within the RSP New Traffic Control Signals and Devices program in the Transportation Services' approved 2019 Capital Budget.

Road Safety Plan - Missing Link Sidewalk

The increase of \$1 million of funding within the RSP New Traffic Control Signals and Devices Program in the 2019 Capital Budget will be offset by a decrease of \$1 million in funding from the RSP Missing Link Sidewalk Program.

There is an estimated underspending of \$1 million in the RSP Missing Link Sidewalk Program in the Transportation Services' approved 2019 Capital Budget due to deferral of various planned sidewalks projects as a result of coordination and reprioritization of road work for bundled projects.

The proposed reallocation of funds between the above noted programs will result in a net zero impact to the 2019-2028 approved Capital Budget and Plan.

2) New Future of King Street account (CTP419-03)

City Council on April 16 and 17, 2019, approved that King Street continue to operate as a Transit Priority Corridor between Bathurst Street and Jarvis Street, along with the incorporation of improvements to the public realm in the near-term through the durability and quality of public realm materials, and in the longer-term through streetscaping improvements in coordination with private development and the capital program.

The capital funding required to make permanent and incorporate improvements to the King Street Transit Priority Corridor is expected to be approximately \$1.5 million (excluding HST recoveries). This funding is needed for improvements to public realm spaces and TTC stops.

Funding for these elements is not currently identified within the Capital Budget and will be funded from the Public Realm Reserve Fund.

The proposed increase of funds will result in an increase of \$1.5 million gross to the 2019 Transportation Approved Capital Budget, with committed cash flows of \$1 million in 2019 and \$0.5 million in 2020, fully funded by the Public Realm Reserve Fund.

To fund these public realm improvements, a new Future of King Street capital project will be created with 2019 total costs of \$1.5 million gross.

CONTACT

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SIGNATURE

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ATTACHMENTS

Attachment 1: Proposed 2019 Budget Adjustments

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1) Reallocation of funds between Programs within the 2019 Budget

Program Area	CTP Account	2019 Approved Capital Budget	2019 Proposed Adjustment	Revised 2019 Approved Capital Budget
RSP Missing Link Sidewalk	CTP419-01	\$3,000,000	(\$1,000,000)	\$2,000,000
RSP New Traffic Control Signals and Devices	CTP716-01	\$2,324,298	\$560,000	\$2,884,298
RSP New Traffic Control Signals and Devices	CTP717-01	\$0	\$440,000	\$440,000
Total		\$5,324,298	\$0	\$5,324,298

2) New Future of King Street account (CTP419-03)

Program Area	CTP Account	2019 Approved Capital Budget	2019 Proposed Adjustment	Revised 2019 Approved Capital Budget
Future of King Street	CTP419-03	\$0	\$1,000,000	\$1,000,000
Total		\$0	\$1,000,000	\$1,000,000

Program Area	CTP Account	2020 Approved Capital Budget	2020 Proposed Adjustment	Revised 2020Approved Capital Budget
Future of King Street	CTP419-03	\$0	\$500,000	\$500,000
Total		\$0	\$500,000	\$500,000