



To: Board of Management

From: Paul K. Whittam
Director – Finance & Computer Services

Subject: **2020-2029 CAPITAL BUDGET**

Date: 2019-10-10

SUMMARY:

This report provides a description of the capital projects, timing and costs for consideration by the Board.

RECOMMENDATION:

The Policy & Finance Committee, at its meeting of 2019-09-04, recommended that the 2020-2029 Capital Budget be approved by the Board.

FINANCIAL IMPLICATIONS:

The 2020-2029 Capital Budget is comprised of sixteen (16) projects and related sub-projects, as per the new requirements of the City. The Capital Budget will require a total gross cash flow of \$141.972 million prior to consideration of outside funding sources. The total gross cash flow required in 2020 is \$18.904 million prior to consideration of outside funding sources.

The City debt target process has been discontinued for 2020 and subsequent years and replaced with a Capacity to Spend model. As such, the 2020-2029 Capital Budget for the Zoo reflects the level of spending necessary to support the development of projects in the 2016 Master Plan approved, and modified, by the Board of Management.

BACKGROUND:

The foundation of the 2020-2029 Capital Budget is the Toronto Zoo 2016 Master Plan – Securing a Sustainable Future, as reprioritized. It reflects a balance of modernization, transformational, and innovative initiatives as desired by the Board and Senior Management. All projects will also be designed to consider the actions required to meet the City's compliance with AODA legislation and related accommodations. The current Capital Budget also considers the recommendations included in the Wayfinding Study, the Building Audit Report (2016) and the Site Services Study completed in

2017. The program is also consistent with the directions provided in the 2015-2020 Strategic Plan adopted by the Board of Management in November, 2014.

The primary issue and challenge faced by the Toronto Zoo is maintaining an adequate state of good repair and developing new, dynamic exhibits within the previous debt target model used by the City of Toronto. It is hoped that the migration to a Capacity to Spend model will provide annual funding from Council to adequately maintain and develop the Zoo.

Implementation of the Master Plan is essential to the Toronto Zoo's future in order to achieve the intended vision while meeting the changing demographical expectations. It is critical that the Capital Plan include funding of these initiatives, as delays in addressing the necessary changes will very likely result in an environment that falls significantly behind the direction of the Zoo community and ultimately, could lead to negative public perception.

COMMENTS:

The following discussion provides further information on the projects included in the Capital Budget.

2020-2029 Capital Projects

Orangutan Outdoor Exhibits

The outdoor exhibit is critical for the behavioural enrichment of the animals and was originally to be constructed as the final phase of the original Orangutan Project. This project will improve animal welfare and is a major priority. The project is now past several design delays and completion of construction and opening is anticipated in 2020.

Front Entrance

The Front Entrance is viewed as a critical element for the Zoo requiring revitalization. It is the first and last destination for guest engagement and therefore, has been reprioritized in the current Master Plan. Overall, this area will be seen as a conservation campus, improving access and the first impression for visitors arriving at the Toronto Zoo. It actually consists of several sub-projects, the Arrival / Departure Plaza, the Entry Plaza, the Orientation Plaza, the Entrance Restaurant, and Entrance Gift Shop.

Design is currently underway and construction will commence in late 2020 with Phase 1 (north) completion anticipated in 2022 and Phase 2 Construction (south) in 2022 – 2023.

Winter Accessibility

Accessibility improvements to the boardwalk ramp from the Indo-Malaya Pavilion to the African Rainforest Pavilion are also included as part of this project to meet AODA requirements.

Wilderness North / Canadian Pavilion

The purpose of the new 'Canada Pavilion' will be to draw attention to Canada's species at risk and highlight the many current and future conservation programs the Toronto Zoo is undertaking, with various strategic partners, to save these species. Some examples of these programs include many excellent cooperative efforts on the breeding and release of such species as the black-footed ferret, Blanding's turtle, Oregon spotted frog, Atlantic salmon, and eastern loggerhead shrike. With ever-changing and increasing threats to Canadian species, the focus of these programs will change and evolve to address needs as they arise. For continuity and optimal integration of the exhibits, the Canadian Pavilion should be constructed at the same time as Wilderness North (currently listed under Unmet Capital Needs). Wilderness North is a very important component of the 2016 Master Plan and features premier Canadian species. Consideration should also be given to fund this important project due to AODA requirements.

Raven's Roost

"Raven's Roost" is a natural extension of the Carolinian Forest experience. As a revenue generating improvement, it will reside amongst the trees along the ridgeline overlooking the Rouge Valley, "Raven's Roost" will become a year-round family and small-group 'glamping' retreat where they can gather to relax and learn more about the dynamics of the surrounding natural environment and the work that the Zoo is doing to support wildlife both here and around the world.

Carolinian Forest

The central, native forest core of the Zoo provides an area of calm and quiet, and a place where the free-ranging plants and animals that make their home in the Rouge River valley make their presence to all Zoo guests.

To maintain the integrity of the forest, development within this area will be limited to weed management, interpretation, pavement repair and development of an accessible boardwalk that winds its way gently through the trees supported on strategically placed pilings that do not disturb the integrity of the forest floor.

Discovery Zone Improvements

1. Wildlife Program Facility Improvements (Outreach)

Animals used for outreach programs and Zoo presentations are key to delivering to visitors the Toronto Zoo's mission and message about care giving. This key project is designed to provide sufficient space for their year-round housing and training and to ensure that staff are able to care for them in an exceptional manner.

2. Water Play Expansion

As part of the “Discovery Zone” improvements that will be expanded to include more year-round, nature-based programs and activities to meet the needs of local parents and caregivers, as well as enhanced facilities for program animals and seasonal domesticated animals, with improvements also included an expansion of the water play area.

3. Season Play and Programs

Kids Discovery Indoor Play will be a new feature within the children’s zone that acts as a play and learning space for young children, and a gathering space for their parents – especially on inclement days when everyone needs to get out of the house. The 4-season indoor play and program space will provide a destination in all weather for a short visit or to complement a longer journey of discovery through the Zoo.

Oceania Pavilion

The new Oceania Pavilion will replace the aged Indo-Malaya Pavilion that was constructed in 1974 and has only had one minor renovation during this period (1992). Maintenance has been ongoing to support the health and safety requirements of the facility, however given the buildings age these maintenance costs and their frequency are becoming unsustainable. By designing and constructing a new facility in line with our Master Plan these ongoing costs will be reduced. The Oceania Pavilion will focus not just on Indo-Malayan species but also on other important areas of the South Pacific. This area will showcase the uniqueness of island flora and fauna, and will demonstrate the richness of these global biodiversity “hotspots”, including Komodo dragon and key species relocated from the existing Australasia Pavilion

Rhino Ridge Improvements

Plans include redevelopment of the existing White Rhino habitat to include more area, as well as a family of Asian small-clawed otters as part of a mixed species exhibit.

Building & Services Refurbishment

The Building & Services Refurbishment project in 2020 and beyond is guided by the results of a Buildings Audit Report (2016) and the Site Services Study from 2017. The objective is to implement the repair or replacement of building components requiring attention over the next 10+ years. In the immediate future, Building & Service Refurbishment projects will place a higher priority on those that depend on AODA compliance when prioritizing projects.

Exhibit & Holding Refurbishment

Exhibit & Holding Refurbishment is a multi-year plan involving various initiatives to renovate smaller exhibits throughout the Zoo site that are not part of a major redevelopment project.

Information Systems

In 2020, the focus will be on completing Systems upgrades to Dynamics 365, CRM, Admits, Camp software and also supporting the transition of a Payroll system upgrade. Replacement of network switches are intended to accommodate site wide wi-fi capabilities and VoIP. There will also be a focus on increased digital activation on-site through the installation of wi-fi access points throughout the Zoo.

General hardware lifecycle management replacements, primarily server, desktop and monitors, is also a part of the on-going information systems program and new AV equipment for meeting rooms (Main boardroom, Training room, BC room) will also be considered.

Grounds and Visitor Improvements

The Grounds and Visitor Improvements Project addresses the needs of the public concerning visitor amenities, the appearance of indoor and outdoor areas, improvements to site circulation and visitor orientation.

In 2020, expenditures in this category will focus on addressing issues in relation to accessibility and pathway improvements. This will include wayfinding, washroom enhancements and upgrades to barrier structures at dangerous animal exhibits.

CONCLUSION:

The mission of the Toronto Zoo is to be a living centre for education and science, committed to providing compelling guest experiences and inspiring passion to protect wildlife and habitats. The 2016 Master Plan was developed with this mission in mind and results in a dynamic and exciting offering of improvements for the future sustainability of the Toronto Zoo. The Zoo continues to have passionate supporters with approximately 25,000 membership households, and a strong visitor base averaging 1.225 million guests per year.

Since inception in 1974, over \$210.0 million has been invested in the City's asset through the Capital Works Plan (CWP). The 2020-2029 Capital Budget represents a balanced approach to maintaining the existing facilities and approval of the plan will enable the Zoo to complete various key State of Good Repair projects. As well, creation of new exhibits in the plan will allow the Zoo to remain a destination of choice. Every year for the past ten years, the Zoo has either opened new facilities (e.g. the award winning African Rainforest, Tundra Trek, and Giant Panda Experience) or enhanced existing ones.

As one of the largest zoos in the world, the Toronto Zoo seeks to become sustainable for the long term through the strengthening of our internal fundraising capacity. The continued support of the City through the Capital Program, in concert with continued fundraising progress in a highly competitive marketplace, will facilitate the continuous improvement of the Zoo for both wildlife and visitors.

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ATTACHMENTS:
2020-2029 Capital Budget

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