

BUDGET **TC**



Infrastructure and Development Services

2021 Operating Budget and
2021-2030 Capital Budget & Plan

Briefing to Budget Committee

January 21, 2021

Infrastructure and Development Services (IDS)

City Planning



Engineering & Construction Services



Fire Services



Municipal Licensing and Standards



Emergency Management



Policy Planning
Finance & Admin



Solid Waste



Toronto Building



Transit Expansion



Transportation Services



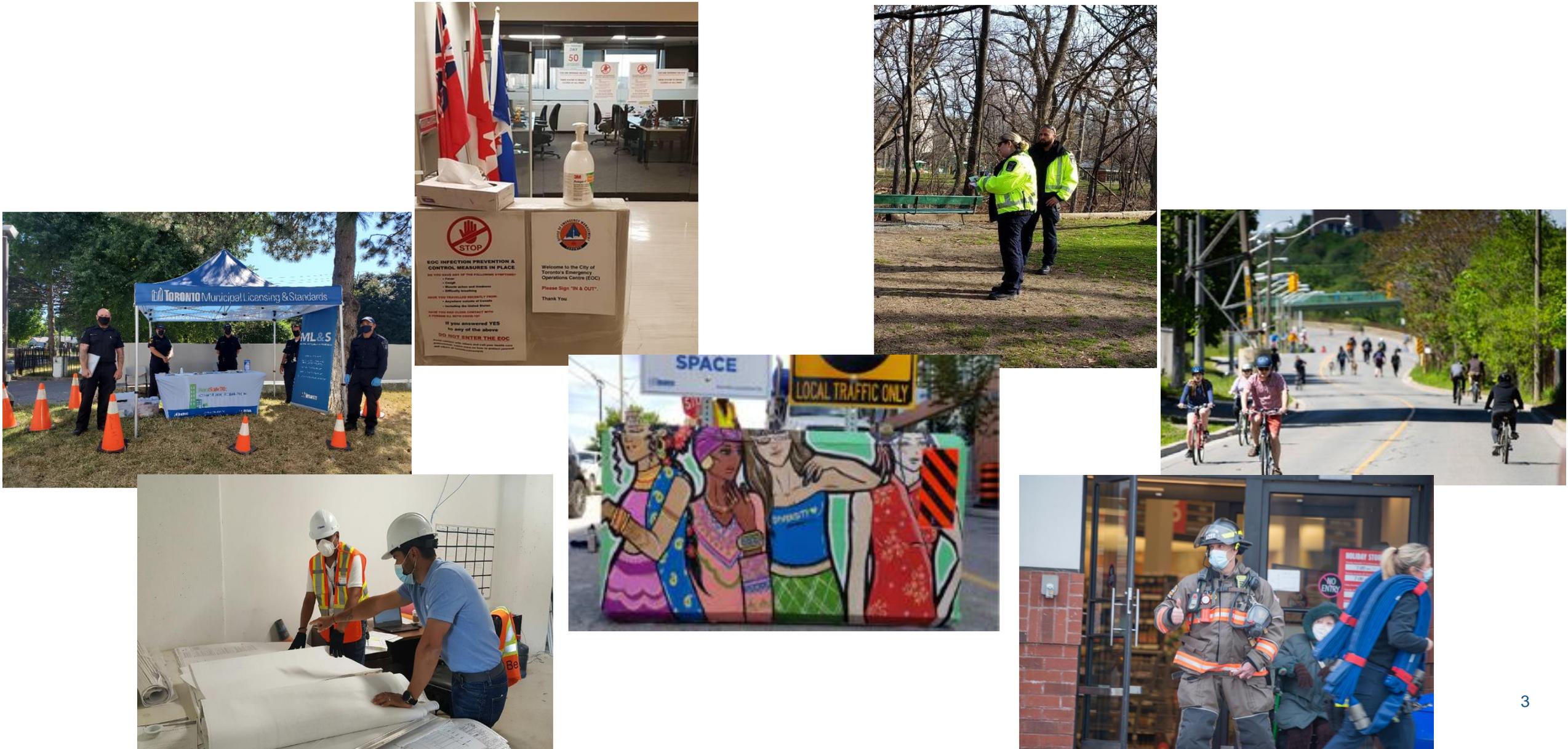
Toronto Water



Waterfront Revitalization



2020: An Unprecedented Year



Outcomes

Strategic Outcomes



Housing

All Torontonians have access to **housing that is safe, affordable and suitable to their needs.**



Mobility

Toronto's **transportation network is accessible, resilient and reliable**, where residents and businesses are **connected** to vibrant communities.



Climate Action

Toronto's **climate action initiatives mitigate the impact of climate events** on the well being and prosperity of residents and businesses.



People & Neighbourhoods

All Torontonians **feel safe and secure**, and **live in healthy, inclusive and culturally rich neighbourhoods.**

Toronto's **economy is resilient and prosperous** with opportunities for residents and businesses.



Equity

All Torontonians have **equitable access to City services** and **poverty is mitigated**, especially for Indigenous, Black and equity-seeking groups.

Corporate Outcomes



A Well-Run City

Toronto's **municipal operations are effective, efficient and resilient** in order to support service delivery.

Toronto's **residents and businesses can conveniently transact and interact with their municipal government** where, when and how they want.



Financial Sustainability

Toronto's **funding for services is adequate and sustainable** to meet the needs of Toronto residents and businesses in the near and long term.

Toronto's **tax dollars are invested in services with the highest value** for residents and businesses.

Priority Areas



People & Neighbourhoods

- Enable safe, sustainable, and accessible communities.
- Invest in protecting lives, infrastructure, property and environment.
- Accelerate efforts to advance complete, affordable and resilient communities.
- Plan for and respond to community risks and emergencies including ongoing COVID-19 response.



Mobility & Infrastructure Investment

- Advance progress toward a modern, equitable and vibrant transportation network.
- Invest in renewal of infrastructure to improve reliability and quality.
- Build a future city that moves people and goods safely and efficiently.



Economic Recovery & Renewal

- Expedite planning and building processes in support of economic recovery.
- Modernize to provide an enhanced customer service experience.
- Partner with other levels of government to advance economic recovery.

2021 Key Risks and Challenges



People & Neighbourhoods

- Unprecedented growth and pace of development.
- Increasingly dense and vertical city.
- Respond to new and emerging legislative changes.



Mobility & Infrastructure Investment

- Address state of good repair backlog.
- Sustain capital delivery in a competitive construction market.
- Integrate and coordinate infrastructure delivery priorities, plans, and capital projects.



Economic Recovery & Renewal

- Drive service quality, efficiency, innovation, and anticipate customer changing needs.
- Address workforce capacity and reskilling required to meet evolving program delivery.
- Uncertainty of COVID-19 resurgence/restart impacts and pace of economic recovery.

2021 Priority Actions



People & Neighbourhoods

- Modernize policies and systems to ensure development and affordable housing applications are processed efficiently.
- Action initiatives developed during COVID-19 that support safe, prosperous and vibrant communities.



Mobility & Infrastructure Investment

- Accelerate efforts and implementation on the City's transit network plan in partnership with all levels of government.
- Implement integrated mobility plans in support of a resilient, modern and safe transportation system.
- Pursue strategic procurement opportunities to increase capital delivery.
- Develop asset management plans that inform sustainable long-term investments.



Economic Recovery & Renewal

- Expedite digital first strategy for electronic service delivery.
- Advance regulatory and business process modernization.
- Develop and implement flexible and agile workforce strategies.

2021 Tax Supported Operating and Capital Budget

Operating Budget							
\$ Millions	2020 Budget	2020 Projection	2021 Budget	2021 vs. 2020 Projection		OUTLOOKS	
				\$'s	%	2022	2023
Revenues	\$477.2	\$419.4	\$479.8	\$60.4	14.4%	\$475.5	\$475.0
Gross Expenditures	\$1,200.5	\$1,126.9	\$1,236.0	\$109.1	9.7%	\$1,279.3	\$1,287.8
Net Expenditures	\$723.3	\$707.5	\$756.1	\$48.6	6.9%	\$803.8	\$812.8

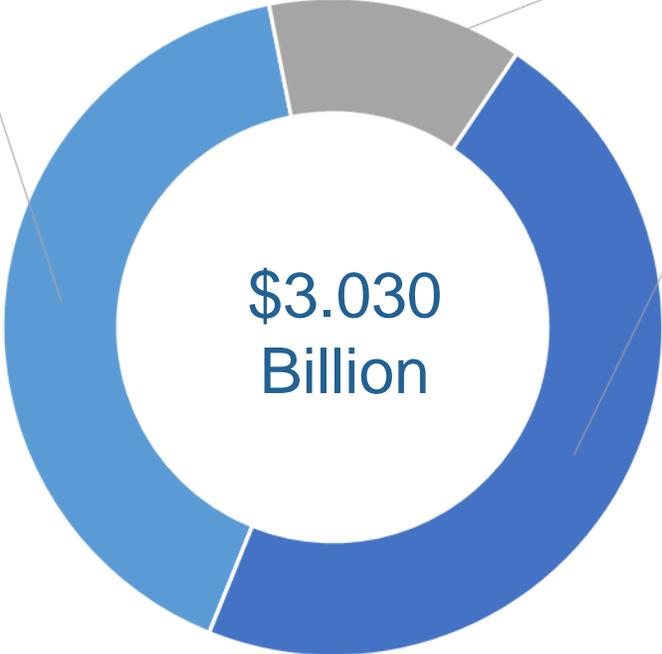
10 Year Capital Budget & Plan			
\$ Millions	2021	2022-2030	Total
Gross Expenditures	\$638.4	\$6,608.8	\$7,247.3
Debt	\$409.1	\$3,968.2	\$4,377.3

Note: Includes 2020 carry forward funding to 2021

2021 Operating Budget Submission

2021 Operating Budget

**Tax Supported
Operating Budget,
\$1.236 Billion**



Solid Waste Management
Services,
\$0.379 Billion

Toronto Water,
\$1.415 Billion

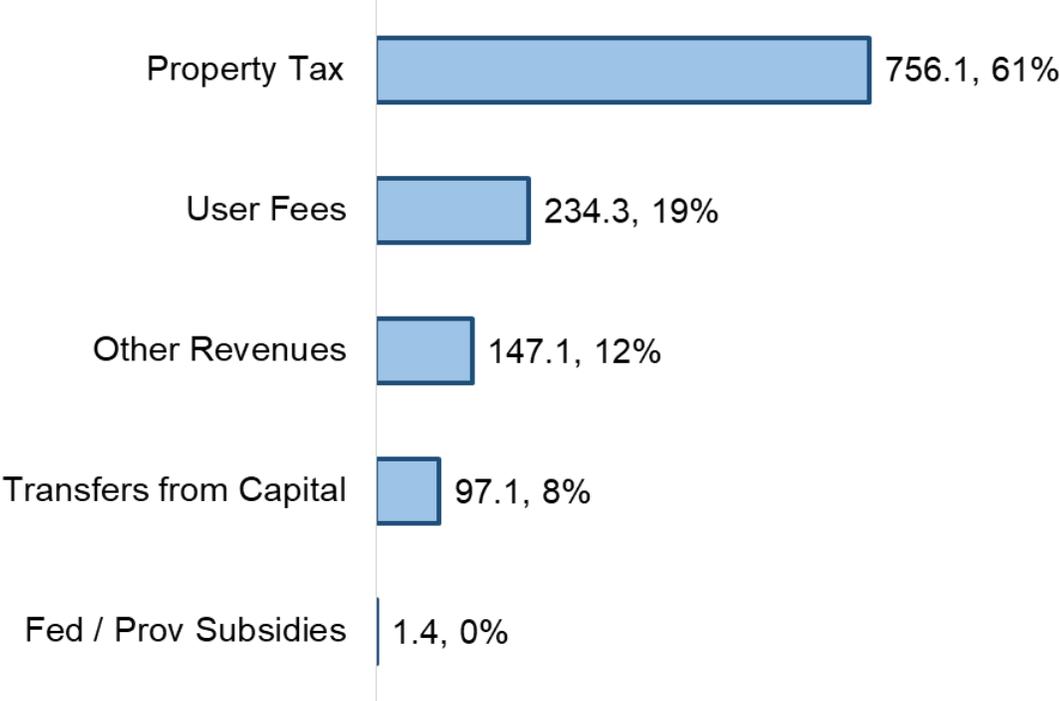
Approved IDS Rate*
Supported Programs
\$1.794 Billion

*IDS Rate supported budgets were approved by City Council on Dec 16, 2020

Where the Money Goes and How the Budget is Funded

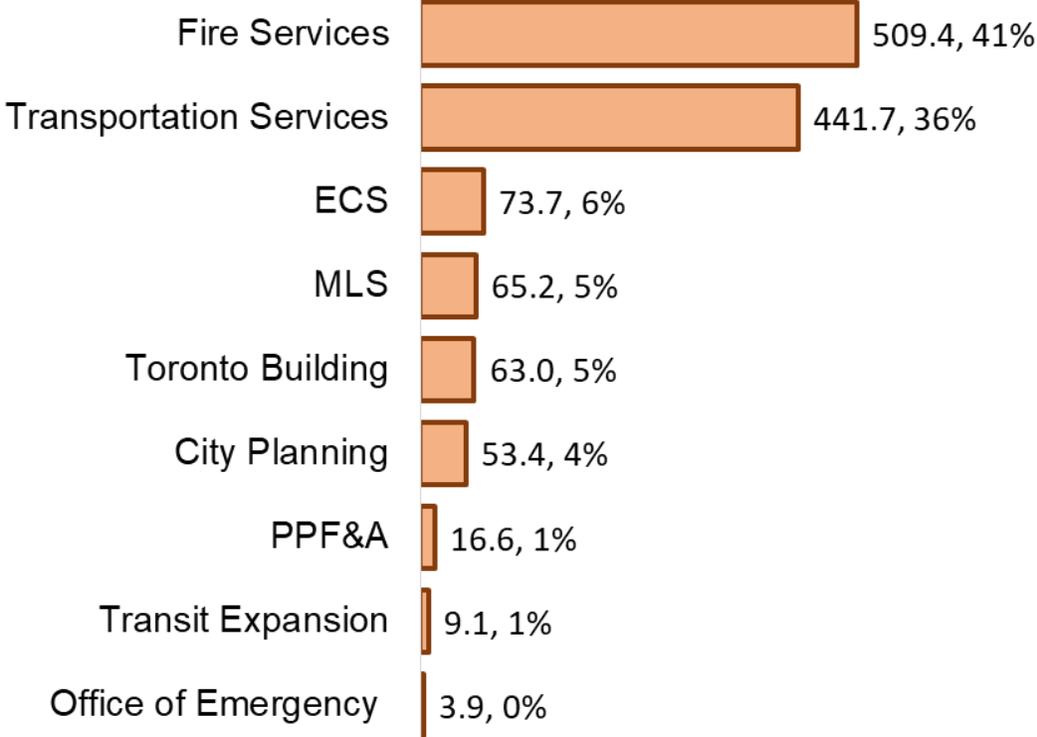
Where the Money Comes From (\$1.2 Billion)

In \$ Millions



Where the Money Goes (\$1.2 Billion)

In \$ Millions



2021 Net Operating Budget

(In \$000s)	2019 Actual	2020 Projection	2020 Budget	2021			2021 Budget	Change vs. 2020 Projection	
				Base Changes	COVID-19 Base	New / Enhanced		\$	%
By Program	\$	\$	\$	\$		\$	\$		
Net Expenditures									
City Planning	7,774.0	11,534.0	13,550.5	(110.0)			13,440.5	1,906.5	16.5%
Engineering & Construction Services	(1,421.3)	1,744.9	1,886.1	(276.3)			1,609.8	(135.1)	(7.7%)
Fire Services	460,856.1	472,049.2	476,630.7	10,258.5	1,728.7		488,617.9	16,568.7	3.5%
Municipal Licensing & Standards	9,276.8	16,445.0	12,320.0	(2,657.8)	4,915.8	461.4	15,039.4	(1,405.6)	(8.5%)
Office of Emergency	2,287.2	3,117.3	2,607.5	(91.5)	740.2		3,256.2	138.9	4.5%
Policy, Planning, Finance & Admin.	4,995.1	4,753.8	5,426.9	(379.7)			5,047.2	293.5	6.2%
Toronto Building	(48,480.5)	(45,332.7)	(16,146.9)				(16,146.9)	29,185.8	(64.4%)
Transit Expansion			0.6	(0.6)					-
Transportation Services	229,735.0	243,209.2	227,063.1	(1,204.9)	14,226.2	5,197.5	245,281.9	2,072.7	0.9%
Total Net Expenditures	665,022.3	707,520.6	723,338.5	5,537.8	21,610.9	5,658.9	756,146.1	48,625.5	6.9%

- Base Changes include savings and offsets through mitigation strategies and increases for cost of living as stipulated in the collective agreements.
- New and enhanced include \$2.8 Million in funds for COVID-19 initiatives and strategies.

New Investments

Building a Prosperous Toronto ~ \$7.6 MILLION



COVID-19 IMPACT
& RECOVERY
\$3.8 M



HOUSING
INITIATIVE
\$0.7 M



OTHER CITY
PRIORITIES
\$3.1 M

Other New Investments ~ \$3.6 MILLION



SAFETY
\$2.5 M



OTHER CITY
PRIORITIES
\$1.1 M

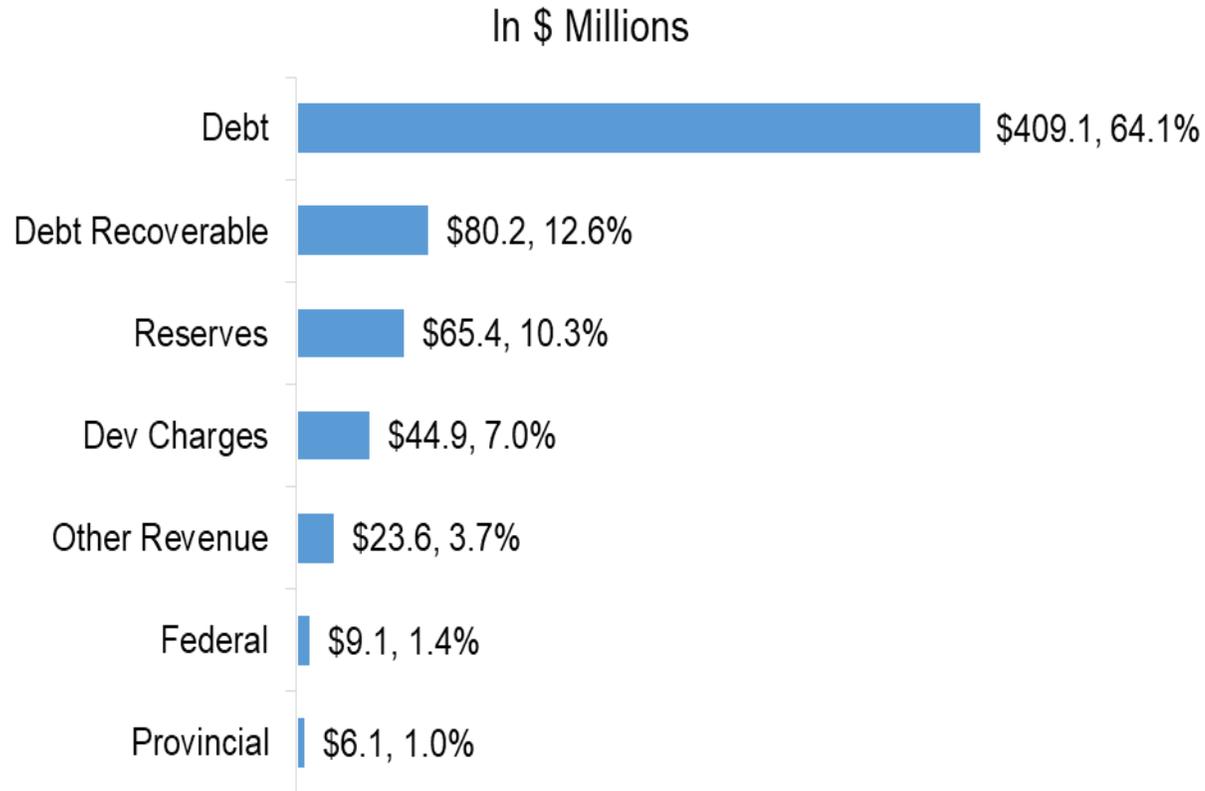
\$11.2M

NEW INVESTMENTS TO ADDRESS KEY PRIORITIES

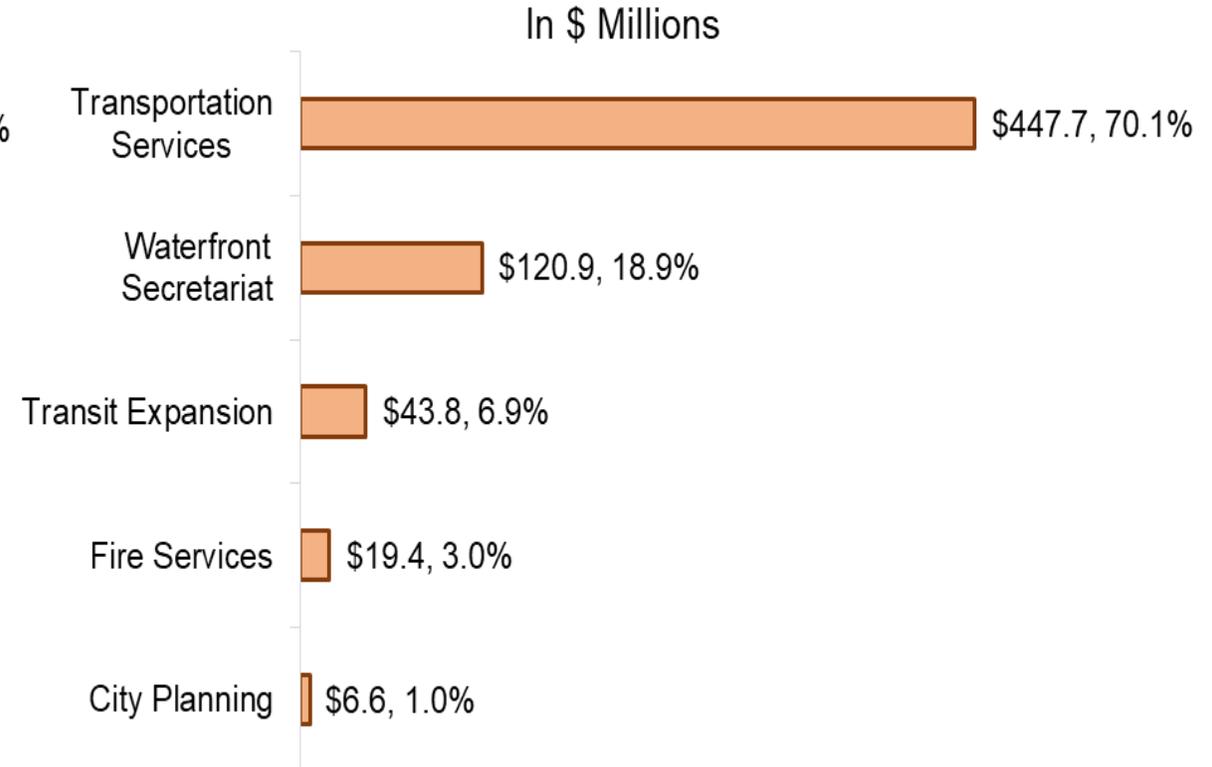
2021 – 2030 Capital Budget & Plan Submission

2021 Capital Program Breakdown

Where the Money Comes From (\$638.4 Million)



Where the Money Goes (\$638.4 Million)



\$7.2 Billion 10-Year Gross Capital Program



**State of Good Repair
(Excluding F.G. Gardiner)**
\$2.0B



**Vision Zero Road
Safety Plan**
\$161.7M



**Cycling
Network Plan**
\$156.7M



**Waterfront Parks
Infrastructure**
\$62.1M



**Congestion Management
and Growth Projects**
\$629.7M



**New Stations,
Vehicles/Equipment**
\$26.1M



**Civic
Improvements**
\$30.2M



**Legislated and
Development Studies**
\$30.9M



**Portland Flood
Protection**
\$195.7M



**IT, Communication &
TRIP**
\$20.3M



**Other
Infrastructure**
\$1.9B



**F.G. Gardiner Expressway
Rehabilitation**
\$2.0B

How the 10-Year Capital Program is Funded

City of Toronto		Provincial Funding		Federal Funding	
\$ 6.6 B 91.4%		\$6.1 M 0.1%		\$615.1 M 8.5%	
Debt	\$4.4 B	OMCC Grant	\$5.2 M	PTIF Funding	\$585.0 M
Reserve Draws	\$552.7 M	COVID-19 Resilience Grant	\$0.9 M	DMAF Grant	\$24.9 M
Development Charges	\$476.6 M			COVID-19 Resilience Grant	\$3.6 M
Debt Recoverable	\$1.0 B			Other Grants	\$1.6 M
Other	\$180.9 M				

OMCC - Ontario Municipal Commuter Cycling Program
 DMAF - Disaster Mitigation and Adaptation Fund
 PTIF - Public Transit Infrastructure Fund

Capital Needs Constraints



Mobility & Infrastructure Investment

\$6.2 Billion including:

- Local and Major Roads Rehabilitation (\$4.0B)
- City Bridges, and Laneways Rehabilitation (\$0.7B)
- Growth related projects (\$1.1B)
- Other service improvement needs (\$0.4B)



People and Neighbourhoods

\$990.4 Million, including:

- New Fire Station & Future Planning (\$31.2M)
- Replacement of Fire Boats (\$15.0M)
- Relocation of Fire Academy (\$30.0M)
- Fire apparatus, training and other equipment (\$12.1M)
- Port Lands Infrastructure and Public Realm (\$422.1M)
- Other Infrastructure and Public Realm (\$480.0M)

Thank You

Appendices

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COVID-19 Financial Impact and 2021 Assumptions

COVID-19 Impacts	(\$000s)					
	2020			2021		
	Revenues	Gross	Net	Revenues	Gross	Net
Revenue Loss						
Licensing & Permits (ML&S)	(13,479.3)		13,479.3	(4,915.8)		4,915.8
Reversal of CPI Increases (ML&S)				(461.4)		461.4
Lower Traffic Volume (Transportation)	(8,119.1)	(4,947.4)	3,171.6	(3,555.4)		3,555.4
Lower Volumes Industry Response (Transportation)	(10,968.6)		10,968.6	(5,366.3)		5,366.3
Other Revenues (Transportation)	(547.3)	(153.1)	394.2	(5,304.5)	(153.1)	5,151.4
Sub-Total	(33,114.4)	(5,100.5)	28,013.8	(19,603.4)	(153.1)	19,450.3
Expenditure Increase						
Overtime, PPE, supplies and other		3,699.8	3,699.8		2,468.9	2,468.9
Social Distancing Initiatives (Transportation)		6,747.0	6,747.0	1,419.4	3,790.5	2,371.1
Sub-Total		10,446.8	10,446.8	1,419.4	6,259.4	4,840.0
Savings due to Underspending						
School Crossing Guard (Transportation)		(8,435.0)	(8,435.0)			
Sub-Total		(8,435.0)	(8,435.0)			
Savings due to Management Actions						
Hiring slowdown		(24,470.2)	(24,470.2)		(11,695.4)	(11,695.4)
Voluntary Separation Program		2,149.3	2,149.3	(1,883.8)	(6,600.3)	(4,716.5)
Non-Union Performance Pay Cancellation					(3,068.7)	(3,068.7)
Other adjustments to reflect actuals					(1,331.4)	(1,331.4)
Sub-Total		(22,321.0)	(22,321.0)	(1,883.8)	(22,695.8)	(20,812.0)
Total COVID-19 Impact	(33,114.4)	(25,409.7)	7,704.6	(20,067.8)	(16,589.5)	3,478.3

2021 Operating Budget - Revenues

(In \$000s)	2019 Actual	2020 Budget	2020 Projection	2021 Base Budget	2021 New / Enhanced	2021 Budget	Change vs. 2020 Projection	
							\$	%
By Program	\$	\$	\$	\$	\$	\$	\$	%
Revenues								
City Planning	43,100.2	41,096.4	38,610.2	39,493.1	454.8	39,947.9	1,337.7	3.5%
Engineering & Construction Services	67,532.0	71,309.1	65,063.0	70,724.4	1,351.2	72,075.6	7,012.7	10.8%
Fire Services	23,676.8	20,741.9	22,241.9	20,769.2		20,769.2	(1,472.7)	(6.6%)
Municipal Licensing & Standards	51,054.3	55,148.1	43,377.5	50,625.3	(461.4)	50,163.9	6,786.5	15.6%
Office of Emergency	347.2	660.0	651.2	660.0		660.0	8.8	1.3%
Policy, Planning, Finance & Admin.	10,317.5	11,595.9	10,484.7	11,552.0		11,552.0	1,067.3	10.2%
Toronto Building	99,027.5	77,481.7	99,075.4	77,078.7	2,035.4	79,114.0	(19,961.4)	(20.1%)
Transit Expansion	2,317.2	8,671.5	5,223.1	9,109.0		9,109.0	3,885.9	74.4%
Transportation Services	156,671.3	190,476.4	134,666.0	194,286.7	2,152.5	196,439.2	61,773.2	45.9%
Total Revenues	454,044.1	477,180.9	419,392.9	474,298.4	5,532.5	479,830.9	60,438.0	14.4%

* 2020 Projection based on 9 Month Variance

2021 Operating Budget – Gross Expenditures

(In \$000s)	2019 Actual	2020 Budget	2020 Projection	2021 Base Budget	2021 New / Enhanced	2021 Budget	Change vs. 2020 Projection	
By Program	\$	\$	\$	\$	\$	\$	\$	%
Gross Expenditures								
City Planning	50,874.2	54,646.9	50,144.2	52,933.6	454.8	53,388.4	3,244.2	6.5%
Engineering & Construction Services	66,110.8	73,195.2	66,807.8	72,334.2	1,351.2	73,685.4	6,877.6	10.3%
Fire Services	484,532.9	497,372.6	494,291.1	509,387.1		509,387.1	15,096.0	3.1%
Municipal Licensing & Standards	60,331.1	67,468.1	59,822.4	65,203.4		65,203.4	5,380.9	9.0%
Office of Emergency	2,634.4	3,267.5	3,768.6	3,916.2		3,916.2	147.7	3.9%
Policy, Planning, Finance & Admin.	15,312.5	17,022.8	15,238.5	16,599.2		16,599.2	1,360.7	8.9%
Toronto Building	50,547.0	61,334.8	53,742.7	60,931.8	2,035.4	62,967.1	9,224.4	17.2%
Transit Expansion	2,317.2	8,672.1	5,223.1	9,109.0		9,109.0	3,885.9	74.4%
Transportation Services	386,406.3	417,539.5	377,875.2	434,371.1	7,350.1	441,721.2	63,845.9	16.9%
Total Gross Expenditures	1,119,066.4	1,200,519.4	1,126,913.5	1,224,785.5	11,191.5	1,235,977.0	109,063.4	9.7%

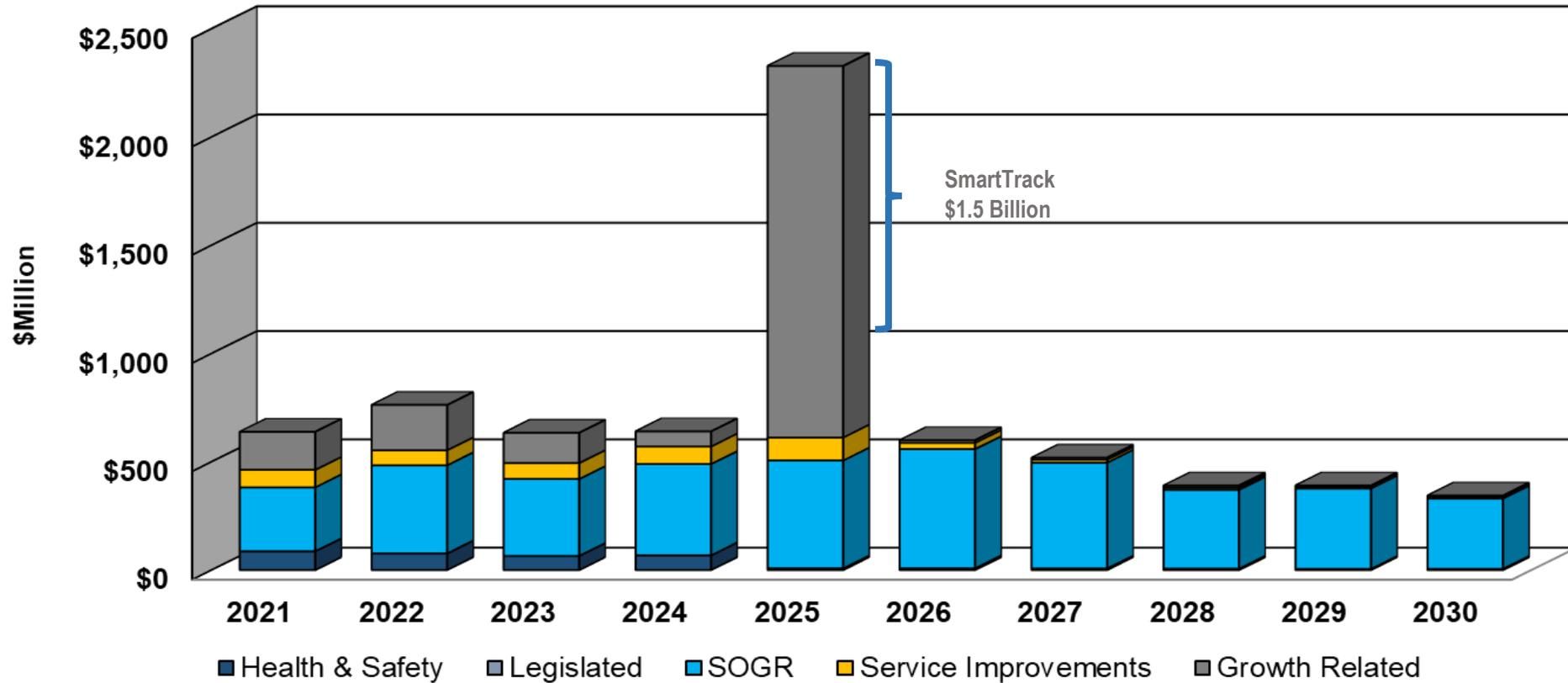
* 2020 Projection based on 9 Month Variance

2021 Operating Budget – Net Expenditures

(In \$000s)	2019 Actual	2020 Budget	2020 Projection	2021 Base Budget	2021 New / Enhanced	2021 Budget	Change vs. 2020 Projection	
By Program	\$	\$	\$	\$	\$	\$	\$	%
Net Expenditures								
City Planning	7,774.0	13,550.5	11,534.0	13,440.5		13,440.5	1,906.5	16.5%
Engineering & Construction Services	(1,421.3)	1,886.1	1,744.8	1,609.8		1,609.8	(135.0)	(7.7%)
Fire Services	460,856.1	476,630.7	472,049.2	488,617.9		488,617.9	16,568.7	3.5%
Municipal Licensing & Standards	9,276.8	12,320.0	16,445.0	14,578.0	461.4	15,039.4	(1,405.6)	(8.5%)
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Toronto Building	(48,480.5)	(16,146.9)	(45,332.7)	(16,146.9)		(16,146.9)	29,185.8	(64.4%)
Transit Expansion		0.6						-
Transportation Services	229,735.0	227,063.1	243,209.2	240,084.4	5,197.5	245,281.9	2,072.7	0.9%
Total Net Expenditures	665,022.4	723,338.5	707,520.6	750,487.1	5,658.9	756,146.1	48,625.5	6.9%

* 2020 Projection based on 9 Month Variance

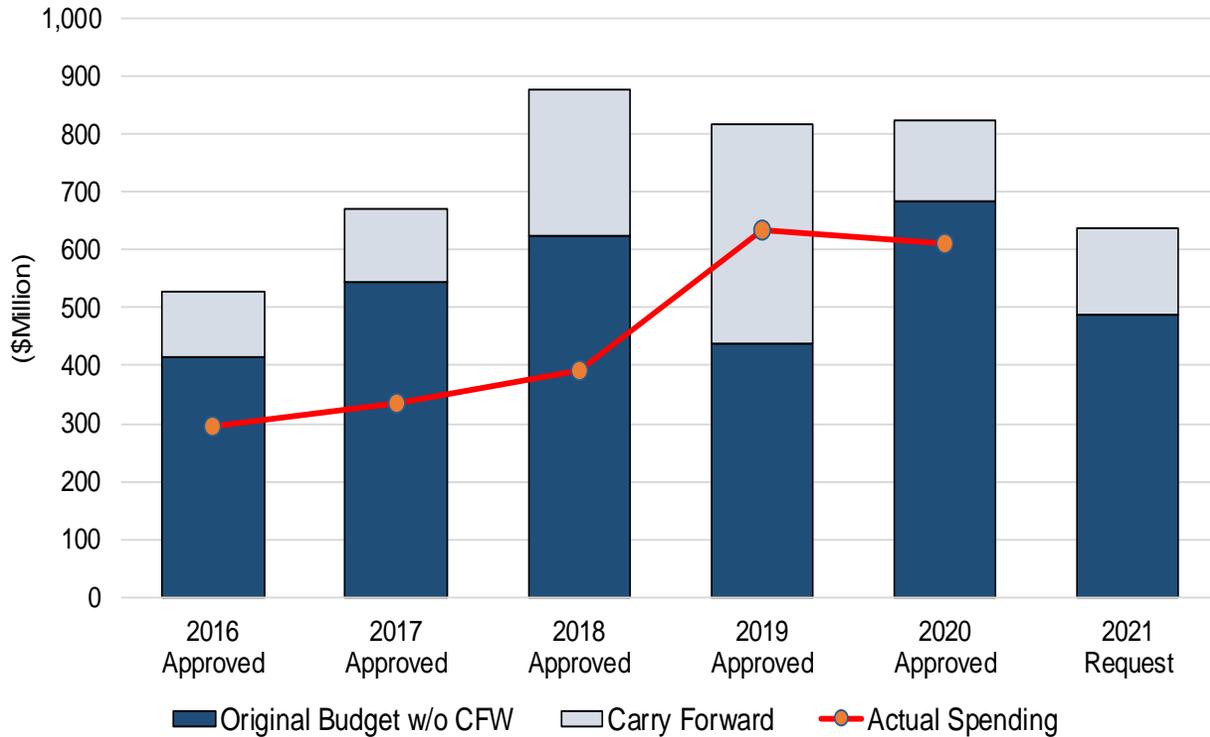
2021 – 2030 Capital Budget & Plan by Project Category



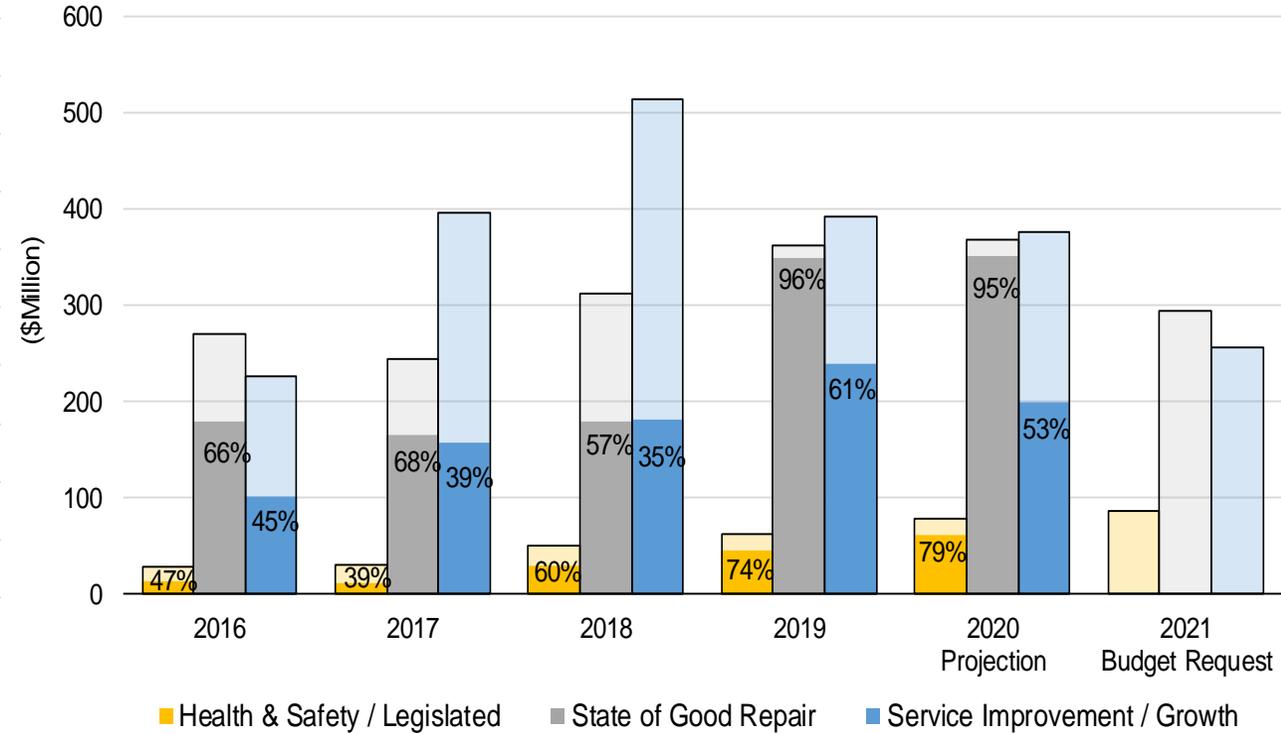
\$Million	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
Health & Safety	86.0	76.0	64.6	67.7	7.3	7.4	7.0	6.1	5.1	5.1	332.2
Legislated	0.6	0.7	0.5	0.3	0.6	0.5	0.4	0.4	0.1	0.3	4.2
SOGR	295.3	407.1	355.6	421.5	498.0	550.8	488.1	363.8	371.4	324.6	4,076.3
Service Improvements	81.1	69.4	73.7	81.1	106.0	28.6	13.9	10.3	8.3	8.3	480.6
Growth Related	175.5	209.6	139.7	70.0	1,716.2	12.2	9.7	9.7	5.7	5.7	2,353.9
Total	638.4	762.7	634.0	640.6	2,328.0	599.5	519.0	390.4	390.5	344.0	7,247.3

Capacity to Spend

Capacity to Spend



Budget vs. Actual Spending by Category



* 2020 Actual Spending based on 9 Month Variance projection

State of Good Repair (SOGR) Funding and Backlog

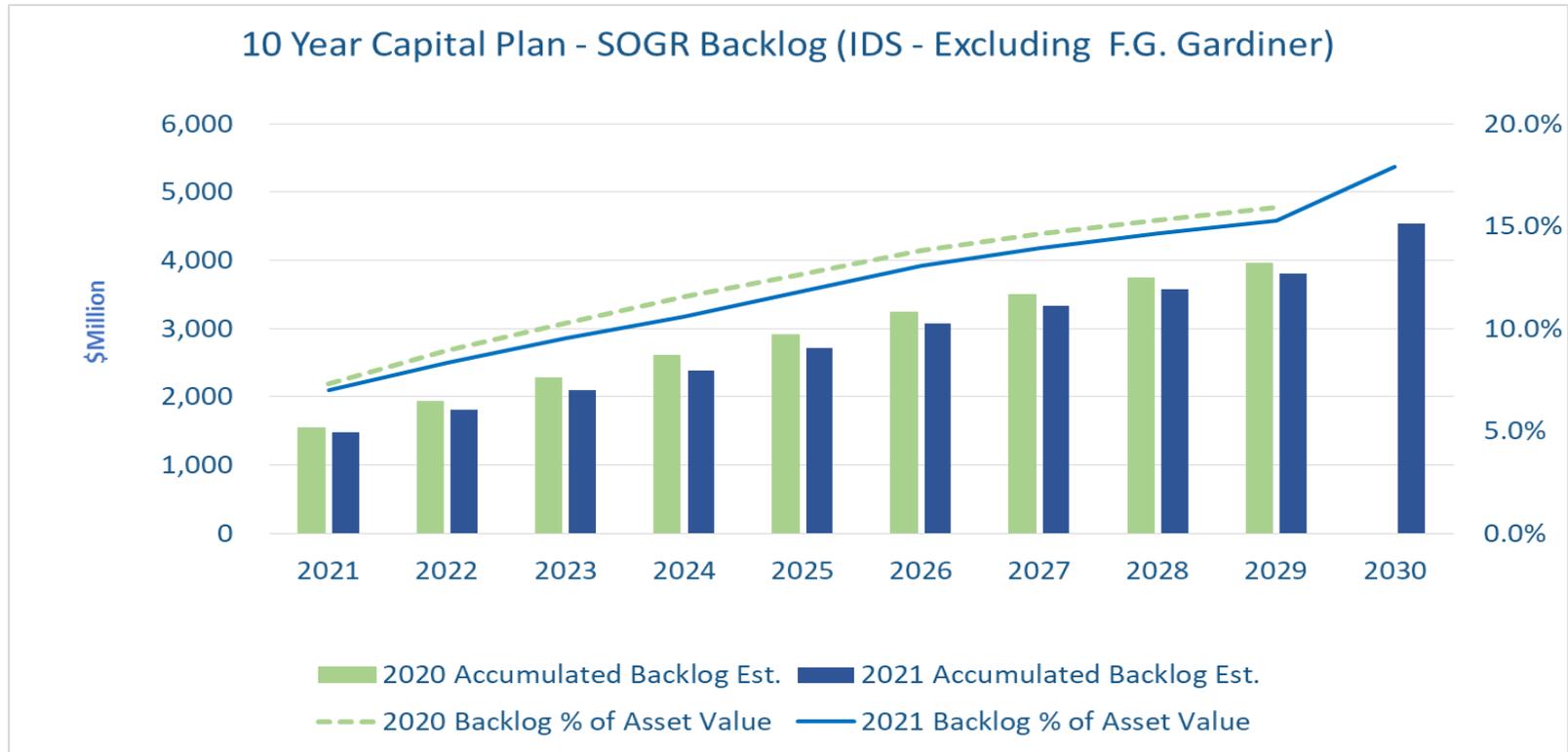
Accumulated Backlog as a % of Asset Value (Tax)
(\$Million)



\$Million	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Backlog \$	\$3,409	\$3,551	\$3,707	\$3,775	\$3,812	\$3,822	\$3,811	\$3,941	\$4,045	\$4,684
Backlog as % of Asset Value	11.8%	12.0%	12.3%	12.3%	12.2%	12.0%	11.7%	11.9%	11.9%	13.6%

State of Good Repair (SOGR) Funding and Backlog

Accumulated Backlog as a % of Asset Value (Key Assets excluding the F.G. Gardiner) (\$Million)



\$Million	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Backlog \$ (excluding F.G. Gardiner)	\$1,487	\$1,811	\$2,102	\$2,386	\$2,717	\$3,067	\$3,339	\$3,582	\$3,802	\$4,542
Backlog as % of Asset Value	7.0%	8.4%	9.5%	10.6%	11.8%	13.1%	13.9%	14.7%	15.3%	17.9%

IDS Service Outcomes



Physical growth is balanced and socially and environmentally resilient. **Development applications** comply with the Official Plan and legislation. Applicants receive timely and fair recommendations on development applications.



Transportation network connects people to opportunities and places that they value. **Streets** in communities are safe, equitable and vibrant.



Waste collection is timely, safe, reliable and efficient. **Waste management** is innovative, environmentally and fiscally sustainable.



Buildings in Toronto are constructed to be safe, accessible, and sustainable.



Transit projects are comprehensively coordinated and delivered on-time and on-budget.



Municipal infrastructure is designed and constructed to be safe and sustainable.



Public and private spaces have safe community standards and minimal public nuisances. **Licences and permits** for operating businesses are issued conveniently and efficiently. **Animals** are cared for and protected safely and reliably.



Emergency response is timely and effective. **Fire incidents** in Toronto are prevented. **Buildings and public venues** comply with fire safety standards.



Drinking water is delivered in a safe and reliable manner. **Wastewater** is collected and treated. **Stormwater** is collected or diverted to prevent flooding, control erosion and improve water quality



Underused land in Toronto's waterfront is revitalized into vibrant and sustainable mixed use communities.



Timely, robust, integrated and coordinated **services continue to be delivered** during emergencies. Toronto residents and businesses are informed of actions required to respond to and recover from emergencies.



Input from engagement of residents and businesses informs decisions.



Divisions make **informed financial decisions** and provide financially sustainable services.