REPORT FOR ACTION

2022-2031 Capital Budget

Date: September 20, 2021
To: Board of Management of the Toronto Zoo
From: Director, Finance & Technology
Wards: All

SUMMARY

This report submits the 2022-2031 Capital Budget of the Board of Management of the Toronto Zoo. The Policy & Finance Committee reviewed the 2022-2031 Capital Budget on 2021-08-25 and recommended it for approval by the Board.

RECOMMENDATIONS

The Director, Finance & Technology recommends that:

1. The Board of Management of the Toronto Zoo approves the 2022-2031 Capital Budget as shown in Schedule I.

FINANCIAL IMPACT

The 2022-2031 Capital Budget 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 $128.0 million prior to consideration of outside funding sources and prior year carry forward balances. The total gross cash flow required in 2022 is $24.5 million prior to consideration of outside funding sources and prior year carry forward balances.

The City continues to implement the Capacity to Spend model, based on historical actual spend to determine total debt levels. As such, the 2022-2031 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. An update to the Master Plan began in 2020 to correlate with the new strategic plan and recognize the realities of operating in a COVID-19 world. Once completed, the Master Plan will inform the changes to the 10-year Capital Plan.

DECISION HISTORY

The foundation of the 2022-2031 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 (2021) and the Site Services Study started in 2017. The program is also consistent with the directions provided in the new Strategic Plan previously adopted by the Board of Management.

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.

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 includes 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.

2022-2031 Capital Projects

Toronto Zoo Community Conservation Campus
The Toronto Zoo Community Conservation Campus 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 incorporate a conservation campus and community hub with traditional Zoo front entrance elements such as entrance wickets, and retail facilities. In addition to these traditional elements, the concept includes program elements such as classrooms, wet laboratories, and a theatre/ lecture hall. The project also includes exterior improvements to landscaping and courtyard design and a new outdoor habitat.

The design is currently underway and construction will commence in 2022 through 2024.

Winter Accessibility
Accessibility improvements to the boardwalk ramp from the Indo-Malaya Pavilion to the African Rainforest Pavilion are two subprojects of this project to meet AODA requirements.

Building & Services Refurbishment
The Building & Services Refurbishment project in 2022 and beyond is guided by the results of a Buildings Audit Report (2021) and the Site Services Study started in 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.

Technology (Information System)
In 2022, the Zoo will focus on digitization technology projects as described in the draft 2021 Technology Master Plan, which includes building a new internet network and new Wi-Fi services, the upgrade of the implementation of the ERP upgrade, the upgrade of the admissions/ticketing system, and helping the hidden Zoo becomes extinct through Finance and Safety & Security upgrades.

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 2022, expenditures in this category will focus on addressing issues in relation to accessibility and pathway improvements. This will include Rouge Valley erosion control, continued guest washroom enhancements and upgrades to barrier structures at dangerous animal exhibits.

CONCLUSION:

The mission of the Toronto Zoo is connecting people, animals and conservation science to fight extinction. The new Master Plan will incorporate this mission with the goal of building our world class zoo, and will result in a dynamic and exciting offering of improvements for the future sustainability of the Toronto Zoo. During these challenging times, the Zoo continues to have passionate supporters with approximately 33,000 membership households, and a strong visitor base, as well as amazing support both on site and through remote connections.

Since inception in 1974, the Toronto Zoo invested over $222.0 million through the Capital Works Plan (CWP). The 2022-2031 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 and prepare the Zoo for recovery in a post-Covid world. As well, creation of new exhibits in the plan will allow the Zoo to remain a destination of choice.

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 external fundraising relationships, particularly with the Toronto Zoo Wildlife Conservancy. 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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SIGNATURE

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ATTACHMENTS

Schedule I - Toronto Zoo Capital Budget 2022-2031