

Infrastructure and Development Services

2023 Operating Budget and
2023-2032 Capital Budget & Plan
Briefing to Budget Committee

January 12, 2023

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Infrastructure and Development Services

City Planning



Engineering & Construction Services



Municipal Licensing & Standards



Office of Emergency Management



Policy Planning Finance & Administration



Solid Waste Management Services



Toronto Building



Toronto Water



Transit Expansion



Transportation Services



Waterfront Revitalization



Services & 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

- Invest in protecting lives, infrastructure, property and environment.
- Plan and respond to community risks and emergencies.
- Enable safe, sustainable, inclusive and complete communities.



Mobility, Safety & Infrastructure Investment

- Advance progress toward a modern, equitable, accessible and vibrant transportation network.
- Advance the coordination and development of transit expansion.
- Invest in renewal of infrastructure to improve the movement of people and goods safely and reliably.
- Reduce traffic fatalities and serious injuries towards the Vision Zero goal.
- Continue to advance Long-Term Waste Management Strategy (Waste Strategy) and implement Extended Producer Responsibility.



Economic Renewal & A Well-Run City

- Continue transformation of planning and building processes in support of improved service delivery.
- Enhance customer experience and accelerate approvals e.g. Toronto Building Express Services Program.
- Support economic recovery including: Mainstreet Retail, Downtown Renewal and overall Employment Growth.



Climate & Resilience

- Support implementation of Council approved TransformTO strategies.

2023 Budget Overview

Operating Budget							
\$ Thousands	2022 Budget	2022 Projection*	2023 Budget	Chg from 2022 Proj.		OUTLOOKS	
				\$	%	2024	2025
Tax-Supported Divisions							
Revenues	\$468,053	\$445,281	\$503,402	\$58,120	13.1%	\$483,881	\$487,183
Gross Expenditures	\$732,629	\$689,465	\$765,393	\$75,927	11.0%	\$797,242	\$811,155
Net Expenditures (Including COVID-19 Supports)	\$264,576	\$244,184	\$261,991	\$17,807	7.3%	\$313,362	\$323,972
Required COVID-19 Support	\$4,797	\$3,405		(\$3,405)	-100.0%		
Net Expenditures (Excluding COVID-19 Supports)	\$259,779	\$240,779	\$261,991	\$21,212	8.8%	\$313,362	\$323,972
Approved Positions	3,945.7	N/A	4,119.7	N/A	N/A	4,189.7	4,240.7
Rate-Supported Divisions							
Revenues	\$1,838,138	\$1,860,163	\$1,893,987	\$33,823	1.8%	\$1,938,659	\$1,985,088
Gross Expenditures	\$849,301	\$818,145	\$882,613	\$64,468	7.9%	\$909,259	\$924,334
Capital Contribution	\$988,838	\$988,838	\$1,011,374	\$22,536	2.3%	\$1,029,401	\$1,060,754
Surplus		\$53,180		N/A	N/A	N/A	N/A
Total Capital Contribution	\$988,838	\$1,042,018	\$1,011,374	(\$30,644)	-2.9%	\$1,029,401	\$1,060,754
Approved Positions	3,028.6	N/A	3,052.6	N/A	N/A	3,064.6	3,065.6

*Projection is based on 9 Month Variance

10 Year Capital Budget & Plan			
\$ Millions	2023	2024-2032	Total
Gross Expenditures	\$2,418.2	\$21,663.3	\$24,081.4
Debt	\$381.4	\$4,412.8	\$4,794.2

Note: Includes 2022 carry forward funding to 2023

2023 Key Risks and Challenges



People & Neighbourhoods

- Increasingly high level of growth, pace of development and provision of infrastructure to support complete communities.
- Ongoing implementation of new and emerging Provincial legislative changes impacting realignment of Divisional and Council priorities.



Mobility, Safety & Infrastructure Investment

- Sustain capital delivery in a competitive construction market.
- Manage and prioritize impact of growth on City's infrastructure.
- Continued focus on State of Good Repair backlog.
- Integrate and coordinate infrastructure delivery priorities, plans and capital projects.



Economic Renewal & A Well-Run City

- Drive service quality, efficiency, innovation, and anticipate customer changing needs.
- Continue to address workforce capacity, recruitment, retention and reskilling required to meet evolving program delivery and service demands.
- Cost escalations caused by inflation, supply chain challenges, specialized labour shortages and market volatility impacting operations and capital delivery.

Priority Actions



People & Neighbourhoods

- Advance development and delivery of Council's 2023 Housing Action Plan including Housing Now, Rapid Housing Initiative (RHI), Expanding Housing Options in Neighbourhoods (EHON) and ongoing area planning frameworks (e.g. Downsview, Golden Mile).
- Building the strategy and approach for the next phase of Waterfront Revitalization, including Villiers Island and the Port Lands.
- Implementing new regulatory framework for Multi-Tenant Housing.



Mobility, Safety & Infrastructure Investment

- Continue municipal coordination and partnerships to deliver transit expansion program.
- Continue planning and co-ordination of multi-year Capital Program with internal and external stakeholders.
- Expand Construction Hub Program and introduction of Event Management Zones.
- Continue to deliver and build Complete Streets, including the Cycling Network Plan; Vision Zero Strategy.
- Protect the winter maintenance budget to continue providing expanded sidewalk snow clearing across the City.
- Continue to advance organics processing capacity initiatives; investigate long-term disposal options and implement transition of Toronto's blue box program to Producer Responsibility Organizations.



Economic Renewal & A Well-Run City

- Advance community and economic development plans in priority areas such as Jane and Finch and Little Jamaica.
- Advance digital first strategy and business process modernization.



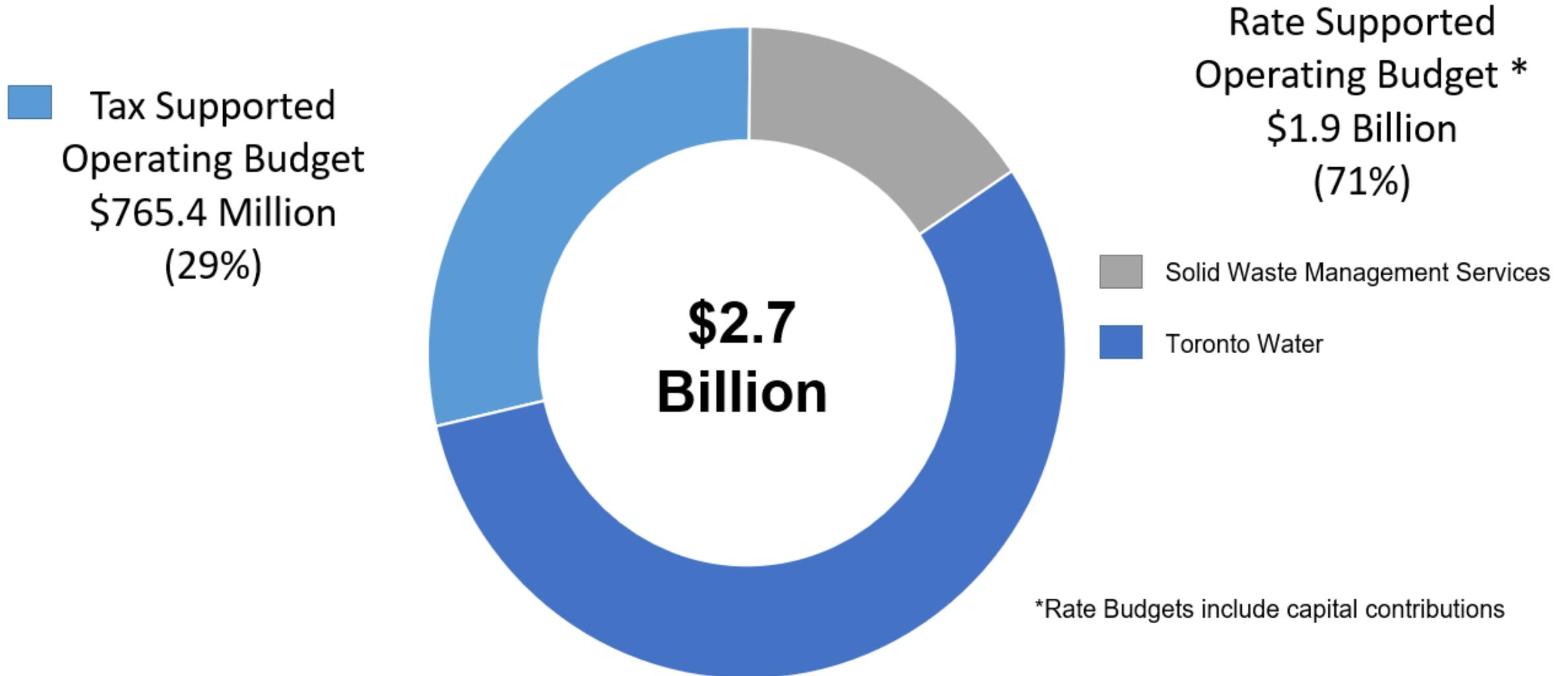
Climate & Resilience

- Advance stormwater management projects to protect the environment and lake, river and stream water quality; and Green Streets strategy for resilient green infrastructure that reduces costs and environmental risks.
- Continue to support implementation of on-street electric vehicle charging stations.
- Continue implementing the Port Lands Flood Protection project.

2023 Operating Budget Submission

Infrastructure and Development Services

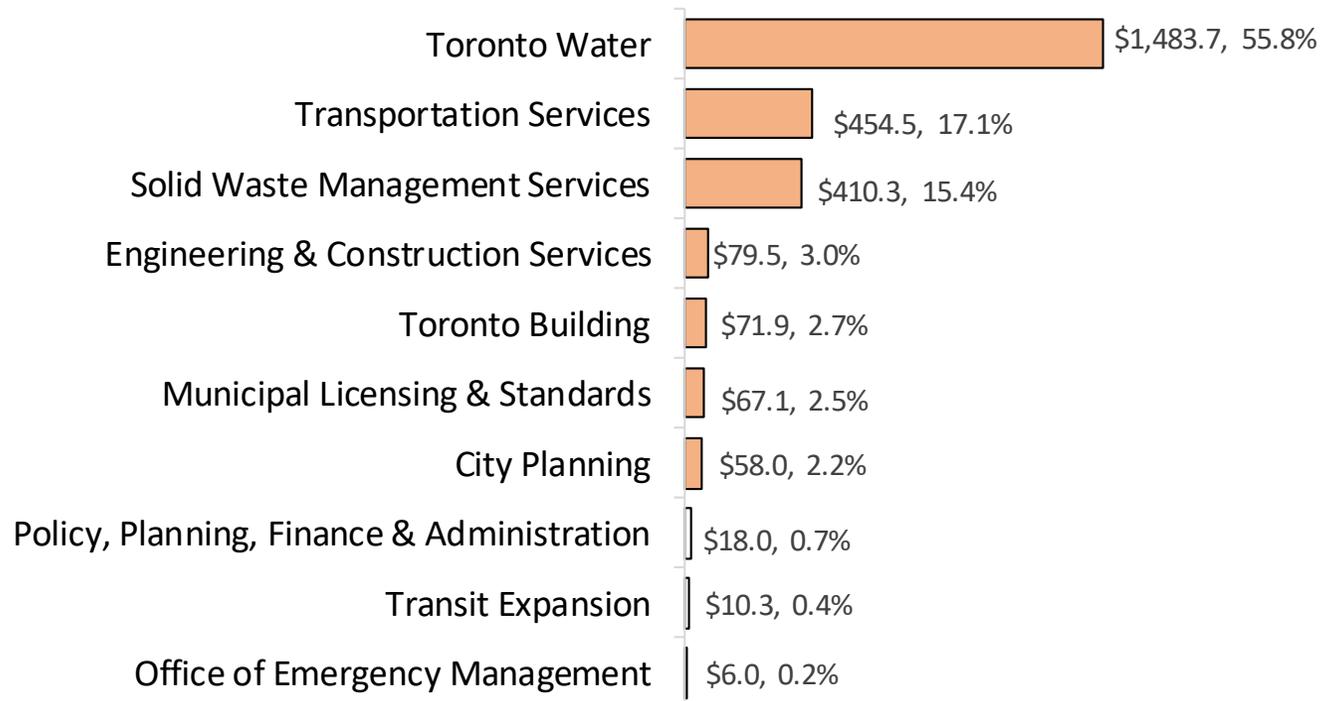
2023 Operating Budget - \$2.7 Billion



2023 Operating Budget - \$2.7 Billion

2023 Gross Operating Expenditures

In \$ Millions



Key Points

Rate Programs:

- City Council approved 3% Interim Rate increase effective January 1st.

Tax Supported Programs:

New & Enhanced:

- 2023 Housing Action Plan - Multi-tenant Housing
- Automated Speed Enforcement Expansion

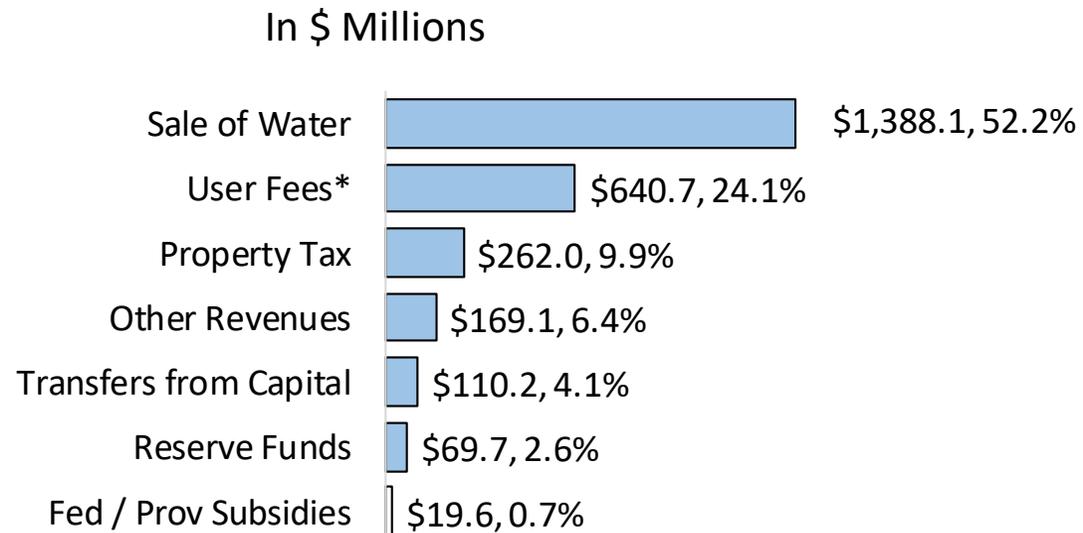
NOTE: City Council approved funding for implementation of Bill 109, the More Homes for Everyone Act 2022, has been budgeted corporately and will be allocated appropriately.

Equity:

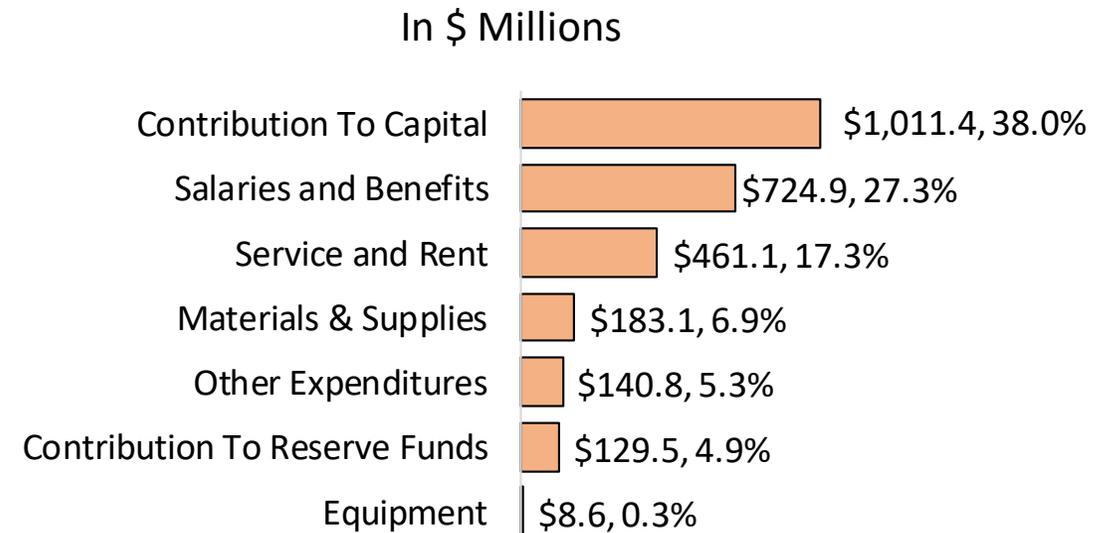
- Implementation of new regulatory framework for multi-tenant housing, supporting the preservation and creation of safe and affordable homes in all parts of the city.
- Improving transportation access to mobility for Toronto's most vulnerable residents and equity deserving groups.

How the Budget is Funded and Where the Money Goes

Where the Money Comes From \$2.7 Billion



Where the Money Goes \$2.7 Billion



* Includes \$408.2 Million Rate Program User Fees

2023 Net Operating Budget

(In \$000s)	2021 Actual	2022 Budget	2022 Projection*	2023			2023 Budget	Change v. 2022 Projection	
				Base Budget	COVID-19 Impact	New / Enhanced Requests		\$	%
By Program	\$	\$	\$	\$		\$	\$	\$	%
Net Expenditures									
Tax Supported Divisions									
City Planning	(22,375.0)	13,338.2	(7,647.8)	9,720.7			9,720.7	17,368.5	227.1%
Engineering & Construction Services	(7,007.6)	567.5	(1,235.1)	579.2			579.2	1,814.2	146.9%
Municipal Licensing & Standards	18,038.0	22,334.7	18,940.4	19,937.6		3,476.8	23,414.4	4,474.0	23.6%
Office of Emergency Management	2,884.6	3,301.1	2,835.0	4,794.1			4,794.1	1,959.2	69.1%
Policy, Planning, Finance & Administration	4,383.1	4,860.4	4,850.8	5,209.1			5,209.1	358.2	7.4%
Toronto Building	(59,882.9)	(16,146.9)	(32,831.0)	(16,146.9)			(16,146.9)	16,684.1	50.8%
Transit Expansion	2,511.2	2,337.0	1,722.1	2,337.0			2,337.0	614.9	35.7%
Transportation Services*	209,437.7	233,984.3	257,549.6	229,767.9		2,315.6	232,083.5	(25,466.1)	(9.9%)
Total Net Expenditures - Tax-Supported Divisions	147,989.1	264,576.2	244,184.0	256,198.7		5,792.4	261,991.1	17,807.1	7.3%
Capital Contributions									
Rate Supported Divisions									
Solid Waste Management Services - Capital Contribution	48,645.2	13,044.8	13,044.8	12,004.0			12,004.0	(1,040.8)	(8.0%)
Solid Waste Management Services - Surplus*			19,559.6					(19,559.6)	(100.0%)
Toronto Water - Capital Contribution	954,482.9	975,792.8	975,792.8	999,370.0			999,370.0	23,577.2	2.4%
Toronto Water - Surplus*			33,620.8					(33,620.8)	(100.0%)
Total Capital Contributions - Rate-Supported Divisions	1,003,128.1	988,837.6	1,042,018.0	1,011,374.0			1,011,374.0	(30,644.1)	(2.9%)

*Projection is based on 9 Month Variance. Transportation Services 2022 projection includes impacts of winter events above budget that are reversed in the 2023 budget.

- Increase in the 2023 budget compared to the 2022 projection includes: cost of living adjustments in accordance with collective agreement provisions; base budget adjustments for ongoing efforts to support key City priorities, inflationary increases for existing contracts, utilities and other non-labour expenditures; and new and enhanced investments.

2023-2032 Capital Budget & Plan Submission

Infrastructure and Development Services

Capital Assets to Deliver Services Asset Value \$124 Billion

Toronto Water Asset Value \$87.3 Billion

- 4 water filtration plants
- 11 reservoirs and 4 elevated storage tanks
- 5,583 km of distribution watermains and 525 km of trunk watermains
- 69,967 valves and 42,179 hydrants
- 517,688 water service connections, plus York Region (population served: 600,000)
- 18 water pumping stations
- 4 wastewater treatment plants
- 3,772 km sanitary sewers, 1,540 km combined sewers
- 208 km sanitary trunk, 120 km combined trunk
- 59,387 sanitary maintenance holes, 24,195 combined maintenance holes
- 523,043 sewer service connections
- 68 sanitary pumping stations, 11 combined pumping stations
- 7 storage and detention tanks
- 4,887 km of storm sewers, and 29 km of trunk sewers
- 77,454 maintenance holes
- 27 stormwater management ponds
- 1,888 outfalls and 188,831 catch basins
- 13 stormwater pumping stations



Capital Assets to Deliver Services Asset Value \$124 Billion, con't

Transportation Services Asset Value \$35.9 Billion

- 5,760 km of roads
- 900 bridges and culverts
- 7,400 km of sidewalks
- 2,479 traffic control signals
- 489 pedestrian crossovers
- 776 centreline km of bikeway network



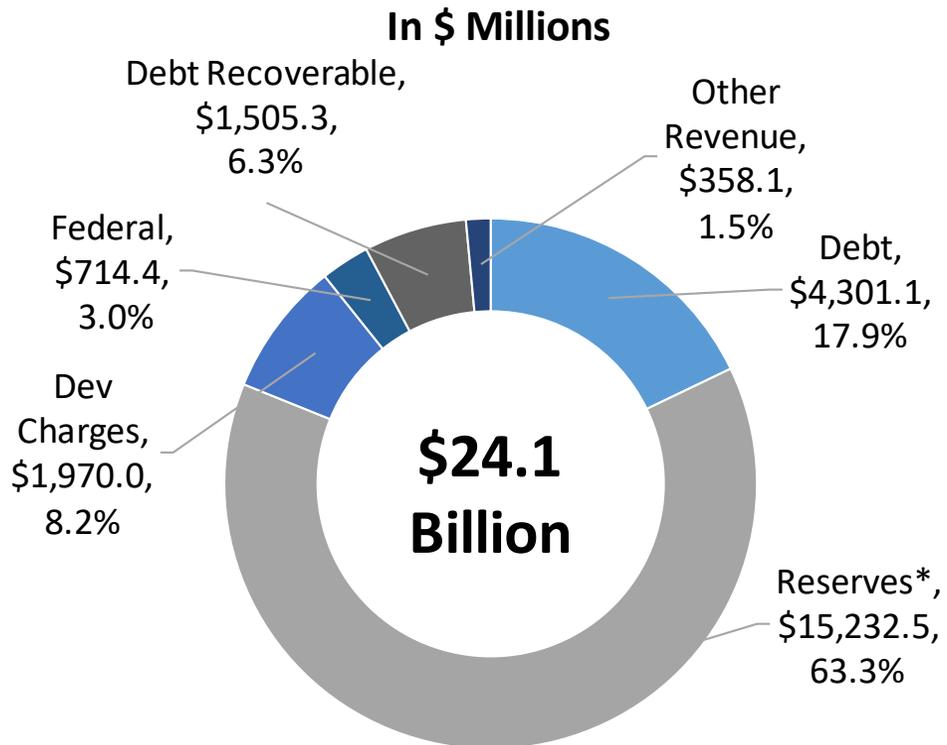
Solid Waste Management Services Asset Value \$0.8 Billion

- 7 transfer stations
- 2 organic process facilities
- 4 collection yards
- 1 maintenance yard
- Green Lane Landfill
- 160 closed landfills
- 1.9 million residential bins and containers
- 11,000 parks bins
- 700 vehicles and pieces of equipment

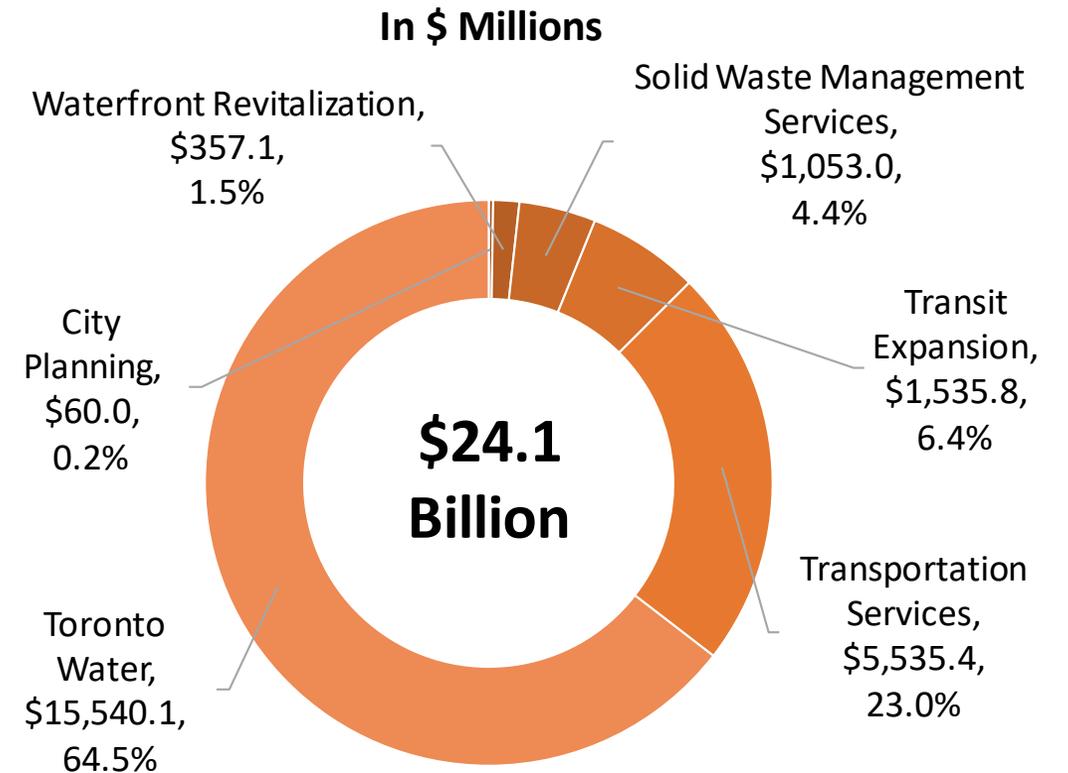


2023-2032 Capital Program Breakdown \$24.1 Billion

Where the Money Comes From 2023-2032 Capital Budget and Plan



Where the Money Goes 2023-2032 Capital Budget and Plan



* Approximately \$14.7 billion or 97% of the \$15.2 billion reserves comes from Rate Supported Programs to fund Solid Waste Management Services' and Toronto Water's 10- year Capital Budget and Plan.

10-Year Gross Capital Program \$24.1 Billion



Underground Infrastructure
\$5.9 B



Plants and Facilities
\$4.7 B



Roads and Bridges State of Good Repairs
\$4.0 B



Flood Protection
\$2.4 B



Stormwater Management
\$2.2 B



Transit Expansion
\$1.5 B



Congestion Management and Related Growth Projects
\$724 M



Landfill Development & Management
\$477 M



Cycling Network Plan
\$231 M



Waterfront Parks Infrastructure & Quayside
\$203 M



Organics Processing Facilities
\$135 M



Vision Zero Road Safety Plan
\$130 M



Biogas/Landfill Gas Utilization
\$54 M



Civic Improvements and Heritage
\$34 M



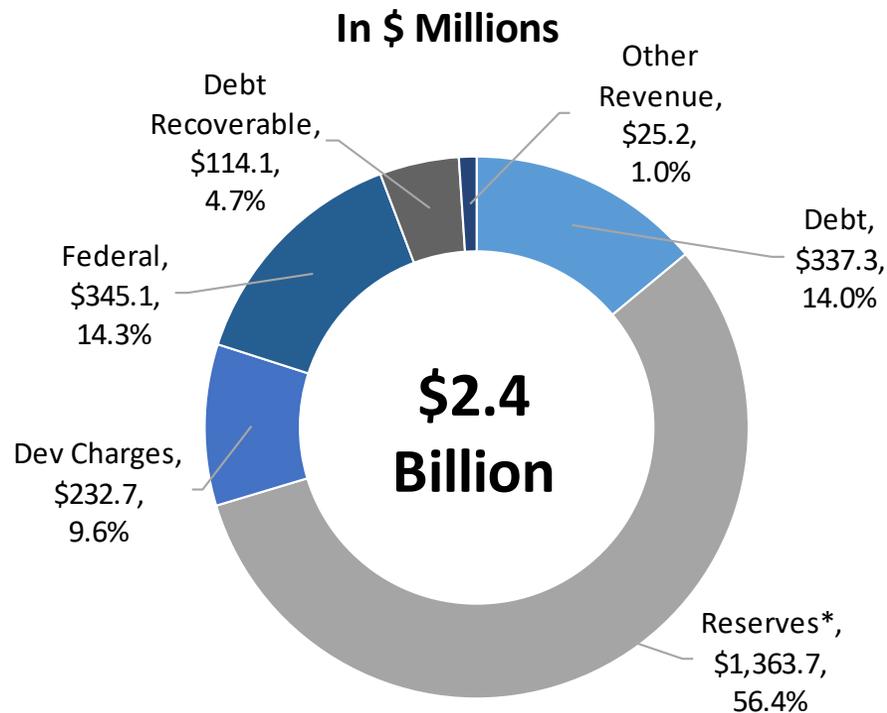
Legislated and Development Studies
\$26 M



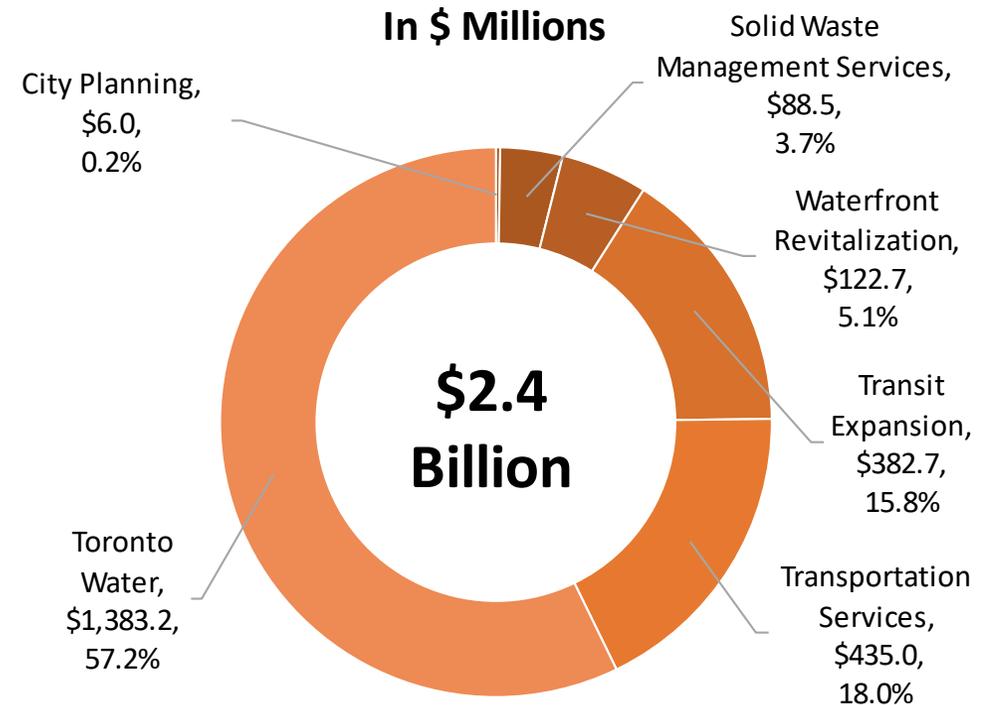
Other Infrastructure
\$1.4 B

2023 Capital Program Breakdown \$2.4 Billion

Where the Money Comes From 2023 Capital Budget

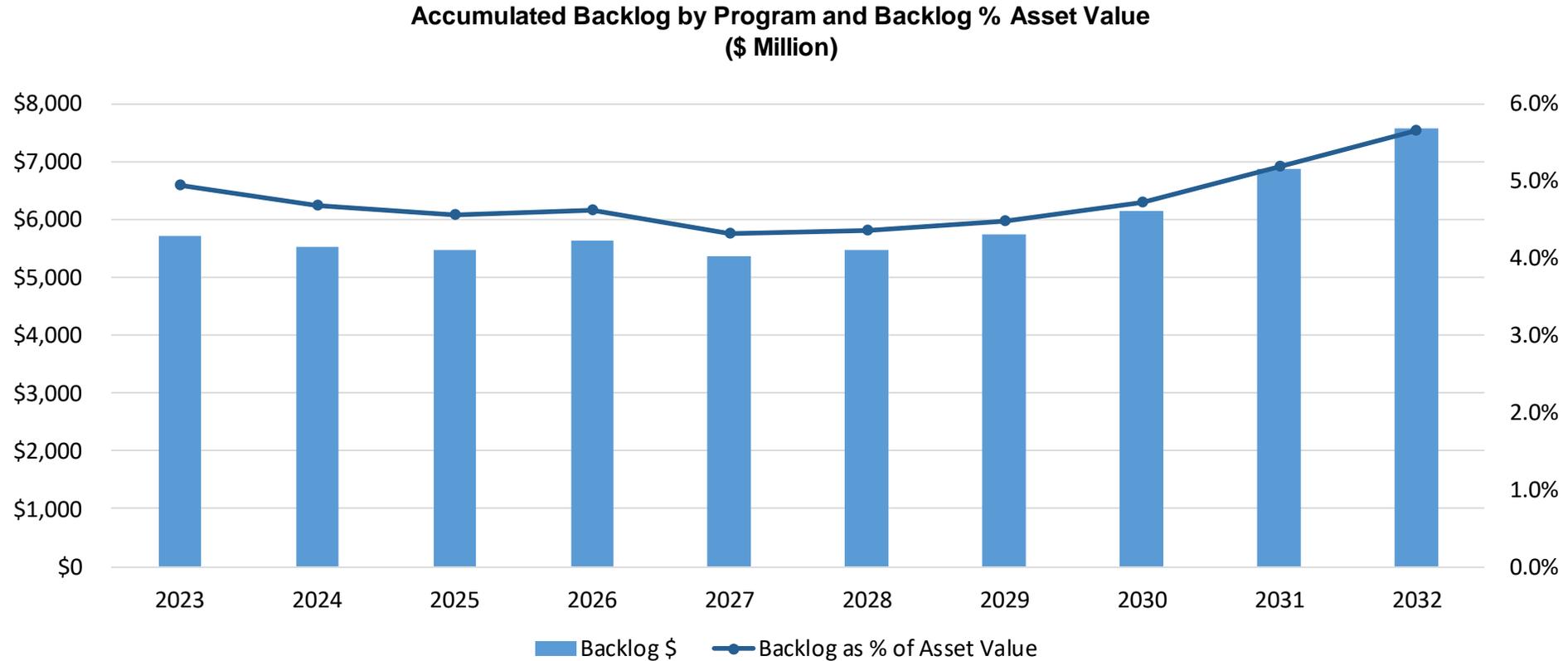


Where the Money Goes 2023 Capital Budget



* Approximately \$1.3 billion or 94% of the \$1.4 billion reserves comes from Rate Supported Programs to fund Solid Waste Management Services' and Toronto Water's 2023 Capital Budget and Plan.

State of Good Repair (SOGR) Funding and Backlog



\$Millions	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Backlog \$	\$5,722	\$5,520	\$5,466	\$5,624	\$5,351	\$5,478	\$5,749	\$6,140	\$6,862	\$7,585
Backlog as % of Asset Value	4.9%	4.7%	4.6%	4.6%	4.3%	4.3%	4.5%	4.7%	5.2%	5.6%

- The chart above depicts State of Good Repair Funding and Backlog, Toronto Water & Transportation Services in Infrastructure and Development Services are the only divisions with State of Good Repair Backlog.

Climate Lens

Initiatives proposed in the 2023 Capital Budget	Supports		(\$000s)*	
	Reduces GHG Emissions	Improves Climate Resiliency	2023 Budget	2024-2032 Capital Plan
Transit Expansion Office			376,277	1,153,113
Smart Track Stations	Y		324,277	1,148,113
Flood Protection of Broadview/Eastern		Y	52,000	5,000
Transportation Services			181,217	1,659,518
Flood Mitigation		Y	92,053	554,393
Cycling and Pedestrian	Y	Y	39,765	250,086
Vision Zero Road Safety Plan	Y		22,985	118,429
Transit and Growth	Y		19,300	704,388
Congestion Management	Y		7,114	32,222
Waterfront Revitalization Initiative			70,000	64,223
Port Lands Flood Protection		Y	70,000	64,223
Solid Waste			14,522	286,649
Landfill Gas Control & Utilization from Green Lane & Keele Valley Landfills	Y		5,558	65,509
Net-Zero Dufferin Waste Management Facility Administration Building	Y	Y	3,847	43,555
Disco Organics Processing Facility Asset Management	Y		2,593	26,273
Dufferin Organics Processing Facility Asset Management & Biogas Utilization	Y		1,703	17,061
3rd Organics Processing Facility with Renewable Energy	Y		821	134,251
Toronto Water			438,919	5,215,935
Basement Flooding		Y	223,302	1,852,673
Plant & Facilities	Y	Y	125,084	1,777,024
Stormwater Management		Y	83,142	1,529,586
Engineering, Yard & Network Improvements	Y	Y	6,241	24,354
Underground	Y		1,150	32,298
Total Climate Lens Proposed in the 2023 - 2032 Capital Budget and Plan			1,080,935	8,379,438

*Information above includes full project / sub-project 2023-2032 Budget and Plan cash flows. Does not break out the climate component costs separately.

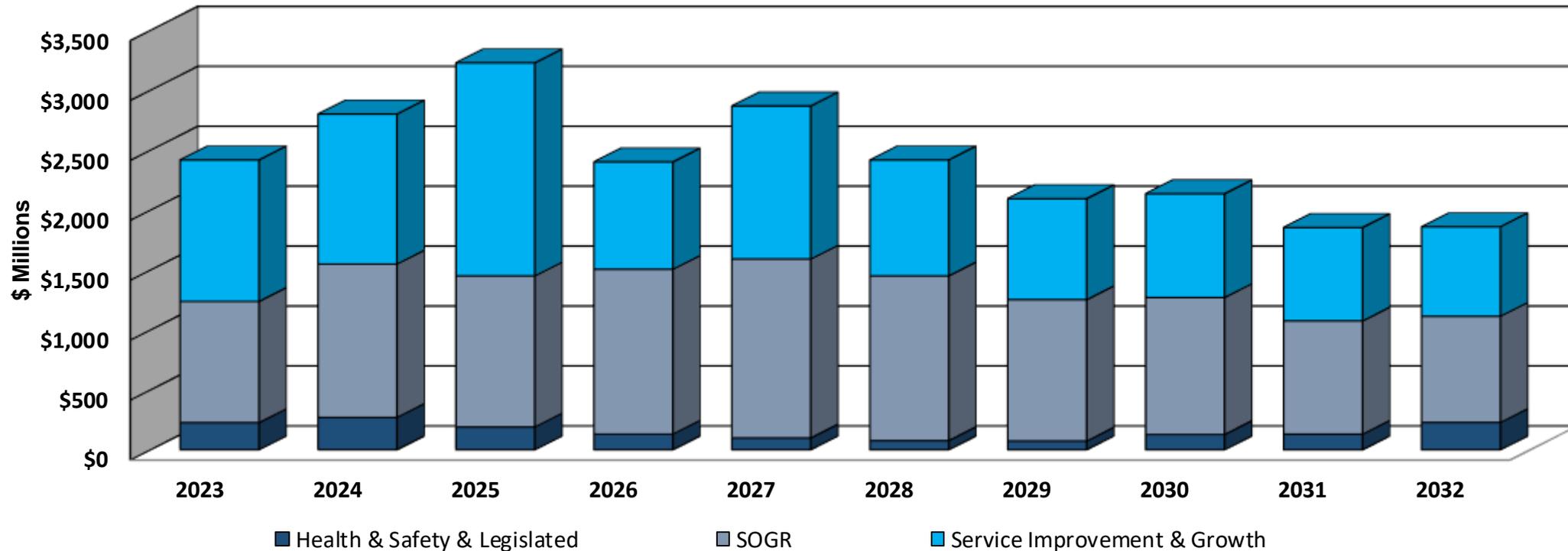
- Approximately 39% of Infrastructure and Development Services 10 year Capital Program supports Climate Resiliency and/or Greenhouse Gas (GHG) Reduction.

Thank You



Appendices

2023 – 2032 Capital Budget & Plan by Project Category



2023 - 2032 Staff Recommended Capital Budget and Plan by Category											
\$ Millions	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Health & Safety & Legislated	226.2	270.1	190.5	131.1	99.0	76.8	73.1	127.9	130.2	228.4	1,553.3
SOGR	1,011.6	1,279.5	1,259.8	1,374.7	1,492.0	1,374.0	1,179.1	1,142.3	944.7	885.7	11,943.4
Service Improvement & Growth	1,180.3	1,251.4	1,777.9	895.7	1,277.1	966.9	842.8	866.2	779.6	746.7	10,584.7
Total	2,418.2	2,801.0	3,228.3	2,401.4	2,868.2	2,417.7	2,094.9	2,136.4	1,854.5	1,860.8	24,081.4

How the 10-Year Capital Program is Funded

City of Toronto		Provincial Funding	Federal Funding	
\$ 23.4 B 97%		\$0.0 B 0%	\$0.7 B 3%	
Debt	\$4.3 B		Disaster Mitigation & Adaptation Fund	\$0.1 B
Reserve Draws	\$15.2 B		Other Grants	\$0.6B
Development Charges	\$2.0 B			
Debt Recoverable	\$1.5 B			
Other	\$0.4 B			

Anticipated Unfunded Capital: \$11.1 Billion



Mobility & Infrastructure Investment

\$3.7 Billion including:

- Local and Major Roads Rehabilitation (\$2.0B)
- City Bridges, and Laneways Rehabilitation (\$0.7B)
- Growth related projects (\$0.9B)
- Other service improvement needs (\$0.1B)



Transit

\$5.2 Billion, including:

- Eglinton East LRT – Construction (\$3.2B)
- Waterfront Transit (\$2.0B)



People and Neighbourhoods

\$2.2 Billion, including:

- Port Lands Infrastructure and Public Realm (\$2.0B)
- Other Infrastructure and Public Realm (\$0.2B)

Anticipated Unfunded Capital: \$11.1 Billion

Project Description	Total Project Cost	Debt Required	Cash Flow (In \$ Millions)											
			2023	2024	2025	2026	2027	2028	2029	2030	2031	2032		
NOT INCLUDED														
Transit Expansion	5,205.5	805.4	245.9	399.7	368.4	291.4	427.7	561.0	741.5	773.0	823.8	573.0		
Eglinton E Lrt - Construction	3,248.0			17.5	88.5	118.8	252.7	361.0	541.5	573.0	722.0	573.0		
Waterfront Transit	1,957.5	805.4	245.9	382.3	279.9	172.6	175.0	200.0	200.0	200.0	101.8			
Transportation	3,708.7	3,005.8		124.8	223.9	328.5	365.1	551.9	557.9	497.3	551.1	508.4		
Becroft Extension	12.2			0.3	6.0	6.0								
City Bridge Rehabilitation	682.7	682.7				81.2	86.2	91.5	97.0	102.8	108.8	115.2		
Critical Interim Road Rehabilitation Pool	52.0	52.0					5.5	9.0	9.1	9.3	9.4	9.6		
Cycling Infrastructure	52.0	39.0					2.0	10.0	10.0	10.0	10.0	10.0		
Dufferin Street Bridge Rehabilitation	30.7			15.4	15.4									
Dunn and Dowling Bridges	22.1			10.6	11.0	0.5								
Eglinton Connects LRT	90.0	82.8					15.0	15.0	15.0	15.0	15.0	15.0		
Emery Village Improvements	6.7				6.3	0.3								
F. G. Gardiner Rehabilitation Program	80.3	80.3								1.3	37.7	41.3		
GO Transit Expansion City Share	126.7	92.7		20.8	8.4	7.7		79.1	10.7					
Highland Creek Village	13.6				0.4	0.4	0.6	0.6	6.0	5.7				
Ingram Drive Extension - Grade Separation	92.8								42.8	25.0	25.0			
Laneways	12.2	12.2		0.1	0.1	0.2	0.3	1.6	1.7	2.6	2.7	2.9		
Legion Road Extension & Grade Separation	44.2				18.3	25.8	0.1							
Local Road Rehabilitation	1,383.3	1,383.3		40.6	51.9	113.2	150.1	158.7	200.7	211.8	223.4	232.8		
Lower Yonge	101.4	25.3		3.5	1.7	32.1	32.1	32.1						
Major Road Rehabilitation	433.9	433.9		8.6	12.0	21.4	23.9	64.4	69.0	73.9	79.0	81.6		
Metrolinx Additional Infrastructure	7.8	1.6		2.8	5.0									
Modernize Bridge Management System(BMS)	3.5	3.5		1.0	1.0	1.5								
Morningside Extension	33.0			5.0	5.0	14.0	9.0							
MoveTO	45.9	42.2		16.2	29.7									
Re-Imagining Yonge St Shep to Finch	60.2	28.9					15.9	16.4	27.9					
Rockcliffe Flood Mitigation														
SilverStar Boulevard	25.0					0.6	0.6	11.9	11.9					
St Clair TMP:Keele to Old Weston	38.5	9.2			38.5									
Yonge Street/Highway 401 Interchange Improvements	192.0	23.0						56.0	56.0	40.0	40.0			
Yonge TOMorrow	66.2	13.2			13.2	23.7	23.7	5.6						

Anticipated Unfunded Capital: \$11.1 Billion, con't

Project Description	Total Project Cost	Debt Required	Cash Flow (In \$ Millions)											
			2023	2024	2025	2026	2027	2028	2029	2030	2031	2032		
NOT INCLUDED														
Waterfront Revitalization Initiative	2,217.1	864.0		127.0	142.3	187.8	201.3	178.5	240.6	517.6	451.1	170.9		
Port Lands Infrastructure and Public Realm														
Transportation Infrastructure	719.6	309.4		53.9	53.9	66.3	77.5	61.3	136.1	136.1	67.4	67.4		
Water Infrastructure	99.4	39.7		9.6	9.6	9.6	9.6	6.0	8.0	19.3	20.6	7.0		
Stormwater Infrastructure	612.3	244.9		19.6	22.6	22.6	22.6	19.6	19.6	232.7	233.5	19.6		
Community Infrastructure	554.8	149.8		44.0	56.2	56.2	58.6	58.6	44.0	96.6	96.6	44.0		
Non Port Lands Infrastructure and Public Realm	231.0	120.1				33.0	33.0	33.0	33.0	33.0	33.0	33.0		
Total Anticipated Unfunded Capital (Not Included)	11,131.3	4,675.3	245.9	651.6	734.6	807.6	994.1	1,291.3	1,540.0	1,787.9	1,826.0	1,252.3		