

2026-2035 Capital Budget

Date: September 24, 2025

To: Board of Management of the Toronto Zoo

From: Chief Transformation Officer

Wards: All

SUMMARY

This report submits the 2026-2035 Capital Budget of your Toronto Zoo for approval. The Policy & Finance Committee reviewed the 2026-2035 Capital Budget on 2025-09-23 and recommended it for approval by the Board.

RECOMMENDATIONS

The Chief Transformation Officer recommends that:

1. The Board of Management of the Toronto Zoo approve the 2026-2035 Capital Budget as shown in Attachment 1;
2. The Board of Management of the Toronto Zoo approves an increase in total construction costs to be tendered under the construction management contract for the Community Conservation Centre (Welcome Area) from \$75.0 million up to \$77.0 million for PCL in accordance with the approved 2025-2034 capital budget; and
3. The Board of Management of the Toronto Zoo authorize the Director, Capital Program and Sustainability or their designate to negotiate and enter into any necessary amendments to the construction management contract for the Community Conservation Centre (Welcome Area) as a result of the adoption of Recommendation 2, on terms acceptable to the Director, Capital Program and Sustainability and in a form satisfactory to the City Solicitor.

FINANCIAL IMPACT

The 2026-2035 Capital Budget is comprised of ten (10) projects and related sub-projects. The Capital Budget will require a total gross cash flow of \$315.9 million prior

to consideration of outside funding sources and prior year carry forward balances. The total gross cash flow required in 2026 is \$49.7 million prior to consideration of outside funding sources and prior year carry forward balances.

The Capacity to Spend model, based on historical actual spend, is utilized by the City in determining total debt levels. As such, the 2026-2035 Capital Budget for the Zoo reflects the level of spending necessary to support the development of projects in the 2022 Master Plan approved by the Board of Management in addition to projects required to support your Toronto Zoo in realizing greenhouse gas emission reduction targets under the TZNet0 plan and the City's TransformTO Net Zero plan.

DECISION HISTORY

The foundation of the 2026-2035 Capital Budget is your Toronto Zoo's 2022 Master Plan and the 2025-2027 Guardians of Wild Strategic Plan. It reflects a balance of modernization, transformational, and innovative initiatives supported by the Board, Senior Management and our communities to meet the changing needs of nature and society. All projects will be designed to consider the actions required to meet the City's compliance with AODA legislation and be consistent with the direction provided in the Strategic Plan.

The Master Plan and proposed project sequencing addresses the challenge faced by your Toronto Zoo in maintaining an adequate state of good repair and developing new, dynamic habitats and guest experiences within the previous debt target model used by the City of Toronto. Implementation of the Master Plan is essential to your Toronto Zoo's future in order to achieve our vision for conservation impact and animal welfare while meeting evolving guest expectations. It is also key to meeting animal care standards of the Association of Zoos and Aquariums (AZA) which undertakes intensive inspections of each member organization every four years. The Zoo's next scheduled inspection by the AZA is to take place in 2027. This budget will position us well to address these commitments and ensure we are meeting the standards expected by our community and accrediting bodies, while also contributing to your Toronto Zoo's and City of Toronto's efforts to address climate change.

OVERVIEW

Your Toronto Zoo continues to make strategic investments that advance the vision for a modern, sustainable and year-round conservation science and tourism destination set out in the 2022 Master Plan and in accordance with the standards established by the AZA, the Canadian Council on Animal Care (CCAC) and applicable regulations of the Province of Ontario and City of Toronto.

Overall, the 2026-2035 ten-year Capital Budget has increased \$3.4 million gross (1%) to \$315.9 million over the 2025-2034 capital plan and budget (excluding additional 2025 carryforward adjustments) as approved by City Council in February 2025. As part of the

capital program, a minimum of \$70.0 million in external funding (22% of the gross capital budget) from the Toronto Zoo Wildlife Conservancy will be leveraged to minimize City debt funding requirements through 2035.

The following discussion provides further information on the projects included in the 2026-2035 Capital Budget.

Major Projects:

1) Sustainability (Carbon Budget Priority Projects)

Description: The approved 2025-2034 10-year capital plan and budgeted included two signature projects that were prioritized through the City of Toronto's 2025 Carbon Budget process. These include:

- The TZNet0 Transition Plan at \$65 million through 2030 to implement site-wide renewable energy generation, water conservation and grey water installations, waste management improvements and related infrastructure retrofits. The project is estimated to achieve a reduction of 3,336 tonnes of CO²e annually.
- The replacement of diesel and natural gas powered generators used across the Zoo site with sustainable energy sources. This project is estimated to cost \$10.2 million with the majority of spending anticipated in 2027 and 2028. Upon completion the project is forecast to realize an annual reduction of 589 tonnes of CO²e annually.

Status: Initial project approval for the Zoo's first two Carbon Budget priority projects was received in the 2025 capital budget along with design funding totaling \$0.5 million between the two projects. Procurement is to take place during the Fall.

Update: Through the 2026 Carbon Budget prioritization budget, a third priority project was identified by the City for inclusion as part of the Zoo's 2026-2035 capital plan and budget. This includes:

- The acquisition of up to six zero emission Zoomobile vehicles. Procurement of the vehicles is expected to be initiated in 2026 with \$2.0 million per year budgeted between 2027 and 2029. Transition of Zoomobile vehicles to zero emission technologies is estimated to achieve a reduction of 246 tonnes of CO²e annually.

Collectively, these three projects are key contributors to achieving the emission reduction targets of the TZNet0 plan along with the City's TransformTO goals.

2) Toronto Zoo Community Conservation Centre (Welcome Area)

Description: The Toronto Zoo Community Conservation Centre is a critical element for Zoo revitalization and community engagement, as well as our expanding education and training initiatives. The front entrance has not been significantly updated since 1974, is the first and last destination for guests, and has been prioritized in the current Master

Plan. Overall, this area will be a community hub with modernized Zoo front entrance elements such as entrance wickets and retail facilities. In addition, the concept includes program elements such as conservation displays, classrooms and wet laboratories which will be shared with the University of Toronto Scarborough, another significant anchor in the Scarborough community.

These additional spaces will enhance the ability to provide experiential learning opportunities across all ages, specifically for high-impact programs serving equity seeking community members, such as the Climate Action Learning and Leadership (CALL) program. Further, the facility will enable your Zoo, along with our academic partners, to immerse students in a working conservation organization providing a valuable experience for young conservation practitioners. The project also includes exterior improvements to landscaping and courtyard design and a new outdoor habitat. A talking circle with Indigenous leaders was held in July 2023 to gather their considerations for the new building in order to inspire and strengthen the design process and final product.

Status: Construction of the Community Conservation Centre commenced in November 2023 with expected completion in the third quarter of 2026. Lease terms between the City, Board and UTSc were approved by the Board and Council in Spring 2025, including pre-payment contributions towards capital, rent and shared space costs. At present, construction of the Community Conservation Centre has been progressing in accordance with the approved 2025-2034 capital budget of \$79.0 million. However, an additional cost pressure of \$11.1 million to City capital funding (\$7.1 million overall project increase) has been incurred as a result of higher construction material costs (including tariff impacts), building outfitting requirements, salary capitalization and a reallocation of \$4.0 million in 2026 donated funds from the project to offset costs within the Exhibit Refurbishment project.

Update: The 2025-2035 capital plan includes an increase in funding for the Community Conservation Centre project to reflect cost escalations based on more detailed construction estimates and inflationary impacts. Overall, the total cost for this project has increased to \$86.7 million. Pending approval of the increased project budget in the 2026-2035 capital budget by City Council in February 2026, it is recommended that the committed contract value with the construction manager be amended within the current project budget approved as part of the 2025-2034 capital budget to enable continued delivery of the project. This would increase construction manager contract with PCL Constructors Canada Inc. from \$75.0 million to \$77.0 million.

3) Savanna Indoor Winter Holding & Viewing

Description: The new Savanna Indoor pavilion will be located in the middle of the Zoo and create a large indoor habitat for Africa species, while also creating new vantage points onto the expansive Savanna landscape. Along with providing new event spaces and activation opportunities, it will strengthen our leadership in the care and welfare of global species in northern climates thereby significantly improving the winter Zoo experience for both animals and guests. With the ever-changing landscape for animal

welfare science, appropriate spaces for choice and control throughout all seasons are a critical component for meeting the needs of complex and long-living species, including added layers of complexity in the health and welfare management of older animals.

Status: Design has been progressing throughout 2025. As design work advances, cost estimates have been updated to more accurately reflect current material and construction rates.

Update: Overall gross construction costs are estimated to increase by \$14.7 million to \$57.7 million from the 2025-2034 capital plan reflecting updated design and construction estimates and inflation. To help mitigate this impact, construction start has been deferred to from 2025 to 2026 and will continue through 2028, and an additional \$4.0 million in funding from the Toronto Zoo Wildlife Conservancy has also been committed to minimize the net cost to the City.

Other Projects:

4) Building & Services Refurbishment

The Building & Services Refurbishment projects will comprise several smaller projects in 2025 and beyond. The objective is to implement the repair or replacement of building components requiring attention over the next 10+ years. A high priority will be placed on state of good repair projects that are required to meet AZA Accreditation standards ahead of the Zoo's five-year inspection to take place in 2027. These will also incorporate sustainability efforts to reduce the Zoo's carbon footprint and environmental impact as described in the TZNet0 Plan.

5) Exhibit Refurbishment Exhibit & Holding

Refurbishment projects are part of a multi-year plan involving various initiatives to renovate smaller exhibits throughout the zoo site that are not part of a major redevelopment project. These projects are also important for meeting the changing CCAC and welfare requirements for animals under human care, primarily those involved in conservation research and education. For 2026, improvements are proposed for red panda, kangaroo and orangutan indoor habitat, in addition to completion of amur tiger habitat expansion.

6) Information Systems

In 2025, the Zoo will focus on updating software and hardware, cybersecurity enhancements, and new systems and tools to improve operational efficiency and guest experience. This includes continued enhancements to support data analytics and artificial intelligence adoption with completion of the data lake development initiated in 2025. Additional improvements will support site-wide audio system installation and the evening lantern festival targeted for Fall 2026. In alignment with the Campus Plan review, the Technology Master Plan will also be reviewed and updated to reflect the Zoo's commitment to be a leader in the adoption of emerging and sustainable technologies.

7) Grounds and Visitor Improvements

The Grounds and Visitor Improvements Projects address the needs of the public pertaining to visitor amenities, the appearance of indoor and outdoor areas, improvements to site circulation and health and safety.

In 2026, expenditures in this category will focus on addressing issues in relation to accessibility and safety ahead of 2027 AZA inspections and front entrance improvements requiring completion of Community Conservation Centre work. Some of the projects identified in this category include perimeter fence improvements, front entrance washroom upgrades including accessibility improvements, paving in main parking lot and repair of trip hazards.

8) Toronto Zoo Master/Campus Plan

The Toronto Zoo Master Plan project was a new addition to the 10-year capital plan in 2025, providing initial design and development funding for priority initiatives that advance the conservation and animal well-being goals set out in the Master Plan and 2025-2027 Strategic Plan. This included consideration for a Species at Risk Breeding Centre, Animal Nutrition Centre, and Saving Species Sanctuary. Of note, the 2025 Operating Budget for the Zoo includes funding to review the Master Plan and develop a new Campus Plan to guide long term planning and development activities for the Zoo site. Future capital budget submissions will provide updated details as the new Campus plan is finalized, project plans are refined and timelines confirmed.

CONCLUSION

The mission of your Toronto Zoo is connecting people, animals, conservation science and traditional knowledge to fight extinction. Your Toronto Zoo's 2025-2027 Guardians of Wild Strategic Plan embraces this mission with a goal of delivering dynamic and exciting improvements for the future sustainability of the Toronto Zoo, showcasing conservation science in our community and celebrating our guests.

Since inception in 1974, over \$300.0 million has been invested in the City's assets through the Zoo's Capital Works Plan (CWP). The 2026-2035 Capital Budget represents a balanced approach to maintaining the existing facilities while advancing key Zoo and City priorities. Approval of the plan will enable the Toronto Zoo to complete various key state of good repair projects and ensure we continue to operate at and above the AZA standards for animal care and well-being. It will also advance key emission reduction priority projects in achieving the net zero greenhouse gas emission targets of the TZ Net Zero plan and City's Transform TO emission reduction strategy.

Your Toronto Zoo team will continue to plan for the long term and ensure our financial sustainability through continued collaboration and strengthening of our external fundraising relationships, particularly with the Toronto Zoo Wildlife Conservancy. The

continued support of the City through the Capital Program, in combination with continued fundraising progress in our highly competitive marketplace, will facilitate continuous improvement of the Zoo for both animals and guests.

CONTACT

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SIGNATURE

Dolf DeJong
Chief Executive Officer

ATTACHMENTS

Attachment 1 - Toronto Zoo Capital Budget 2026-2035

Priority	Project Title (to be placed in priority order)	Estimate	2026		2027		2028		2029		2030		2031		2032		2033		2034		2035		Total from	
		2025	2026		2027		2028		2029		2030		2031		2032		2033		2034		2035		Total from	
		Carryforward	Gross	Debt	Gross	Debt	Gross	Debt	Gross	Debt	Gross	Debt	Gross	Debt	Gross	Debt	Gross	Debt	Gross	Debt	Gross	Debt	Gross	Debt
	Debt Supported Projects																							
1	Welcome Area - Construction	4,590	29,612	26,612	782	782																	34,984	31,984
1	Welcome Area - Design																						0	0
2	Savanna Indoor Winter Holding & Viewing Design	747	823	823	313	313	366	366		0													2,249	2,249
2	Savanna Indoor Winter Holding & Viewing Construction		514	514	16,692	12,692	22,908	15,908	13,893	6,893													54,007	36,007
	Toronto Zoo Master Plan			0		0					1,116	1,116											1,116	1,116
A	Building & Services Refurbishment - multiple projects		4,586	4,586	6,260	6,260	4,478	4,478	4,068	4,068	7,453	1,453	2,988	988	16,419	8,419	18,565	10,565	5,077	1,077	6,593	1,763	76,487	43,657
B	Exhibit Refurbishment - multiple projects (larger items)		7,661	3,661	4,017	1,017	2,864	2,864	1,811	1,811	1,964	964	1,422	422	2,457	2,457	2,375	2,375	2,018	393	1,437	337	28,026	16,301
C	Information Systems - multiple projects - tech master plan		1,350	1,350	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	100	1,100	100	11,250	9,250
D	Grounds and Visitor Improvements - multiple projects		3,960	3,960	3,278	3,278	2,145	2,145	1,885	1,885	1,981	1,981	1,469	469	5,426	5,426	4,089	4,089	1,388	1,013	1,474	404	27,095	24,650
E	Carbon Budget - Site-wide generator replacement (Recommended)		100	100	5,000	5,000	5,000	5,000		0		0											10,100	10,100
F	Carbon Budget - Equipment replacements (Recommended)		1,100	1,100	25,000	25,000	25,000	25,000	10,000	10,000	3,500	3,500											64,600	64,600
G	Carbon Budget - Zero Emission Zoomobile Transition				2,000	2,000	2,000	2,000	2,000	2,000													6,000	6,000
	Total - Internally Funded Projects	5,337	49,706	42,706	64,442	57,442	65,861	58,861	34,757	27,757	17,114	10,114	6,979	2,979	25,402	17,402	26,129	18,129	9,583	2,583	10,604	2,604	315,914	245,914
	TOTAL Projects (including carryforward funding)	5,337	49,706	42,706	64,442	57,442	65,861	58,861	34,757	27,757	17,114	10,114	6,979	2,979	25,402	17,402	26,129	18,129	9,583	2,583	10,604	2,604	315,914	245,914
	External Allocated Funding (Toronto Zoo Wildlife Conservancy)			7,000		7,000		7,000		7,000		7,000		4,000		8,000		8,000		7,000		8,000	-	70,000