

2027-2036 Capital Budget

Date: October 1, 2026

To: Board of Management of the Toronto Zoo

From: Chief Transformation Officer

Wards: All

SUMMARY

This report submits the 2027-2036 Capital Budget of your Toronto Zoo for approval. The Policy & Finance Committee reviewed the 2027-2036 Capital Budget on 2026-09-24 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 2027-2036 Capital Budget as shown in Attachment #1;
2. The Board of Management of the Toronto Zoo approve an increase in total construction costs for the Red Panda Climate Controlled Viewing Project from \$5.5 million to \$6.5 million;
3. The Board of Management of the Toronto Zoo authorize the Director, Capital Program and Sustainability or their designate to negotiate and execute any necessary amendments to the construction management contract for the Red Panda Climate Controlled Viewing Project 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; and
4. The Board of Management of the Toronto Zoo direct the Chief Transformation Officer to submit the 2027-2036 Capital Budget, and any changes or directions by the Board, to the City Financial Planning Division as part of the 2027 Budget Process.

FINANCIAL IMPACT

The 2027-2036 Capital Budget is comprised of nine (9) projects and related sub-projects. The Capital Budget will require a total gross cash flow of \$250.6 million prior to consideration of outside funding sources and prior year carry forward balances. The total gross cash flow required in 2027 is \$40.0 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 2027-2036 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 2027-2036 Capital Budget is your Toronto Zoo's 2022 Master Plan, TZ Net0 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 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 five 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 2027-2036 Capital Budget has decreased -\$66.0 million gross (-21%) to \$250.6 million over the ten-year forecast period (excluding estimated 2026 carryforward funding). This reduction is attributable to prescribed debt funding targets established by the City of Toronto in response to significant fiscal constraints impacting debt-supported cash flow availability for the City's full ten-year capital program. This included more than \$37.5 million in reduced debt funding to the Zoo between 2027 and 2029.

Zoo staff have worked with City Finance staff to reach agreement on reprofiling annual debt-funding cap allocations to meet City needs while allowing the Zoo to proceed with major projects already in flight per Board approvals (e.g. TZ Net0 Transition Project, Savanna Indoor Winter Holding and Viewing Project). These projects are essential to for animal care requirements and state-of-good repair needs. To achieve this, project cash flows have been re-profiled over an extended period to reduce annual debt funding requirements. This results in extending the completion timeframe for the TZNet0 Transition Plan from 2030 to 2031 and the new Indoor Savanna Pavilion from 2029 to 2030. It also necessitates reduction in the number of capital projects that can proceed in the second half of the ten-year capital plan. This will put added pressure on state-of-good repair requirements in future years and will need to be reviewed as the ten-year plan progresses.

As part of the capital program, a minimum of \$75.0 million in external funding (30% of the gross capital budget) from the Toronto Zoo Wildlife Conservancy and external funding will be leveraged to minimize City debt funding requirements through 2035.

The following discussion provides further information on the projects included in the 2027-2036 Capital Budget.

Major Projects:

1) Sustainability (Carbon Budget Priority Projects)

Description: The approved 2025-2034 10-year capital plan and budget 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 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. Reliable back-up power is

essential to Zoo operations and animal care, particularly in ensuring that life support systems critical to animal well-being are sustained during power outages. Upon completion the project is forecast to realize an annual reduction of 589 tonnes of CO²e annually.

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

- The acquisition of up to six zero emission Zoomobile vehicles. Transition of Zoomobile vehicles to zero emission technologies is estimated to achieve a reduction of 246 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 for both projects was initiated in 2026 resulting in approval for award of the TZNet0 transition project by the Board at its meeting on June 22nd, 2026. The procurement process did not result in an award of the generator replacement project. Staff are assessing next steps in advancing the generator replacement work.

Staff are currently reviewing market options and specification requirements for the Zoomobile vehicles. Procurement of the vehicles is expected to be initiated in 2027 with \$2.0 million per year budgeted between 2027 and 2029.

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) 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 signature event spaces and activation opportunities, it will strengthen the Zoo's leadership in the care and welfare of global species in northern climates thereby significantly improving the winter 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 2026. As design work advances, cost estimates have been updated to more accurately reflect current material and construction rates. This includes design refinement to address scope changes to allow for replacement of the existing Africa restaurant with a new restaurant and catering kitchen to be accommodated within the Savanna Indoor pavilion project per the terms and financial contribution approved by the Board through a confidential report at its

meeting on June 22, 2026.

Update: Overall gross construction costs are estimated to increase by \$5.0 million to \$60.9 million from the 2026-2035 capital plan reflecting updated design and construction estimates to accommodate new restaurant and catering facilities. To help mitigate the cost impact, third party funding will be leveraged, and construction start has been deferred to 2027 and will continue through 2030.

Other Projects:

3) Building & Services Refurbishment

The Building & Services Refurbishment projects will comprise several smaller projects in 2027 and beyond. The objective is to implement the repair or replacement of building and/or site 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 (e.g. epoxy, painting). Additional projects will be designed in 2027 with construction start the following year based on funding availability, including:

- renovations to Membership and Guest Services office spaces, Peacock Café and washrooms to update design meet accessibility standards;
- design for a species conservation breeding facility (e.g., Massasauga Rattlesnake) at the location of Zootique following completion of the new retail space in the Community Conservation Centre; and
- replacement of the pedestrian bridge between the Malayan Woods and Indo Malayan pavilions with design consistent with other recently completed boardwalks.

4) Exhibit and Holding Refurbishment

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. Planned projects for 2027 include completion of the Red Panda climate-controlled viewing project, Amur Tiger viewing window and pool upgrades, Americas pavilion primate wing construction, and design of the new kangaroo holding.

The 2027 Capital Budget includes additional funding of \$1.0M (from \$5.5 million to \$6.5 million) for the Red Panda climate-controlled viewing project to address increased costs due to unexpected delays. During construction, underground services were discovered that were not known or reflected on existing site service drawings nor were they identified during site service locates. These underground services, in particular a leaking watermain, created significant work to remediate as it required dewatering, determining the exact location of the watermain and relocation. This work caused a delay to the overall project schedule requiring adjustment to the construction contract.

5) Information Systems

In 2027, the Zoo will focus on updating software and hardware, cybersecurity enhancements, and new systems and tools to improve operational reliability and guest experience. This includes network and Wi-Fi enhancements, universal power supply upgrades to improve the resiliency of core systems, Zoo-wide audio system installations, and device replacements as part of regular asset management. 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.

6) 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, improvement to site circulation, accessibility and health and safety.

In 2027, expenditures in this category will focus on addressing issues in relation to accessibility and safety ahead of AZA inspections to take place during the year and front entrance improvements requiring completion of Community Conservation Centre work. Some of the projects identified in this category include Africa Village upgrades (including Red River Hog habitat improvements), landscaping at Caribou Café, steel bridge replacement, and parking lot and front entrance improvements.

Guest parking lot upgrades will involve pavement improvements in Lot 1 including the portion that has been used for construction staging since 2024 for the Community Conservation Centre. Staff have also been exploring options for upgrading parking lot operations and technology. Long queues at exit gates in Lot 1 are a regular pain point noted by guests that negatively impacts their experience during peak visitation days.

Partnering with the Toronto Parking Authority (TPA) is one option being explored. This would allow for the introduction of industry leading parking operation technology with investment and operational support through a City of Toronto agency. It also enables leveraging additional expertise and services available through TPA, including expansion of electric vehicle charging and introduction of bike share. A provisional allocation for parking lot upgrades has been accounted for in the 2027 budget.

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 \$380.0 million has been invested in the City's assets through the Zoo's Capital Works Plan (CWP). The 2027-2036 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

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ATTACHMENTS

Attachment 1 - Toronto Zoo Capital Budget 2027-2036

Project Title (to be placed in priority order)	Estimate 2026	2027		2028		2029		2030		2031		2032		2033		2034		2035		2036		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																							
Welcome Area - Construction		782	782	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	782	782
Welcome Area - Design																						0	0
Savanna Indoor Winter Holding & Viewing Design	264	313	313																			577	577
Savanna Indoor Winter Holding & Viewing Construction		11,286	2,286	21,630	14,630	19,799	12,799	6,144	144	0	0	0	0	0	0	0	0	0	0	0	0	58,859	29,859
Toronto Zoo Master Plan																						0	0
Building & Services Refurbishment- multiple projects	86	2,200	2,200	4,478	4,478	4,068	4,068	7,453	7,453	2,988	988	9,419	1,419	9,565	1,565	5,077	1,077	5,593	763	5,500	500	56,427	24,597
Exhibit Refurbishment- multiple projects	261	3,220	220	2,864	2,864	1,811	1,811	1,964	1,964	1,422	422	2,457	2,457	2,375	2,375	2,018	393	1,437	337	1,650	150	21,479	13,254
Information Systems - multiple projects		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	1,013	1,100	100	1,100	1,100	11,000	9,913
Grounds and Visitor Improvements - multiple projects	260	8,635	8,635	2,145	2,145	1,885	1,885	1,981	981	1,469	469	5,426	5,426	4,089	4,089	1,388	100	1,474	404	2,494	1,994	31,246	26,388
Carbon Budget- Site-wide generator replacement		3,000	3,000	2,600	2,600	2,500	2,500	2,000	2,000	0	0	0	0	0	0	0	0	0	0	0	0	10,100	10,100
Carbon Budget- Equipment replacements	112	7,500	7,500	10,000	10,000	12,500	12,500	15,000	15,000	10,000	10,000	0	0	0	0	0	0	0	0	0	0	55,112	55,112
Carbon Budget- Zero Emission Zoomobile Transition		2,000	2,000	2,000	2,000	2,000	2,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6,000	6,000
																						0	0
Total- Internally Funded Projects	983	40,036	28,036	46,817	39,817	45,663	38,663	35,642	28,642	16,979	12,979	18,402	10,402	17,129	9,129	9,583	2,583	9,604	1,604	10,744	3,744	251,582	176,582
TOTAL Projects (including carryforward funding)																							
	983	40,036	28,036	46,817	39,817	45,663	38,663	35,642	28,642	16,979	12,979	18,402	10,402	17,129	9,129	9,583	2,583	9,604	1,604	10,744	3,744	251,582	176,582
External Allocated Funding		12,000		7,000		7,000		7,000		4,000		8,000		8,000		7,000		8,000		7,000		75,000	