

REVISED



STAFF REPORT ACTION REQUIRED

10.

2010 – 2019 Capital Submission – Revised

| | |
|--------------|------------------------------|
| Date: | October 19, 2009 |
| To: | Toronto Public Library Board |
| From: | City Librarian |

SUMMARY

The purpose of this report is to obtain Toronto Public Library Board approval for a revised 2010 – 2019 Capital Submission to reflect recently approved infrastructure funding for the Toronto Reference Library and an adjustment to the City debt target for the York Woods project.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. approves the 2010 – 2019 Revised Capital Submission which has been provided to the City for discussion and consideration.

FINANCIAL IMPACT

The revised capital submission requests funding approval of \$15.150 million debt (\$28.441 million gross) in 2010 and \$64.311 million debt (\$109.827 million gross) over 2010 – 2014. The \$0.500 million increase in debt funding reflects a transfer from the City for Partnership and Opportunities Legacy (POL) funding for the York Woods Arts Hub project. The \$8.560 million increase in gross funding over the 2010 – 2014 period primarily reflects Federal infrastructure funding totalling \$3 million over 2009 - 2011, matched with Provincial funding and private funding from the Toronto Public Library Foundation's re:vitalize Toronto Reference Library campaign..

The revised submission also requests \$87.148 million debt (\$118.883 million gross) over 2014 – 2019, which remains unchanged from the September 21, 2009 Board report.

The gross capital budget request is comprised of City debt funding and non-debt sources of funding such as City reserves, contributions from developers, Federal Infrastructure Stimulus Fund (ISF) and transfers from the operating budget.

The Director, Finance and Treasurer has reviewed this financial impact statement and is in agreement with it.

DECISION HISTORY

The 2010 – 2019 Capital Submission was approved by the Board at its meeting on September 21, 2009 (<http://www.torontopubliclibrary.ca/pdfs/board/09sep21/10.pdf>).

Recently approved ISF funding for the Toronto Reference Library (TRL) and a debt transfer from the City for the York Woods Arts Hub have resulted in required revisions to the Capital Submission.

ISSUE BACKGROUND

The 2010 – 2019 Capital Submission report at the September 21, 2009 Board meeting referred to an application for ISF funding for TRL. That application was approved and included in a City of Toronto Stimulus Projects report to Council at its meeting on September 30 to October 2, 2009.

<http://www.toronto.ca/legdocs/mmis/2009/cc/bgrd/cc40.10.pdf>

Also included in the capital submission report was the York Woods Arts Hub project shown as POL funded at \$0.5 million gross, with no debt. The City has indicated that an adjustment to Toronto Public Library's (TPL) debt target will be made to accommodate this funding.

COMMENTS

2010-2014 Revised Capital Submission Request

The Toronto Public Library Foundation had originally applied for Federal funding under the Not-for-profit stream of the ISF, for which Library Boards are considered eligible. The funding application was subsequently transferred and became part of the City's ISF application under the Municipal Buildings stream. The \$3 million ISF funding for TRL was approved as follows:

Toronto Reference Library Adjustment
(\$000's)

| | Total 2009-2011 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | Total 2010-2014 |
|----------------------------|--------------------|------------|--------------|--------------|----------|----------|----------|--------------------|
| Federal ISF (1/3) | 3,000 | 150 | 2,150 | 700 | | | | 2,850 |
| Provincial Funding (1/3) | 3,000 | 150 | 2,150 | 700 | | | | 2,850 |
| Private Funding (1/3) | 3,000 | 150 | 2,150 | 700 | | | | 2,850 |
| Total Gross Funding | 9,000 | 450 | 6,450 | 2,100 | - | - | - | 8,550 |

The required 2/3 or \$6 million matching funds for this ISF grant would come from non-City sources; Provincial and private funds already secured by TPL Foundation. There is no debt impact and the funding needs to be spent by March 31, 2011. The additional funding would allow various elements of the revitalization program to proceed more quickly. In addition to the work about to begin on the Yonge Street extension and entrance cube, it will be possible to accelerate some of the state of good repair backlog.

such as roofing upgrades, conversion of atrium lighting and improved building automation controls. It may also be possible to begin a new phase of the public service areas while work proceeds on the Yonge Street phase.

For the York Woods Arts Hub project which was included in the original capital submission, the City has indicated that TPL's 2010 debt target will be increased by \$0.5 million for POL funding for the project, previously shown with no debt. In addition, the gross funding has been increased by \$10,000 for available development charges towards the project, bringing the gross funding to \$0.510 million.

A summary of TPL's revised 2010 – 2014 capital gross and debt funding is as follows:

**2010 - 2014 Revised Capital Summary
(\$000's)**

| <u>Gross Funding</u> | 2010 | 2011 | 2012 | 2013 | 2014 | Total 2010-2014 |
|--|---------------|---------------|---------------|---------------|---------------|------------------------|
| Buildings | 16,108 | 10,708 | 14,611 | 15,414 | 16,480 | 73,320 |
| IT | 5,873 | 6,179 | 6,179 | 4,508 | 5,208 | 27,947 |
| Total Gross Request (Sept. 21, 2009) | 21,981 | 16,887 | 20,790 | 19,922 | 21,688 | 101,267 |
| Toronto Reference Library (\$9 million total incl. 2009 cash flow of 450) | 6,450 | 2,100 | | - | - | 8,550 |
| York Woods - Development Charges | 10 | | | | | 10 |
| Revised Gross Funding | 28,441 | 18,987 | 20,790 | 19,922 | 21,688 | 109,827 |

| <u>Debt Funding</u> | 2010 | 2011 | 2012 | 2013 | 2014 | Total 2010-2014 |
|--------------------------------------|---------------|---------------|---------------|---------------|---------------|------------------------|
| Debt Request (Sept. 21, 2009) | 14,650 | 12,940 | 12,020 | 10,970 | 13,230 | 63,811 |
| Debt Funding for York Woods | 500 | | | | | 500 |
| Revised Debt Request | 15,150 | 12,940 | 12,020 | 10,970 | 13,230 | 64,311 |
| Revised City Debt Target | 15,150 | 12,940 | 12,020 | 10,970 | 13,230 | 64,311 |

2015-2019 Capital Submission Request

The second five years' capital request exceeds City targets by a total of \$7.529 million. Options to meet the City's targets are included under a separate report, Agenda Item No. 11 – 2010 – 2019 Capital Reductions – City Targets.

CONTACT

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