



STAFF REPORT INFORMATION ONLY

2023-2032 Capital Budget and Plan - Status Update

Date: September 19, 2022

To: Toronto Public Library Board

From: City Librarian

SUMMARY

The purpose of this report is to provide the Toronto Public Library Board with an update of the status of the 2023-2032 capital budget and plan submission (2023 Capital Submission), which is being prepared by staff. Using the approved [2022-2031 capital budget and plan](#) as a starting point, the development of the 2023 Capital Submission will be impacted by a number of factors including: cost escalations and supply chain challenges; updated Facilities Master Plan; updated Toronto Green Standard; the impact of higher interest rates on City debt funding; and recent Council decisions.

The 2023-2032 capital budget and plan submission is expected to be presented for Board consideration at the meeting on October 25, 2022.

FINANCIAL IMPACT

This report describes a number of factors that may impact the development of the 2023 Capital Submission. Efforts will be made to keep debt funding consistent with the prior year's 10-year capital plan in order to conform with City of Toronto budget guidelines.

The Director, Finance and Treasurer has reviewed this financial impact statement and agrees with it.

ALIGNMENT WITH STRATEGIC PLAN

The 2023-2032 capital budget and plan submission will support the Toronto Public Library's (TPL) strategic plan objectives, in particular: provide quality, accessible & inclusive public spaces; increase access to technology & digital literacy; and deliver exceptional customer experiences.

EQUITY IMPACT STATEMENT

The 2023-2032 capital budget and plan submission will be informed by the principles of equity and access and advances the work required under the Accessibility for Ontarians with Disabilities Act (AODA).

COMMENTS

The starting point for the 2023-2032 Capital Budget and Plan is the approved [2022-2031 Capital Budget and Plan](#), adopted by the Board at its February 28, 2022 meeting. All projects in the approved plan are being analyzed to ensure that any changes in costing, timing, scope, affordability or priority are properly reflected in the 2023 Capital Submission, and will be informed by a number of factors and considerations including those listed below.

Project Cost Escalation

The recent rapid increase in inflation rate has resulted in many of the materials critical for construction projects such as lumber and steel, as well as skilled labour to be more expensive compared to prior years. These inflationary pressures and cost escalations will be included in updated costing for the projects in the ten-year capital plan.

Global Supply Chain and specialized labour challenges

The global supply chain disruptions continue to put pressure on pricing, as it makes harder for contractors to secure needed construction materials. The available construction workforce is also shrinking as the number of ageing skilled workers retired and fewer young workers join the industry. The 2023 Capital Submission will be updated to reflect the implications of supply chain and labour challenges.

Toronto Green Standard

Where financially and practically feasible, all new buildings or expansions greater than 100 square meters (approx. 1,000 square feet) should be designed to meet the [Toronto Green Standard \(version 4\)](#) which will add additional costs and will be incorporated in the 10-year capital plan.

TPL's Facilities Master Plan (FMP)

TPL's FMP provides a framework and a roadmap for branch capital investments. The recently updated FMP, which has impacted capital priority scores and branch rankings, will be taken into consideration as the 2023 Capital Submission is being developed.

Development Charges funding

The new Development Charges By-Law and rates for collecting development charges (DC) has been approved by Council. DC funding continues to be a significant funding source in the development of the 2023 Capital Submission and TPL intends to continue to maximize the available DC funding in the 10-year capital plan.

City Debt Funding and Affordability

TPL's 10-year capital plan is primarily funded by debt. The City has a maximum threshold for debt servicing costs and the recent significant rise in interest rates puts pressure on available City debt funding for the capital budget. To conform with City budget guidelines, efforts will be made to keep debt funding consistent with the prior year's 10-year capital plan and this will necessitate some projects being re-prioritized or moved to an unfunded status.

City Council Decisions

The 2023 Capital Submission will also take into consideration a number of recent Council Decisions including the following motions:

- [MM45.32](#): Relocating and Expanding Black Creek and Downsview [sic] Libraries
City Council request the Board of Directors, CreateTO and the Toronto Public Library Board, and direct the Chief Planner and Executive Director, City Planning and the General Manager, Parks, Forestry and Recreation, to explore the feasibility of relocating the Black Creek Library to the City owned property known as Downsview Arena, and the Woodview Park Library to the City owned property known as Habitant Arena.
- [MM45.38](#): Reviewing City-Building Options for the New St. Lawrence Library Site at 125 The Esplanade
 1. City Council request the Board of Directors, CreateTO and the Toronto Public Library Board, and direct the Chief Planner and Executive Director, City Planning to explore options for the 125 The Esplanade City of Toronto owned property designated for a new Toronto Public Library, to include other City and community uses, including affordable housing, and to provide feasible options to the local community for feedback through a process to be determined in consultation with the local City Councillor.

- [PH35.25: Prioritizing Affordable Housing in the Development Application Review Process](#)
 1. City Council request the Chief Planner and Executive Director, City Planning, in consultation with the Executive Director, Housing Secretariat, to report to the Planning and Housing Committee in the first quarter of 2023 on how the development application review process might be enhanced to prioritize affordable housing and what weight built form and related issues like urban design guidelines should be given in those deliberations, and include in those considerations adding a section about affordable housing to the Project Data Sheet.
 2. City Council request the Chief Planner and Executive Director, City Planning, in consultation with the Executive Director, Housing Secretariat, to implement any appropriate interim steps that foster the building of affordable housing in all developments, discovered as part of the review undertaken as a result of Part 1 above.

These Council Decisions may have an impact on the timing of capital projects in the 10-year capital plan submission.

Timetable

The 2023-2032 capital budget and plan submission will be presented for Board consideration at its meeting on October 25, 2022. The 2023 City budget process is delayed due to the municipal elections on October 24, 2022 and the final budget timetable is expected in November 2022.

Activity	Schedule
Board Meeting - 2023 Budget Submissions	October 25, 2022
Administrative Review - City Finance, CFO, City Manager	October 2022
Informal Budget Committee Review	N/A for election year
Board Meeting - 2023 Budget Updates	December 5, 2022
Political Reviews (Estimated Timeframe). Dates to be confirmed by Striking Committee November 17, 2022	
Board Meeting - 2023 Budget Updates	January 2023
Budget Launch - Budget Committee	Late January 2023
Board Meeting - 2023 Budget Updates	February 2023
Budget Committee Review	February 2023
Public Presentations - Budget Committee	February 2023
Budget Committee Wrap-Up	February 2023
Budget Committee Final Wrap-Up	February 2023
Executive Committee	February / March 2023
City Council approval	Early-Mid March 2023
Board Meeting - 2023 Budget Updates or Adoption of Budgets	March 2023

CONTACT

Larry Hughsam; Director, Finance & Treasurer; Tel: 416-397-5946;
 Email: lhughsam@tpl.ca

Howard Balter; Manager, Budget & Financial Reporting; Tel: 416-393-7003;
 Email: hbalter@tpl.ca

SIGNATURE

Vickery Bowles
City Librarian