



## STAFF REPORT ACTION REQUIRED

### 2023-2032 Capital Budget and Plan Submission

**Date:** October 25, 2022

**To:** Toronto Public Library Board

**From:** City Librarian

#### SUMMARY

---

The purpose of this report is to seek Toronto Public Library Board approval of the 2023-2032 capital budget and plan submission of \$40.758 million debt (\$49.245 million gross) for 2023 and \$451.012 million debt (\$751.340 million gross) over 2023-2032, comprised of:

1. Capacity to Spend Capital Budget and Plan of \$40.758 million debt (\$49.245 million gross) in 2023 and \$364.427 million debt (\$548.949 million gross) over 2023-2032; and
2. Capital Needs Constraints, i.e., not funded, of \$0 gross and debt in 2023 and \$86.585 million debt (\$202.391 million gross) over 2023-2032.

The Toronto Public Library (TPL) 10-year capital submission has been developed according to City guidelines with a focus on maintaining capital affordability while addressing TPL's state of good repair (SOGR) backlog.

Based on the 2023–2032 Capacity to Spend Capital Budget and Plan, the State of Good Repair (SOGR) backlog is expected to grow from a current value of \$170 million to \$214 million by 2032, informed by building condition assessments.

The capital submission responds to several key issues and challenges the Library is facing including high inflation, labour market challenges, global supply chain issues, and higher interest which impacts level of debt funding available. These factors resulted in higher project cost escalations and caused some projects to be delayed or moved to not funded which contributes to the increase to the SOGR backlog.

The capital submission represents a fiscally responsible budget submission and reflects TPL's ability to deliver on its capital program, including the implementation of modernization and transformation initiatives that focus on efficiency, continuous improvement and improved customer experiences.

Over the last five years, TPL's capital spending has averaged close to 80% of approved budget, which compares favourably with average spending levels across the City.

## RECOMMENDATIONS

---

### **The City Librarian recommends that the Toronto Public Library Board:**

1. approves the 2023-2032 capital budget and plan submission, including projected 2022 net carry forwards, of \$40.758 million debt (\$49.245 million gross) for 2023 and \$451.012 million debt (\$751.340 million gross) over 2023-2032, comprised of:
  - a. 23 projects, as detailed in Attachment 1, totalling \$40.758 million debt (\$49.245 million gross) in 2023 and \$364.427 million debt (\$548.949 million gross) over 2023-2032, which reflects TPL's Capacity to Spend Capital Budget and Plan; and
  - b. Seven projects, as detailed in Attachment 2, totalling \$0 gross and debt in 2023 and \$86.585 million debt (\$202.391 million gross) over 2023-2032 which reflects TPL's Capital Needs Constraints and therefore are not funded; and
2. authorizes staff to forward this capital budget submission to the City for consideration.

## FINANCIAL IMPACT

---

The 2023-2032 capital submission is summarized in Table 1 below.

**Table 1: 2023 - 2032 Capital Budget and Plan Submission (\$ millions)**

	2023			2023 - 2032		
	<u>Gross</u>	Debt	Non-Debt	<u>Gross</u>	Debt	Non-Debt
		<u>Funding</u>	<u>Funding</u>		<u>Funding</u>	<u>Funding</u>
Capacity to Spend Capital Budget and Plan (attachment 1)	\$ 49.245	\$ 40.758	\$ 8.487	\$ 548.949	\$ 364.427	\$ 184.522
Capital Needs Constraints Budget and Plan (attachment 2)	\$ -	\$ -	\$ -	\$ 202.391	\$ 86.585	\$ 115.806
<b>Total Budget Submission</b>	<b>\$ 49.245</b>	<b>\$ 40.758</b>	<b>\$ 8.487</b>	<b>\$ 751.340</b>	<b>\$ 451.012</b>	<b>\$ 300.328</b>

Table 2 below details the funding sources for the capital submission.

**Table 2: 2023- 2032 Capital Budget and Plan Funding Sources Submission (\$ millions)**

	2023				2023 - 2032			
	Capacity to Spend	Capital Needs Constraints	Total \$	Total %	Capacity to Spend	Capital Needs Constraints	Total \$	Total %
Funding Sources								
Debt	\$ 40.758		\$ 40.758	82.8%	\$ 364.427	\$ 86.585	\$ 451.012	60.0%
Non-Debt								
Development Charges	\$ 5.013	\$ -	\$ 5.013	10.2%	\$ 172.870	\$ 113.802	\$ 286.672	38.2%
Contribution from Operating	\$ 0.400		\$ 0.400	0.8%	\$ 1.600		\$ 1.600	0.2%
Section 37 / 45 Funding	\$ 1.930		\$ 1.930	3.9%	\$ 7.808	\$ 2.004	\$ 9.812	1.4%
City Reserves	\$ -		\$ -	0.0%	\$ -		\$ -	0.0%
Other Funding	\$ 1.144		\$ 1.144	2.3%	\$ 2.244		\$ 2.244	0.3%
Total Non-Debt	\$ 8.487	\$ -	\$ 8.487	17.2%	\$ 184.522	\$ 115.806	\$ 300.328	40.0%
<b>Total Capital Budget</b>	<b>\$ 49.245</b>	<b>\$ -</b>	<b>\$ 49.245</b>	<b>100.0%</b>	<b>\$ 548.949</b>	<b>\$ 202.391</b>	<b>\$ 751.340</b>	<b>100.0%</b>
Incremental Operating Impacts of Capital	\$ 0.136	\$ -	\$ 0.136		\$ 12.375	\$ 0.898	\$ 13.273	
FTE	12.0	-	\$ 12.0		94.0	8.0	\$ 102.0	

The 2022 operating impacts of capital of \$0.136 million net, including 12.0 Full Time Equivalents (FTEs), is the result of branch expansions and renovations including Mount Pleasant, Bridlewood and North York Central Library. These costs have been included in the 2023 operating budget submission.

The complete 10-year capital submission summary with gross and debt funding for capital projects is included in Attachments 1 and 2.

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

## ALIGNMENT WITH STRATEGIC PLAN

The 2023-2032 capital budget and plan supports TPL's strategic plan objectives, in particular: provide quality, accessible & inclusive public spaces; increase access to technology & digital literacy; and deliver exceptional customer experiences.

TPL's 2023-2032 capital budget and plan submission aligns and supports Council's strategic vision to make Toronto a centre of innovation and growth. The capital program builds and maintains beautiful public space in every neighbourhood and leverages digital advances and technology to create smart and efficient services. By enhancing the accessibility and inclusivity of library branches and expanding digital access, the plan supports equitable access to library services for all and enhances investment and quality of life in neighbourhoods across the city.

## EQUITY IMPACT STATEMENT

The 2023-2032 capital budget and plan submission is informed by the principles of equity and access and advances the work required under the *Accessibility for Ontarians with Disabilities Act* (AODA). The plan was developed using the Facilities Master Plan with access as one of the key drivers for investment in capital projects. The plan will also increase TPL's capacity to align the investment in library facilities and services with need and demand across the city. It seeks to improve equity with respect to facility and service access for all residents, including equity-deserving groups in the city of Toronto.

## DECISION HISTORY

At its meeting on September 19, 2022, Toronto Public Library Board received for information the [2023-2032 Capital Budget and Plan - Status Update](#), which highlighted potential changes to the Council-approved 2022-2031 budget and plan.

## ISSUE BACKGROUND

TPL's capital budget needs to address both the building network, equipment needs, as well as the technology infrastructure. There are a number of considerations that inform the capital budget.

### Planning Framework

TPL has a planning framework to guide the development of its capital program for library branches.

### Service Delivery Model

This is the framework the library uses to envision the possibilities that result from an investment in library infrastructure and service delivery. It is both practical and aspirational, outlining a future-oriented, systematic approach to branch and service

planning. As such, it is used in capital planning to identify, articulate and prioritize branch capital needs. .

### Branch Development Strategy

TPL's 100-branch infrastructure is currently optimal and allows the Library to respond to areas of growth development in the city. Service demands in new and growing communities will be addressed through:

- technology;
- renovation, relocation and expansion of existing branches;
- new service delivery options;
- additional open hours; and
- future new branches including Etobicoke Civic Centre and former Mr. Christie's site.

### Digital Service Modernization

COVID-19 highlighted the need for TPL to accelerate its digital capabilities and continue to invest in modernizing its digital services and infrastructure. In July 2019, TPL conducted a current state assessment to determine TPL's digital maturity and identified areas of focus that have been incorporated into the 2020-2024 Digital Strategy. The digital focus areas include:

- Launching new library services
- Creating a unified customer experience
- Building a connected workplace
- Enabling a data-driven organization

In 2023, the continuing emphasis will be on establishing the foundation for digital optimization by revising the IT operating model, increasing cyber security controls, and modernizing the IT infrastructure. As a result, TPL will be well positioned to deliver the right combination of technologies and supports to meet staff and customers' evolving needs and to achieve strategic priorities.

### Facilities Master Plan

This plan provides a framework for capital investment in TPL's facilities infrastructure. It guides the timing and location for renovations and rebuilding projects, as well as new branches. The plan is informed by population and community growth studies, property condition assessments, trends in building automation technology, and requirements to provide 21st century library service throughout the library system. The Facilities Master Plan was developed in 2018 and has been recently updated.

2023-2032 Capital Budget and Plan Submission

October 25, 2022

Page 5 of 14

## Toronto Strong Neighbourhoods Strategy 2020

This strategy supports healthy communities across Toronto by partnering with residents, community agencies and businesses to invest in people, services, programs and facilities in 31 identified Neighbourhood Improvement Areas (NIAs). The needs of NIAs and elements of this City strategy are factored into TPL's 10-year facilities capital project plan.

## Building Condition Assessments

These are conducted regularly and provide assessments of all TPL branches and administrative buildings. They provide a thorough evaluation of the major building components, systems and equipment, identify life cycle concerns and deficiencies, and generate forecasts for present and future expenditures required to maintain the property and assist in the development of an asset management strategy. The assessment reports are used in planning to help prioritize investment in the renovation, expansion, development, maintenance and repair of existing library facilities.

## Development opportunities

Also significant to the capital planning process are any new and emerging development and relocation opportunities. In on-going collaboration with CreateTO and City of Toronto Corporate Real Estate Management, TPL keeps apprised of how the city's neighbourhoods are growing and changing and where there are opportunities for TPL to relocate, renovate, or build new branches to serve community needs.

## Shared and Joint Use Facilities

Opportunities can also arise for branches in shared use facilities with Parks Forestry & Recreation, Toronto Community Housing, Social Development, Finance and Administration, and other City divisions or the Toronto District School Board. TPL and partners work closely together to develop and align long-term strategies, plans and budgets for these sites.

## Strategic Planning Research & Consultation

With each strategic planning cycle, TPL engages library customers, staff, and a wide variety of other stakeholders across the city, asking them how the library can support them and their communities now and into the future. Consultation formats include questionnaires, focus groups, surveys and roundtable discussions. This, combined with extensive research and environmental scans, results in inputs and insights that inform capital project planning.

## COMMENTS

### 2023-2032 Capital Budget and Plan Submission

Over the summer, the City released the 2023–2032 Capital Budget Guidelines and Instructions and staff developed the capital submission following these guidelines and using TPL’s planning framework for developing the capital program for library buildings and technology needs.

The City guidelines require the 10-year capital plan to keep debt funding consistent with last year’s approved capital plan and to be fiscally responsible and based on the ability to spend, project readiness, capital priorities with a focus on legislated initiatives and projects that address TPL’s state of good repair (SOG) backlog. The capital budget and plan is presented in two sections: 1) Capacity to Spend Capital Budget and Plan (Attachment 1) which reflects available funding from the City and TPL’s ability to deliver on its capital program, and 2) Capital Needs Constraints (Attachment 2) which are currently unfunded.

The capital submission achieves the following objectives:

1. Provides a capital program that is fiscally responsible and deliverable;
2. Transforms branches for modern library service;
3. Focusses on addressing state of good repair for branches;
4. Addresses City growth intensification areas;
5. Maximizes alternative (non-debt) funding sources;
6. Minimizes the operating impact of the capital program; and
7. Makes progress on TPL’s digital strategy and lifecycle replacement of technology assets.

The 10-year budget and plan funding request includes funding of \$364.427 million debt (\$548.949 million gross) for 23 capital projects that reflects TPL’s ability to deliver on its capital program (i.e. Capacity to Spend Capital Budget and Plan). These projects consist of \$446.678 million for building projects; and \$102.271 million for technology-related projects, including funding requirements to support the approved 2020-2024 Digital Strategy and are detailed in Attachment 1

There are 7 building projects beyond the City’s funding envelope that are currently unfunded (i.e. Capital Needs Constraints), totalling \$86.585 million debt (\$202.391 million gross) as shown in Attachment 2, which is an increase from the previous year which had 2 projects unfunded totalling \$12.594 million debt (\$33.772 million gross).

## [Capacity to Spend Capital Budget and Plan \(Attachment 1\)](#)

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. A number of changes have been made to the timing and/or costing of the capital projects from last year's approved budget and the following provides a brief explanation of the more significant changes.

### 2022 Carry Forwards

As per City budget instructions, the 2023-2032 budget submission must incorporate projected carry forward of previously approved projects. TPL projects that 14 capital projects will be under-spent at year-end, totalling \$9.309 million gross to be carried forward to 2023-2025.

### Project Cost Escalation and Toronto Green Standard

Material and labour cost escalation continues to be driven by the impact of COVID-19, global supply chain challenges, a depleted work force, and rising inflation. The updated Toronto Green Standard, as adopted by Council on July 14, 2021, also resulted in additional cost increases to build all new buildings or expansions greater than 100 square meters (approx. 1,000 square feet) to meet the updated standard.

Projects impacted by the increase in construction costs include:

- Dawes Road – Project cost increased \$4.570 million gross
- Bridlewood – Project cost increased \$0.800 million gross
- Centennial – Project cost increased \$4.371 million gross
- Etobicoke Civic Centre – Project cost increased \$4.579 million gross
- Lillian H. Smith – Project cost increased \$9.049 million gross
- Sanderson – Project cost increased \$4.570 million gross

The cost escalations coupled with a fixed amount of debt funding results in some projects being delayed and others moving to unfunded as discussed later in this report.

### Scope changes

A number of changes have also been made to increase the scope of projects in response to population growth, building condition or changes in the needs of the community. In addition to these scope changes, the cost increases are also impacted by the recent increase in construction prices related to inflation and estimated costs related to the green standard level as described in the previous section. Significant changes from last year's approved budget include:



- Multi Branch Renovations – Funding increased by \$47.146 million over the 10-year plan to address TPL’s growing SOGR backlog
- Toronto Reference Library – Project cost increased by \$22.673 million over the 10-year plan to address the ongoing SOGR backlog for this 44-year-old, five-storey, 434,841 sq. ft. central research library that serves the entire city of Toronto
- Northern District Exterior – Project cost increased by \$1.215 million gross to updated costing from the general contractor

#### New Projects

Yorkville has been added to the 10-year capital plan with funding provided by development charges and debt.

#### Timing changes

A number of projects have adjusted or extended timelines based on the most current information available. These include Northern District renovation and expansion, Parliament Street relocation and expansion, and St. Lawrence 125 The Esplanade Relocation, and Port Lands New Construction (now outside of the 10-year plan).

#### Projects moved to Capital Needs Constraints (not funded)

To conform with City budget guidelines to keep debt funding consistent with the prior year’s 10-year capital plan, the following projects were re-prioritized and moved to an unfunded status that increases the SOGR backlog:

- Weston Renovation - \$21.303 million gross
- High Park Renovation - \$21.008 million gross
- Barbara Frum Renovation - \$39.727 million gross
- Mimico Centennial Renovation and Expansion - \$26.656 million gross
- Northern District Renovation and Expansion construction phase - \$49.738 million gross

#### Capital Needs Constraints (Attachment 2)

There are seven projects that are not fully funded and are not included within TPL’s Capacity to Spend Capital Budget and Plan totalling \$0 gross and debt in 2023 and \$86.585 million debt (\$202.391 million gross) over 2023-2032. Funding details are in Attachment 2.

## Challenges and Issues

### 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. Rising inflation, global supply chain challenges and shortage of skilled labour have led to increases in the cost of construction materials such as steel, lumber and glass, resulting in a number of projects with extended timelines or being delayed which increases the SOGR backlog and could negatively impact service.

### Modernization and Technology Transformation

TPL delivers technology as a service (online access to information, new learning models, workforce development, digital inclusion, and digital literacy). The demand for digital and on-line services continues to grow each year. In addition, there has generally been an increasing demand for wireless and internet access, self-service options (including mobile and personalized services), and new service delivery options.

To meet the increasing demand for technology service, TPL needs to move from traditional hardware/software, capital based infrastructure to Cloud-based technology and an integrated platform approach in order to efficiently deliver great customer service experiences. The capital submission has \$102.271 million gross funding for technology related projects over the 10 years to fulfill TPL's asset replacement strategy and implement modernization initiatives, and includes additional funding to support the Library's approved 2020-2024 Digital Strategy.

The budget will fund a number of initiatives and activities as outlined in the 2020-2024 [strategic execution roadmap](#) and in response to the impact of COVID-19 and priorities identified in TPL's [Digital Strategy](#). An example of a planned initiative is the continued provision of current technologies for staff productivity, communication and collaboration to support both on-site and remote work as well as continue to provide digital services to our customers. Another initiative is the formalization of an IT Security, Risk and Governance Program to ensure a safe and secure IT environment (both on-site and remote) that will minimize the risks of cyberattacks. This will also support TPL's priority to align with the City of Toronto in its' cybersecurity efforts as recommended by the Auditor General.

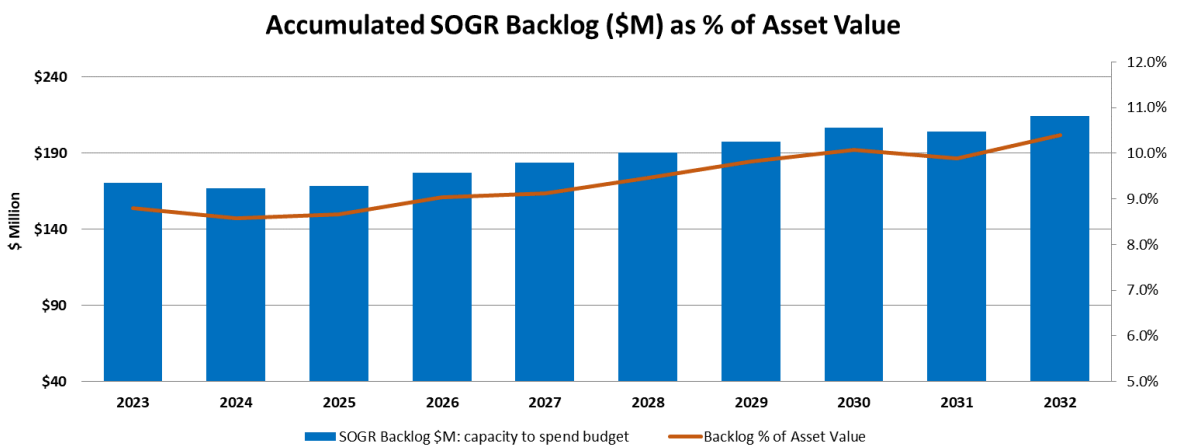
### Development Charges Funding

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 continues to maximize the available DC funding in the 10-year capital plan.

### SOGR Backlog

Comprehensive building condition assessment reports are used in planning to help prioritize investment in the renovation, expansion, development, maintenance and repair of existing library facilities. These are conducted regularly and provide assessments of all TPL branches and administrative buildings. Based on the current 10-year Capacity to Spend Capital Budget and Plan, at the end of 10 years the SOGR backlog will increase from \$170 million to \$214 million. The backlog is equivalent to roughly 10% of the value of the assets.

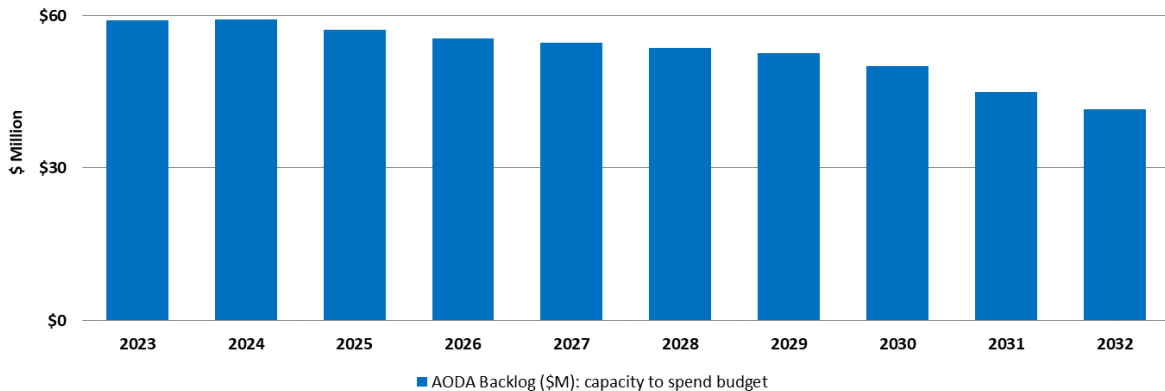


Accumulated Backlog (year-end)	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
SOGR Backlog \$M: capacity to spend budget	170.4	166.9	168.3	176.9	183.6	190.7	197.6	206.8	204.0	214.4
SOGR Backlog % of Asset Value	8.8%	8.6%	8.7%	9.0%	9.1%	9.5%	9.8%	10.1%	9.9%	10.4%

### AODA Compliance Backlog

The building condition assessments also examine requirements under the *Accessibility for Ontarians with Disabilities Act (AODA)*. Based on the current 10-year Capacity to Spend Capital Budget and Plan, the accumulated AODA compliance backlog will decrease from \$59 million at the end of 2023 to \$42 million by 2032.

### Accumulated AODA Backlog (\$M)



Accumulated Backlog (year-end)	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
AODA Backlog (\$M): capacity to spend budget	59.1	59.1	57.2	55.5	54.6	53.6	52.6	50.0	44.9	41.6

### 2023 Capital Budget Timetable

Activity	Schedule
Administrative Review - City Finance, CFO, City Manager	October 27, 2022
Informal Budget Committee Review	N/A for election year
<b>Board Meeting - 2023 Budget Updates</b>	<b>December 5, 2022</b>
<b>Political Reviews (estimated timeframe).</b> <b>Dates to be confirmed by Striking Committee November 17, 2022</b>	
<b>Board Meeting - 2023 Budget Updates</b>	<b>January 2023</b>
Budget Launch - Budget Committee	Late January 2023
<b>Board Meeting - 2023 Budget Updates</b>	<b>February 2023</b>
Budget Committee Review	February 2023
Public Presentations - Budget Committee	February 2023
Budget Committee Wrap-Up	February 2023
Budget Committee Final Wrap-Up	February 2023

Activity	Schedule
Executive Committee	February / March 2023
City Council	Early-Mid March 2023
<b>Board Meeting - 2023 Budget Updates or Adoption of Budgets</b>	<b>March 2023</b>

## CONCLUSION

The capital submission represents a fiscally responsible budget submission and reflects TPL's ability to deliver on its capital program, including the implementation of modernization and transformation initiatives that focus on efficiency, continuous improvement, and improved customer experiences. The Capital Plan builds and maintains welcoming public spaces that are accessible and inclusive and leverages technology to expand access to services and improve digital experiences.

TPL has achieved a five-year average capital spending rate of close to 80%, consistently one of the highest among City Agencies and Divisions. This demonstrates TPL's readiness and ability to execute its capital program within the approved budget, which results in more efficient and improved services and better-maintained assets.

## CONTACT

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

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

## SIGNATURE

---

Vickery Bowles  
City Librarian

## ATTACHMENTS

- Attachment 1: 2023-2032 Capital Budget and Plan Submission – Capacity to Spend Capital Budget and Plan
- Attachment 2: 2023-2032 Capital Budget and Plan Submission – Capital Needs Constraints

TORONTO PUBLIC LIBRARY

2023 - 2032 Capital Budget and Plan - Gross and Debt Funding

Capacity to Spend Capital Budget and Plan

(\$millions)

Attachment 1

		BRANCH SIZE			PROJECT INFORMATION						GROSS										DEBT											
PROJECT NAME		Existing Sq. FT.	Expansion	Proposed Sq. FT.	Ward	Cost Est.	Develop. Charges	S. 37/ 45/ Reserves	Other Funding	Debt	2023 (incl cfwd \$5.530)	2024 (incl cfwd \$3.443)	2025 (incl cfwd \$0.336)	2026	2027	2028	2029	2030	2031	2032	TOTAL 2023-2032 (incl cfwd)	2023 (incl cfwd \$4.932)	2024 (incl cfwd \$0.654)	2025	2026	2027	2028	2029	2030	2031	2032	TOTAL 2023-2032 (incl cfwd)
Technology Projects																																
Tech Asset Mgmt Prg (TAMP)					58.520 5.327 - - 53.193						6.022 5.666 5.776 6.815 5.236 5.391 5.550 5.707 5.996 6.361 58.520										5.993 5.053 5.198 6.133 4.712 4.852 4.995 5.136 5.396 5.725 53.193											
Service and Digital Modernization					23.327 2.061 - - 21.266						6.506 4.959 2.974 1.160 1.189 1.218 1.249 1.286 1.351 1.434 23.326										6.044 4.463 2.761 1.044 1.070 1.096 1.124 1.157 1.216 1.291 21.266											
Digital Experiences (DXP)					20.425 12.564 - - 7.861						2.095 1.904 2.327 1.642 2.060 1.765 1.703 1.767 2.505 2.657 20.425										1.635 0.698 0.593 0.575 0.721 0.618 0.596 0.618 0.877 0.930 7.861											
Total Technology Projects					102.272 19.952 - - 82.320						14.623 12.529 11.077 9.617 8.485 8.374 8.502 8.760 9.852 10.452 102.271										13.672 10.214 8.552 7.752 6.503 6.566 6.715 6.911 7.489 7.946 82.320											
Building Projects																																
Multi-Branch Renovation Program (SOGR)					111.579 10.020 1.100 - 100.459						11.199 9.730 9.293 8.440 8.560 8.760 7.917 8.080 12.600 27.000 111.579										10.517 9.091 8.650 7.596 6.684 7.884 7.125 7.272 11.340 24.300 100.459											
Toronto Reference Library					11 44.400 4.440 0.625 - 39.335						3.400 7.000 8.000 5.000 5.000 2.000 2.000 2.000 5.000 5.000 44.400										3.012 6.300 6.623 4.500 4.500 1.800 1.800 1.800 4.500 4.500 39.335											
Bridlewood		7,690	13,310	21,000	22 9.787 3.244 - 1.000 5.543						4.862 3.779 - - - - - - - 8.641										3.862 1.681 - - - - - - - 5.543											
Centennial		6,866	8,134	15,000	6 21.613 8.267 - 0.274 13.072						3.500 7.172 7.207 3.000 - - - - - 20.879										3.500 5.713 3.611 - - - - - - 12.824											
Dawes Road		6,500	19,000	25,500	19 36.206 13.759 - 1.600 20.847						2.866 7.519 7.596 7.569 4.467 - - - - 30.017										2.466 1.792 7.180 6.902 0.066 - - - - 18.406											
Deer Park - Design					12 0.144 - - 0.144 -						0.144 - - - - - - - - 0.144										- - - - - - - - - -											
Ethennonnhawahstihnen'		6,333	7,085	13,418	17 15.957 5.109 - 0.580 10.268						0.500 - - - - - - - - 0.500										0.500 - - - - - - - - 0.500											
Etobicoke Civic Centre		-	28,000	28,000	3 34.794 34.443 - - 0.351						0.564 6.489 10.025 10.326 7.091 - - - - 34.495										- 0.351 - - - - - - - 0.351											
Lillian H. Smith		38,935	7,000	45,935	11 50.196 13.032 - - 37.164						0.200 0.877 1.013 0.910 6.644 9.125 10.808 10.648 9.971 50.196										0.200 0.215 0.884 0.910 5.311 9.125 10.808 6.688 3.023 37.164											
Northern District - Exterior					8 2.205 - 0.990 - 1.215						1.680 - - - - - - - - 1.680										1.215 - - - - - - - - 1.215											
Parkdale		24,083	5,917	30,000	4 32.863 11.175 - - 21.688						0.502 0.862 0.355 8.951 6.109 6.042 5.900 4.142 - 32.863										0.502 0.265 0.355 7.564 6.109 6.042 0.851 - - 21.688											
Perth / Dupont - 299 Campbell Avenue		3,627	6,373	10,000	9 5.897 3.621 1.176 1.100 -						3.359 2.410 - - - - - - - 5.769										- - - - - - - - - -											
Pleasant View		7,000	3,000	10,000	17 4.775 0.150 4.625						0.534 3.081 1.058 - - - - - 4.673										- - - - - - - - - -											
Richview Building Elements					2 3.546 0.018 - - 3.528						1.212 2.208 - - - - - - - 3.420										1.212 2.208 - - - - - - - 3.420											
St. Lawrence - 125 The Esplanade		4,833	25,167	30,000	13 40.184 35.178 - - 5.006						0.100 0.955 0.877 7.671 7.443 8.816 7.456 6.866 40.184										0.100 - 0.131 - - - - 4.775 - 5.006											
Northern District - Renovation & Expansion - Design		25,000	-	25,000	8 2.378 1.704 - - 0.674						- - 0.556 0.946 0.876 2.378										- - - 0.674 0.674											
Sanderson		12,702	7,298	20,000	10 25.690 14.786 - - 10.904						- - 0.393 0.675 0.278 5.849 5.962 6.141 6.392 25.690										- - - 0.285 0.278 2.169 0.294 3.947 3.931 10.904											
Yorkville		9,053	-	9,053	11 10.760 2.166 8.594						- 0.178 0.306 0.126 1.941 2.999 3.089 2.121 10.760										- - 0.053 0.306 0.126 2.899 3.089 2.121 8.594											
Parliament Street		14,634	8,366	23,000	13 28.763 9.860 - - 18.903						- - 0.289 0.447 0.461 0.317 9.947 6.882 18.343										- - - 0.461 0.248 9.835 5.480 16.024											
Christie Site - Design		-	14,000	14,000	3 0.370 0.370 - - -						- - - - - - - 0.067 0.067										- - - - - - - - - -											
Total Building Projects					482.107 171.342 8.516 4.698 297.551						34.622 52.082 46.551 53.794 46.883 42.980 43.503 41.283 46.031 38.949 446.678										27.086 27.616 27.487 28.063 23.748 27.020 24.238 27.819 34.750 34.280 282.107											
Capacity to Spend Budget and Plan					584.379 191.294 8.516 4.698 379.871						49.245 64.611 57.628 63.411 55.368 51.354 52.005 50.043 55.883 49.401 548.949										40.758 37.830 36.039 35.815 30.251 33.586 30.953 34.730 42.239 42.226 364.427											

TORONTO PUBLIC LIBRARY

2023 - 2032 Capital Budget and Plan - Gross and Debt Funding

Capital Needs Constraints

(\$millions)

					A	B	C	D	E		F	G	H	I	J	K	L	M	N	O	P		Q	R	S	T	U	V	W	X	Y	Z	AA
				BRANCH SIZE			PROJECT INFORMATION							GROSS										DEBT									
PROJECT NAME	Existing Sq. FT.	Expansion	Proposed Sq. FT.	Ward	Cost Est.	Develop. Charges	S. 37/ 45/ Reserves	Other Funding	Debt	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	TOTAL 2023-2032	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	TOTAL 2023-2032		
Barbara Frum Renovation	29,417		29,417	8	39.727	6.498	0.004	-	33.225	-	-	-	-	0.614	1.054	0.434	7.275	11.239	11.576	32.192	-	-	-	-	0.183	1.054	0.434	1.204	11.239	11.576	25.690		
City Hall Relocation and Expansion	5,074	19,926	25,000	10	30.487	26.045	-	-	4.442	-	0.477	0.820	0.338	6.980	11.504	10.368	-	-	-	30.487	-	-	-	0.240	-	-	4.202	-	-	-	4.442		
Danforth/Coxwell Relocation and Expansion	9,617	10,383	20,000	19	26.059	19.306	-	-	6.753	-	-	0.393	0.675	0.278	4.726	7.302	7.521	5.164	-	26.059	-	-	-	0.067	0.278	-	-	1.244	5.164	-	6.753		
High Park Renovation and Expansion	8,850	6,150	15,000	4	21.008	10.774	-	-	10.234	-	-	0.325	0.557	0.230	3.805	5.878	6.055	4.158	-	21.008	-	-	-	0.306	0.230	-	-	5.540	4.158	-	10.234		
Mimico Centennial Renovation & Expansion	17,469	2,531	20,000	3	26.656	8.206	2.000	-	16.450	-	-	-	-	0.417	0.716	0.295	4.878	7.536	7.762	21.604	-	-	-	-	-	0.589	0.295	-	3.579	6.934	11.397		
Northern District Renovation & Expansion	15,000	23,000	38,000	8	49.738	35.337	-	-	14.401	-	-	-	-	-	7.002	9.616	11.390	11.222	10.508	49.738	-	-	-	-	-	-	-	-	3.893	10.508	14.401		
Weston Renovation & Expansion	11,944	3,056	15,000	5	21.303	7.635	-	-	13.668	-	-	0.325	0.557	0.230	3.861	5.966	6.145	4.219	-	21.303	-	-	-	0.480	0.230	-	2.594	6.145	4.219	-	13.668		
Total Projects in Capital Needs Constraints					214.978	113.801	2.004	-	99.173	-	0.477	1.863	2.127	8.749	32.668	39.859	43.264	43.538	29.846	202.391	-	-	-	1.093	0.921	1.643	7.525	14.133	32.252	29.018	86.585		





# **2023-2032 Capital Budget and Plan Submission**

## Toronto Public Library Board

October 25, 2022



# 2022 accomplishments

## building projects

- **Completion of major capital projects**
  - Albert Campbell Branch: re-opened July 2022
  - Maryvale Branch: re-opened September 2022
  - Wychwood Branch: re-opened October 2022
- **Continue major capital construction projects** including York Woods, Centennial, Dawes Road, Ethennonnhawahstihnen', Bridlewood
- **Multi-branch State of Good Repair projects** including 2022 roof design, youth hubs at Kennedy/Eglinton & Agincourt, ramp at Yorkville, fire alarm system at NYCL, boiler at Albion, renovations at Mount Pleasant and Deer Park

# 2022 accomplishments: technology projects

## Ongoing technological innovation and operational efficiencies

- Operationalized **IT Security, Risk and Governance Program**, achieving enhanced security reporting and improving cyber security threat awareness
- **Ongoing replacements/upgrades to telephony, applications and infrastructure** to reduce cost, improve performance, and increase user technology adoption
- **Stabilization of tpl.ca** and migration to cloud hosting
- Upgraded **cash registers** to increase efficiency

## Customer service modernization

- System-wide replacement of desktop computers for **Reserve a Computer (RAC)**
- Launch of online **incident management system** to support Rules of Conduct guidelines and mitigate safety risks



# **budget background & context**

## challenges and issues

### **Toronto Green Standard**

- Recent change (adopted by Council on July 14, 2021)
- Additional cost increases to build new buildings or expansions

### **City Debt Funding & Affordability**

- High interest rates
- High inflation
- Supply chain impacts and delays
- Shortage of skilled labour
- Rising costs of lumber and construction material

# **budget background & context**

## challenges and issues

### **Modernization and technology transformation**

- Rapid changes in technology and digital landscape
- Aging infrastructure & rising technical debt
- Accelerating the digital services delivery model & financial/resources implications
- Ongoing impact of COVID-19 & increasing cyber security threats
- Staff engagement and retention

### **State Of Good Repair (SOGR) backlog & Accessibility for Ontarians with Disabilities Act (AODA) backlog**

- Comprehensive Building Condition Assessment are conducted regularly
- Facility infrastructure SOGR backlog is estimated to grow to \$214 million by 2032
- AODA backlog is expected to decrease to \$42 million by 2032

# **budget background & context**

## challenges and issues

### **Development Charges Act**

- The new DC By-Law and rates for collecting DC has been approved by Council
- Greater percentage of DC funding for growth projects compared to previous legislation
- Statutory 10 per cent reduction has been eliminated
- Submission maximizes DC funds received under existing City by-law

### **Community Benefits Charge**

- Council also adopted the Community Benefits Charge (CBC) By-Law – replacing Section 37
- The CBCs authorizes the City to collect against land to pay for the capital costs of facilities and services required as a result of development or redevelopment

- Further details on implementation of the new CBC authority will be brought to City Council in 2023

# capital budget objectives and priority actions

- Fiscally responsible and deliverable budget
- Continue to address the SOGR and AODA backlogs
- Continue to transform branches for modern library service
- Continue to provide customers with access to current and emerging technologies
- Continue to modernize library technology infrastructure to improve efficiencies and mitigate risks
- Manage population growth through investment in branch network and IT infrastructure
- Maximize non-debt funding sources



# **2023 – 2032 Capital Budget and Plan submission**





# capital program development library planning framework

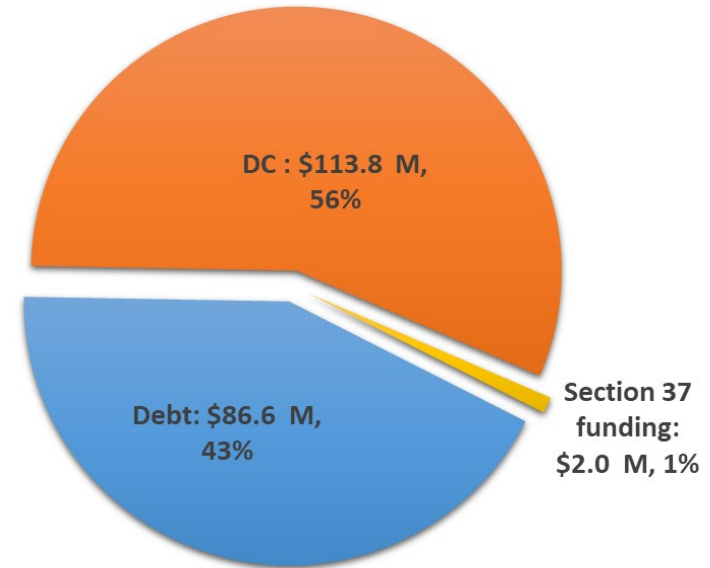
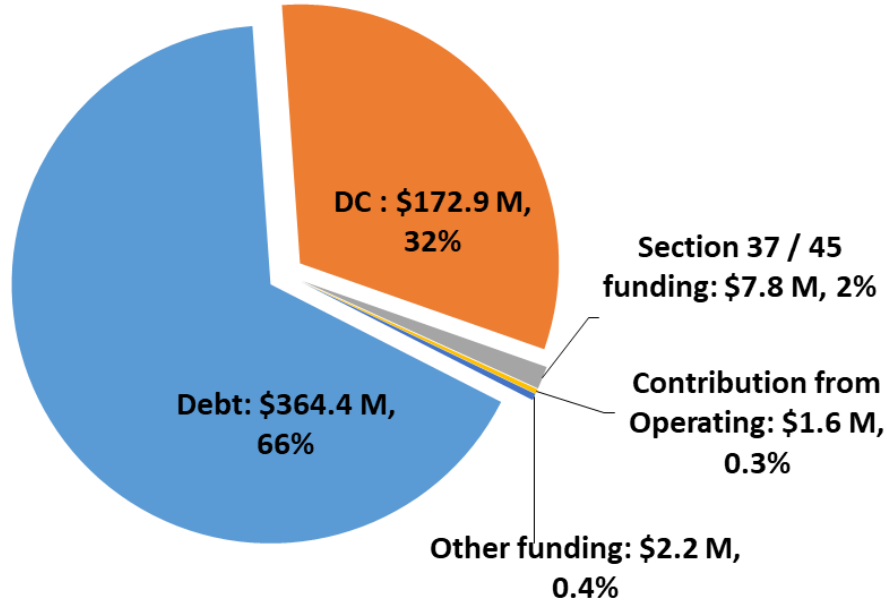
- TPL Service Delivery Model
- Digital Service Modernization
- TPL Facilities Master Plan
- Toronto Strong Neighbourhood Strategy 2020
- Building Condition Assessment
- Development Opportunities
- Shared and Joint Use Facilities
- Strategic Planning Research & Consultation

# 2023 – 2032 capital budget and plan

## Summary (\$millions)

	2023		2023-2032	
	Gross	Debt	Gross	Debt
Capacity to Spend Capital Budget and Plan				
20 Building Projects	\$34.622	\$27.086	\$446.678	\$282.107
3 Technology-related Projects	\$14.623	\$13.672	\$102.271	\$82.320
Capacity to Spend Capital Budget and Plan	\$49.245	\$40.758	\$548.949	\$364.427
Capital Needs Constraints (not funded)	-	-	\$202.391	\$86.585
<b>Total Budget Submission</b>	<b>\$49.245</b>	<b>\$40.758</b>	<b>\$751.340</b>	<b>\$451.012</b>

# 2023-2032 capital funding sources

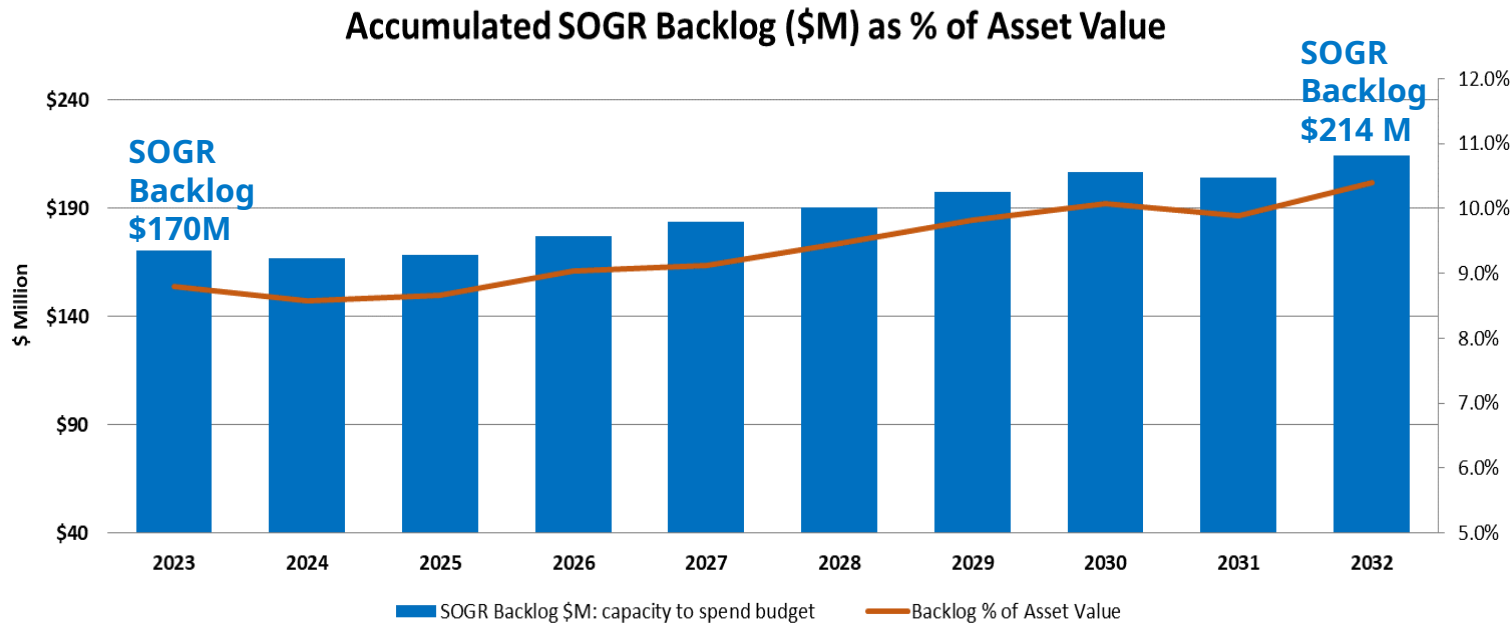


# 2023 – 2032 capital budget and plan

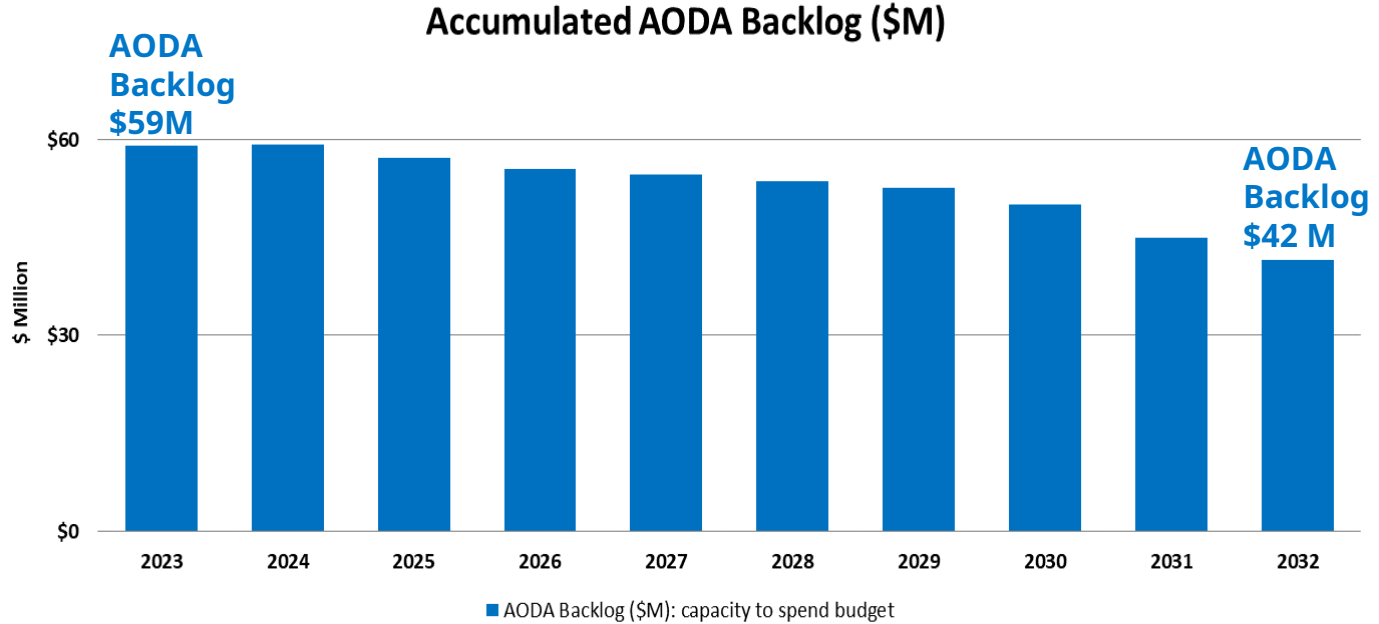
## significant changes

- Revised costing
  - Dawes Road, Bridlewood, Centennial, Etobicoke Civic Centre, Lillian H. Smith, Northern District Exterior
- Scope changes
  - Multi Branch Renovations – address ongoing SOGR backlog
  - Toronto Reference Library – address ongoing SOGR backlog
- Project added
  - Yorkville
- Projects Moved to Not Funded (Capital needs constraints)
  - Weston, High Park, Barbara Frum, Mimico Centennial, Northern District construction phase

# state of good repair backlog



# AODA compliance backlog



# incremental operating impacts of capital

	2023		2023- 2032	
	Budget Impact		Budget Impact	
	<u>FTEs</u>	<u>\$ millions</u>	<u>FTEs</u>	<u>\$ millions</u>
Capacity to Spend Capital Budget and Plan	12.0	\$ 0.136	94.0	\$ 12.375
Capital Needs Constraints Budget and Plan	-	\$ -	8.0	\$ 0.898
<b>Total Budget Submission</b>	<b>12.0</b>	<b>\$ 0.136</b>	<b>102.0</b>	<b>\$ 13.273</b>

## Major building projects with expansions and/or relocations

Dawes Road, Etobicoke Civic Centre, Bridlewood, Parkdale, Perth/Dupont – 299 Campbell,

## Technology-related projects

- Increased number and cost for software licensing for completed technology projects
- Increased subscription costs related to projects implemented as Software as a Service

# No. 15 – 2023-2032 Capital Budget and Plan Submission

**The City Librarian recommends that the Toronto Public Library Board:**

1. approves the 2023-2032 capital budget and plan submission, including projected 2022 net carry forwards, of \$40.758 million debt (\$49.245 million gross) for 2023 and \$451.012 million debt (\$751.340 million gross) over 2023-2032, comprised of:
  - a. 23 projects totalling \$40.758 million debt (\$49.245 million gross) in 2023 and \$364.427 million debt (\$548.949 million gross) over 2023-2032, which reflects TPL's Capacity to Spend Capital Budget and Plan; and
  - b. Seven projects totalling \$0 gross and debt in 2023 and \$86.585 million debt (\$202.391 million gross) over 2023-2032 which reflects TPL's Capital Needs Constraints and therefore are not funded; and
2. authorizes staff to forward this capital budget submission to the City for consideration.