

2021-2030 Capital Budget and Plan Preview

Date:	June 22, 2020
To:	Toronto Public Library Board
From:	City Librarian

SUMMARY

The purpose of this report is to provide the Toronto Public Library (TPL) Board with a preview of the 2021-2030 capital budget and plan highlighting potential changes from the current council approved 10-year plan.

The complete 2021-2030 capital budget and plan submission is tentatively planned for Board consideration at its meeting on September 21, 2020.

The COVID-19 emergency situation has severely impacted the financial situation at the City that funds a significant portion of the capital plan. City funding in 2021 is uncertain while the City is seeking financial assistance from other levels of government, and this could impact the process and timing for the 2021 budget.

FINANCIAL IMPACT

Until a complete 2021-2030 capital budget and plan is developed using the City's guidelines, the financial impact cannot be determined.

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

COMMENTS

TPL's Council-approved [2020-2029 Capital Budget and Plan](#) is \$416.414 million gross. A preliminary analysis of the projects contained in that plan in preparation of the 2021-2030 capital budget and plan submission has identified a number of changes that will need to be made to the timing and/or costing of the capital projects from last year's

approved plan. Though the City has not yet released the 2021–2030 Capital Budget Guidelines and Instructions, this report will highlight some of the known changes to last year’s approved 10-year plan. Final submission may be influenced by the budget guidelines that are usually issued in June or July.

Changes to Capital Program

The changes are due to updated information regarding timing of projects, updated costing, and proposals for relocating branches that are not part of last year’s approved 10-year plan. The following list provides a brief explanation of the more significant changes from the 2020-2029 capital budget and plan that are already known and that will be reflected in the budget submission to be presented to the Board in September:

- **Scope and Costing changes** – Changes to the scope of projects have impacts on total cost and funding sources. Significant changes from last year’s approved budget include:
 - Dawes Road – This project involves a reconstruction and expansion of the existing 6,500 sq. ft. branch to a 22,000 sq. ft. branch including a 2,000 sq. ft. Community Hub. The complexity of this project and the lengthy process of acquiring all eight condominium units resulted in numerous delays. City Real Estate completed the acquisition of all of the condominium units and the adjacent property in 2019. A call has been issued for an architect. Updated costing will result in a budget increase of approximately \$5.000 million.
- **Technology pressures**
 - The impact of COVID-19 has demonstrated the importance of a digital workplace and the customer demand for and expectations around digital services. It has also revealed limitations with TPL’s current IT infrastructure resulting in the implementation of a number of interim solutions to enable service continuity. Increased investment in 2021 is anticipated to transition these interim solutions to permanent solutions that are sustainable, scalable, are aligned with TPL’s security standards and, most importantly, meet customer needs. TPL is also currently developing its Digital Strategy in alignment with the release of the TPL 2020-2024 Strategic Plan. As part of the process, there is a current state assessment in which it is anticipated that there may be additional risks and limitations identified with the legacy environment as well as potential opportunities for optimization. This, coupled with the identification of new initiatives to support the strategic plan, may also result in a need for increased investment in TPL’s IT infrastructure, digital products and services. Finally, TPL is revisiting the Information & Technology Services Operating Model to realign the

workforce to better support cloud applications and new digital product development and reduce the reliance on external contractors.

- **Timing changes** – A number of projects have adjusted or extended timelines based on the most current information available.
 - Centennial - Construction will be deferred one year to start in 2022 while waiting for site plan approval.
 - Northern District – Construction will be deferred one year to start in 2023 with planning starting in 2021.
 - Mall branch - Construction deferred one year to start in 2022 with planning starting in 2021 due to COVID-19 related delays in negotiating with the landlord.
- **New Projects** – relocation and expansion of two branches to address growing communities.
 - Deer Park – A separate report to the Board, *Deer Park Library – Turnover Agreement with CreateTO*, discusses a potential redevelopment of the site at 40 St. Clair Avenue East, which could include a relocation of the branch. If a redevelopment does proceed, a capital project for a new library would require Board and Council approval.
 - Parkdale – TPL is one of the partners in an inter-divisional agency looking at the feasibility of a coordinated development plan for City-owned properties close to the intersection of Queen Street West and Cowan Avenue where the current Parkdale branch is located (Parkdale Hub). City Council has not approved the Parkdale capital project that was classified as “Capital Needs Constraints – Joint City Projects” in the [2020-2029 Capital Budget and Plan](#) with no funding approval for the budget of \$34.7 million for a library at 30,000 square feet. Phase 2 of the Parkdale Hub feasibility study is currently underway, which includes addressing the capital budget requirements and funding sources. At the meeting on May 25, 2020, the Library Board adopted a motion to send a communication to CreateTO to express support for the Parkdale Community Hub and that has been done. Funding for the Parkdale capital project will once again be part of the 2021 capital plan submission.

2021-2030 Capital Budget and Plan Strategy

When the City releases the 2021–2030 Capital Budget Guidelines and Instructions, the Library’s 10-year capital submission will be developed in accordance to these guidelines and will be informed by the planning framework for developing the capital program for library buildings.

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uncertain while the City is seeking financial assistance from other levels of government, and this could impact the process and timing for the 2021 budget.

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SIGNATURE

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