



STAFF REPORT INFORMATION ONLY

20.

2019–2028 Capital Budget & Plan – Update

Date:	February 25, 2019
To:	Toronto Public Library Board
From:	City Librarian

SUMMARY

The purpose of this report is to provide the Toronto Public Library (TPL) Board with an update on the 2019–2028 capital budget and plan.

At its meeting on February 4, 2019, the City's Budget Committee considered a [City staff recommended 2019–2028 Capital Budget and Plan](#) for TPL of \$178.870 million debt (\$309.412 million gross), which is comprised of the Board funding request meeting debt targets plus an additional \$4.982 million debt (\$5.475 million gross) funding for the Multi-Branch Minor Renovation Program, which exceed debt targets. The remaining eight projects (\$72.364 million debt and \$163.459 million gross over 2019-2028) that are part of the Board funding request, which exceed debt targets, are not included in the recommended budget.

The need for additional funding to address the growing State of Good Repair (SOGR) backlog continues to be a concern.

Budget Committee will recommend a 2019-2028 capital budget and plan for TPL at its February 20, 2019 meeting. The Executive Committee will meet on March 4, 2019 to review Budget Committee recommendations and City Council will meet on March 7, 2019 to approve the 2019–2028 capital budget and plan.

FINANCIAL IMPACT

The City staff recommended 2019–2028 capital budget and plan for TPL is funded by \$21.860 million debt (\$28.674 million gross) for 2019 and \$178.870 million debt (\$309.412 million gross) over 2019-2028, which includes \$4.982 million debt (\$5.475 million gross) funding for the Multi-Branch Minor Renovation Program which exceeds debt targets.

Though City staff recommended this additional \$4.982 million of funding, which exceeds the debt targets, eight remaining projects (\$72.364 million debt and \$163.459 million gross over 2019-2028) that are part of the Board funding request exceeding debt target continue to be unfunded, as summarized in Table 1 below:

Table 1: 2019-2028 Capital Budget and Plan
Summary (\$ Millions)

	Board Request		City-Staff Recommended		City-Staff Not Recommended	
	<u>Gross</u>	<u>Debt</u>	<u>Gross</u>	<u>Debt</u>	<u>Gross</u>	<u>Debt</u>
Request meeting Debt Target	303.937	173.888	303.937	173.888	-	-
Request exceeding Debt Target	168.934	77.346	5.475	4.982	163.459	72.364
Total Capital Plan	472.871	251.234	309.412	178.870	163.459	72.364

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

ALIGNMENT WITH STRATEGIC PLAN

The City staff recommended 2019-2028 capital budget and plan supports TPL's strategic plan, in particular: advancing State of Good Repair projects to provide welcoming, well-maintained and efficient public space; increasing access to in-branch services and spaces through new options to expand public and community space; and transforming library branches for 21st century service excellence.

EQUITY IMPACT STATEMENT

The City staff recommended 2019-2028 Capital Budget and Plan for TPL is informed by the principles of equity and access. The plan was developed using access as one of the key drivers for investment in capital projects. The plan will 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-seeking groups in the City of Toronto.

ISSUE BACKGROUND

At the meeting on October 29, 2018, the Library Board approved the [2019-2028 Capital Budget and Plan](#) revised submission of \$21.915 million debt (\$28.830 million gross) in 2019 and \$251.234 million debt (\$472.871 million gross) over 2019-2028, which is comprised of \$173.888 million debt (\$303.937 million gross) meeting debt targets and \$77.346 million debt (\$168.934 million gross) above the debt targets.

The additional funding exceeding debt target was requested by the Board to partially address the growing SOGR backlog.

COMMENTS

City staff recommended 2019-2028 Capital Budget and Plan

The 2019 budget process was launched on January 28, 2019. At its meeting on February 4, 2019, the City's Budget Committee considered a [City staff recommended 2019–2028 Capital Budget and Plan](#) for TPL of \$178.870 million debt (\$309.412 million gross), which is comprised of the Board funding request meeting debt targets plus an additional \$4.982 million debt (\$5.475 million gross) funding for the Multi-Branch Minor Renovation Program that exceeds debt targets in 2021-2023, to help address the SOGR backlog at multiple branches. The remaining eight projects (\$72.364 million debt and \$163.459 million gross over 2019-2028) that are part of the Board funding request, exceeding debt targets, are not included in the recommended budget.

Details of the City staff recommended 2019–2028 capital budget and plan are shown on Attachment 1. Attachment 2 lists the projects that are not funded in the City staff recommended 2019-2028 capital budget and plan, but were included in the Board request.

The need for additional funding to address the growing SOGR backlog continues to be a concern.

SOGR Backlog

Based on the City staff recommended 2019–2028 capital budget and plan, the SOGR backlog, over the next 10 years, is expected to increase from \$68.413 million or 5.5% of total asset value in 2019 to \$158.949 million at the end of 2028, which represents 12.2% of the total asset value.

The last Building Condition Assessment (BCA) was done over four years ago. Based on the analysis recently done for the approved Facilities Master Plan, the actual SOGR backlog is likely much larger than the reported amounts. Work to update the BCA will be undertaken in 2019.

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SIGNATURE

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City Librarian

ATTACHMENTS

Attachment 1: 2019-2028 City staff recommended Capital Budget and Plan

Attachment 2: 2019-2028 Projects in Board Submission, but not included in the City staff recommended Capital Budget and Plan

TORONTO PUBLIC LIBRARY
2019 - 2028 City staff recommended Capital Budget and Plan - Gross and Debt Funding
(\$millions)

	PROJECT INFORMATION					GROSS										DEBT										TOTAL 2019- 2028							
	PROJECT NAME	Cost Est.	Develop. Charges	S. 37/ 45/ Reserves	Other Funding	Debt	2019	2020	2021	2022	2023	TOTAL 2019- 2023	2024	2025	2026	2027	2028	TOTAL 2024- 2028	TOTAL 2019- 2028	2019	2020	2021	2022	2023	TOTAL 2019- 2023	2024	2025	2026	2027	2028	TOTAL 2024- 2028		
1 Tech Asset Mgmt Prg (TAMP)	45.164	2.226	-	13.780	29.158		3.883	4.100	4.100	4.100	4.900	21.083	5.110	4.940	5.831	4.100	4.100	24.081	45.164	2.463	2.360	2.722	2.722	3.013	13.280	3.133	3.562	4.329	2.489	2.365	15.878	29.158	
2 Virtual Branch Services (VBS)	15.000	13.800	-	-	1.200		1.500	1.500	1.500	1.500	1.500	7.500	1.500	1.500	1.500	1.500	1.500	7.500	15.000	0.050	0.250	0.050	0.250	0.050	0.650	-	0.250	-	0.300	-	0.550	1.200	
3 Multi-Branch Renovation Program (SOGR)	59.610	5.310	-	-	54.300		5.712	4.470	3.919	6.834	7.161	28.096	8.730	5.427	5.966	6.298	5.093	31.514	59.610	5.385	3.855	3.886	5.998	6.590	25.714	7.788	5.018	5.427	5.732	4.621	28.586	54.300	
4 Other Multi-Branch Minor SOGR projects - Additional Funding Above Debt Target	5.475	0.493	-	-	4.982		-	-	1.440	1.698	2.337	5.475	-	-	-	-	-	5.475	5.475	-	-	1.310	1.545	2.127	4.982	-	-	-	-	-	-	4.982	
5 Expansion of Technological Efficiencies	1.600	0.069	-	-	1.531		0.650	-	-	-	-	0.650	-	-	-	-	-	0.650	0.650	0.650	-	-	-	-	0.650	-	-	-	-	-	-	0.650	
6 Answerline & Community Space Rental Modernization	1.400	0.061	-	-	1.339		0.850	-	-	-	-	0.850	-	-	-	-	-	0.850	0.850	0.850	-	-	-	-	0.850	-	-	-	-	-	-	0.850	
7 Bayview-Bessarion	15.322	8.169	-	0.580	6.573		3.067	5.782	5.702	-	-	14.551	-	-	-	-	-	14.551	14.551	3.067	1.541	1.774	-	-	6.382	-	-	-	-	-	-	6.382	
8 Wychwood	15.796	10.004	1.500	1.400	2.892		4.206	6.290	1.000	-	-	11.496	-	-	-	-	-	11.496	11.496	1.785	-	-	-	-	1.785	-	-	-	-	-	-	1.785	
9 North York Central Phase 2	12.118	2.218	-	-	9.900		3.000	5.454	1.000	-	-	9.454	-	-	-	-	-	9.454	9.454	3.000	3.242	0.994	-	-	7.236	-	-	-	-	-	-	7.236	
10 Dawes Road	23.624	14.885	-	6.200	2.539		0.322	2.208	6.867	5.786	3.658	18.841	-	-	-	-	-	18.841	18.841	-	-	1.213	0.999	-	2.212	-	-	-	-	-	-	2.212	
11 St. Clair/Silverthorn	3.815	0.748	-	-	3.067		0.500	-	-	-	-	0.500	-	-	-	-	-	0.500	0.500	0.320	-	-	-	-	0.320	-	-	-	-	-	-	0.320	
12 Albert Campbell	15.539	3.453	-	-	12.086		2.500	6.728	5.746	-	-	14.974	-	-	-	-	-	14.974	14.974	2.500	5.761	3.388	-	-	11.649	-	-	-	-	-	-	11.649	
13 Centennial	11.340	7.397	-	-	3.943		0.167	-	3.970	3.915	3.121	11.173	-	-	-	-	-	11.173	11.173	-	-	2.357	1.419	-	3.776	-	-	-	-	-	-	3.776	
14 York Woods	10.158	2.399	-	-	7.759		1.527	4.281	2.280	-	-	8.088	-	-	-	-	-	8.088	8.088	1.513	3.568	0.608	-	-	5.689	-	-	-	-	-	-	5.689	
15 Guildwood	1.183	0.439	-	0.100	0.644		0.591	-	-	-	-	0.591	-	-	-	-	-	0.591	0.591	0.096	-	-	-	-	0.096	-	-	-	-	-	-	0.096	
16 Richview	3.509	0.334	-	-	3.175		0.199	1.219	1.037	1.054	-	3.509	-	-	-	-	-	3.509	3.509	0.181	0.903	1.037	1.054	-	3.175	-	-	-	-	-	-	3.175	
17 Perth/Dupont - 299 Campbell Avenue	4.405	2.250	1.055	1.100	-		-	3.373	0.952	-	-	4.325	-	-	-	-	-	4.325	4.325	-	-	-	-	-	-	-	-	-	-	-	-	-	
18 Northern District	12.255	1.704	-	-	10.551		-	0.656	2.382	4.431	4.786	12.255	-	-	-	-	-	12.255	12.255	-	0.597	2.382	4.431	3.141	10.551	-	-	-	-	-	-	10.551	
19 Parliament Street	18.916	8.745	-	-	10.171		-	-	0.293	0.603	-	0.896	-	4.338	4.593	4.094	3.329	16.354	17.250	-	-	-	0.089	-	0.089	-	2.252	3.987	2.818	0.116	9.173	9.262	9.262
20 High Park	8.936	2.065	-	-	6.871		-	-	-	0.242	0.243	0.485	1.907	3.858	2.686	-	-	8.451	8.936	-	-	-	0.198	0.243	0.441	1.907	3.744	0.779	-	6.430	6.871	6.871	
21 St. Lawrence	27.135	19.031	-	-	8.104		-	-	-	0.667	0.669	1.336	-	4.406	4.551	5.191	5.559	19.707	21.043	-	-	-	0.134	0.134	0.134	-	0.917	0.199	1.159	1.798	4.073	4.207	4.207
22 Agincourt	1.375	-	1.375	-	-		-	-	-	1.375	1.375	-	-	-	-	-	-	1.375	1.375	-	-	-	-	-	-	-	-	-	-	-	-	-	
23 Bridlewood	1.900	-	1.900	-	-		-	-	-	1.102	1.102	0.798	-	-	-	-	-	0.798	1.900	-	-	-	-	-	-	-	-	-	-	-	-	-	
24 Sanderson	11.083	2.512	-	-	8.571		-	-	-	0.291	0.291	0.292	-	3.723	3.209	3.568	10.792	11.083	-	-	-	0.239	0.239	0.292	-	1.263	3.209	3.568	8.332	8.571	8.571		
25 Weston	11.189	2.159	-	-	9.030		-	-	-	-	-	-	0.290	0.291	-	2.810	3.942	7.333	7.333	-	-	-	-	-	0.290	0.239	-	0.703	3.942	5.174	5.174		
26 Mimico	16.427	4.248	-	-	12.179		-	-	-	-	-	-	-	0.424	0.426	-	2.605	3.455	3.455	-	-	-	-	-	-	-	0.348	0.426	-	-	0.774	0.774	0.774
27 Port Lands New Construction	21.597	19.438	-	-	2.159		-	-	-	-	-	-	-	-	-	-	0.531	0.531	0.531	-	-	-	-	-	-	-	-	-	-	-	-	-	
28 City staff Recommended Capital Budget & Plan	375.871	134.157	5.830	23.160	212.724		28.674	46.061	42.188	30.830	31.143	178.896	18.627	25.184	29.276	27.202	30.227	130.516	309.412	21.860	22.077	21.721	18.705	15.537	99.900	13.410	16.330	16.410	16.410	16.410	78.970	178.870	
29 CITY DEBT TARGET							-	-	-	-	-	-	-	-	-	-	-	-	-	21.860	22.077	20.411	17.160	13.410	94.918	13.410	16.330	16.410	16.410	16.410	78.970	173.888	
							-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.982	4.982	

ADDITIONAL FUNDING ABOVE CITY DEBT TARGET FOR MULTI-BRANCH

TORONTO PUBLIC LIBRARY
2019 - 2028 Capital Budget and Plan - Gross and Debt Funding
Project Funding Exceeding Debt Targets - Not included in City staff Recommended Capital Budget and Plan
(\$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	AB	AC	AD	AE		
PROJECT NAME	PROJECT INFORMATION					GROSS										DEBT																	
	Cost Est.	Develop. Charges	S. 37/ 45/ Reserves	Other Funding	Debt	2019	2020	2021	2022	2023	TOTAL 2019-2023	2024	2025	2026	2027	2028	TOTAL 2024-2028	TOTAL 2019-2028	2019	2020	2021	2022	2023	TOTAL 2019-2023	2024	2025	2026	2027	2028	TOTAL 2024-2028	TOTAL 2019-2028		
1 Toronto Reference Library	22,312	4,266	-	-	18,046	0.156	0.499	0.547	4,811	4,867	10,880	4,456	4,407	2,569	-	-	11,432	22,312	0.055	0.496	0.543	4,505	4,867	10,466	2,613	3,907	1,060	-	-	7,580	18,046		
2 Barbara Frum	20,416	5,309	-	-	15,107	-	-	-	-	-	-	0.531	0.532	-	6,794	6,638	14,495	14,495	-	-	-	-	-	-	0.531	0,436	-	3,226	4,993	9,186	9,186		
3 Parkdale	36,738	19,714	-	-	17,024	-	-	-	-	0.925	0.925	0.928	-	8,372	8,581	9,203	27,084	28,009	-	-	-	-	-	-	0.185	-	-	3,929	5,644	9,758	9,758		
4 Lilian H. Smith	17,645	6,744	-	-	10,901	-	-	0.380	0.381	-	0.761	4,310	4,437	4,440	3,697	-	16,884	17,645	-	-	0.312	0.381	-	0.693	2,951	2,445	1,115	3,697	-	10,208	10,901		
5 Downsview	15,967	4,217	-	-	11,750	-	-	0.432	0.434	-	0.866	6,246	4,664	4,191	-	-	15,101	15,967	-	-	0.432	0.356	-	0.788	3,811	2,960	4,191	-	-	10,962	11,750		
6 City Hall Relocation and Expansion	15,968	12,332	-	-	3,636	-	-	0.258	0.266	1,272	1,796	3,933	3,744	3,367	1,581	1,547	14,172	15,968	-	-	-	-	1,078	1,078	0.158	0,090	0.263	0,500	1,547	2,558	3,636		
7 Danforth/Coxwell Relocation and Expansion	16,059	10,271	-	-	5,788	-	0.419	0.420	-	5,176	6,015	4,931	3,734	1,379	-	-	10,044	16,059	-	-	0.084	-	3,184	3,268	1,747	-	0.773	-	-	2,520	5,788		
8 Etobicoke Civic Centre New Construction	33,004	29,705	-	-	3,299	-	0.790	0.792	-	7,640	9,222	8,232	8,385	7,165	-	-	23,782	33,004	-	-	0.158	-	-	0.158	-	-	3,141	-	-	3,141	3,299		
Projects exceeding debt targets	178,109	92,558	-	-	85,551	0.156	1.708	2,829	5,892	19,880	30,465	33,567	29,903	31,483	20,653	17,388	132,994	163,459			0.055	0.496	1.529	5,242	9,129	16,451	11,996	9,838	10,543	11,352	12,184	55,913	72,364