

2022-2031 Capital Budget and Plan Status Update

Date:	September 27, 2021
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 2022-2031 capital budget and plan which is being prepared by staff. Using the approved 2021-2030 capital plan as a starting point, the current 2022-2031 plan will contain a number of changes including higher construction costs due to COVID-19 impacts on the industry, changes to the Development Charges Act, implementing the Toronto Green Standard, and changes in scope for a number of projects that address changing community needs.

The complete 2022-2031 capital budget and plan submission will be presented for Board consideration at its meeting on October 25, 2021.

FINANCIAL IMPACT

This report does describe a number of changes that will be incorporated in the 2022-2031 capital budget and plan submission that will be presented to the Board at the October meeting. These changes will result in an increase to the ten-year plan that will be submitted to the City for consideration.

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

COMMENTS

The starting point for the 2022-2031 Capital Budget and Plan is the approved [2021-2030 Capital Budget and Plan](#) adopted by the Board at its February 22, 2021 meeting. All projects in the approved plan are analyzed to ensure that any changes in costing, timing and/or scope are properly reflected in the new ten-year plan. The 2022 capital

budget submission, which will be considered at the October 25, 2021 Board meeting, will include a number of amendments to the approved ten-year plan and these are summarized below.

Cost inflation due to COVID-19

The pandemic has impacted the supply chain resulting in cost increases for many of the materials used in building construction including concrete, glass and metal. For technology, a worldwide shortage in semiconductors has had an impact on the availability and cost of some computer equipment as well. These inflationary pressures will be included in updated costing for the projects in the ten-year capital plan, especially in the earlier years where the COVID-19 impact on pricing is more predictable.

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 \(version 4\)](#) as adopted by Council on July 14, 2021. The updated standard contains many requirements for new developments and TPL will incorporate these standards, where feasible, in construction projects. The additional cost to build to the updated standard will be incorporated in the capital plan.

Green and Inclusive Community Building (GICB) Program

Toronto Public Library (TPL) has submitted applications, through the City, to Infrastructure Canada requesting funding under the GICB program. This program is designed to provide financial support to fund retrofits of existing community buildings and new buildings that are “energy efficient, lower carbon, more resilient, and higher performing” with a particular focus in higher-needs communities. TPL has submitted three projects for consideration of funding; Dawes Road Reconstruction and Expansion, Bridlewood Relocation and Expansion, and Centennial Renovation and Expansion. A decision on funding is expected in the fall and should TPL’s projects be approved, the capital plan will be updated to incorporate this new funding source and allow for reallocation of existing funding sources to other projects.

Dawes Road Reconstruction and Expansion

In response to a City Council motion, a report, *Dawes Road Library and Community Hub Development*, is being submitted to the Economic and Community Development Committee meeting September 22, 2021. The Council motion directed that the size of the Community Hub be increased to 5,500 square feet, an increase of 3,500 square feet, to be operated by Social Development, Finance and Administration and located with the new branch. The report discusses the additional cost of \$3.7 million for the larger Community Hub, and branch construction cost increases of \$3.3 million, for a total project budget increase of \$7.0 million.

Service and Digital Modernization

Higher capital requirements to support the approved [2020-2024 Digital Strategy](#) will be included in the 2022-2031 capital plan.

Pleasant View Branch

A project for the renovation and expansion of Pleasant View branch will be added to the new ten-year plan with the funding being provided by developers, through Section 37 of Ontario's Planning Act and Development Charges, allowing this project to be added to the capital plan without displacing other planned projects.

St. Lawrence Branch Interim Relocation

For a number of years, TPL plans have included the relocation of the undersized 4,833 square foot St. Lawrence branch to the former First Parliament site at the south west corner of Front and Parliament Streets. The new branch would be approximately 30,000 square feet to meet the needs of a significantly growing community in the waterfront area. City Council had agreed to relocate the branch at the First Parliament site, which the City acquired in a land swap deal which included TPL giving up owned land at the south east corner of the same intersection.

The Province has now expropriated the land and is planning on building a subway entrance as well as future development. The City is currently negotiating with the Province around the future possibility of a library branch at the site. Based on recent information, even if agreement could be reached with the Province to locate a branch on the site, that would not happen for at least 13 years. With this significant delay and uncertainty around the First Parliament site, TPL needs an interim solution as the area is well below service standards. Accordingly, a new capital project will be introduced to relocate the St. Lawrence branch into a larger facility in the area as an interim measure until the First Parliament site is available.

Scope Changes

Some projects included in the approved ten-year capital plan will be significantly impacted in the new ten-year plan due to changes in scope. These changes are in response to population growth, building condition or changes in the needs of the community. These scope changes include expansion of existing space (e.g. High Park and Weston branches), or an increase in scope of the renovation to the existing space (e.g. Barbara Frum and Lillian H. Smith branches). The increased costs of these scope changes will be included in the new ten-year plan.

Mr. Christie's Site

A report to Council, [PH22.1 Christie's Planning Study - City-Initiated Secondary Plan and Zoning By-law and Urban Design and Streetscape Guidelines - Final Report](#), included a provision for the developer to provide the shell for a new 14,000 square foot

branch which will be located on the site known formerly as "Mr. Christie Cookie Factory" lands at Lakeshore Boulevard West and Park Lawn Road. While construction is beyond the ten-year plan, funding for design will be included towards the end of the plan. TPL's Facilities Master Plan will need to be updated to reflect this planning study for the development at the site which warrants a larger branch in the area.

Development Charges Act

The capital plan will be incorporating changes to the Development Charge Act as contained in Bill 108 (More Homes, More Choice Act, 2019) and further amended in Bill 197 (COVID-19 Economic Recovery Act), which allows for a greater percentage of Development Charges (DC) funding for growth projects compared to the previous legislation. The City is currently undergoing a review of its DC By-Law to update and incorporate the changes in the Development Charge Act; the new By-Law and rates for collecting DC are expected to be approved by Council in 2022.

Timetable

The complete 2022-2031 capital budget and plan submission will be presented for Board consideration at its meeting on October 25, 2021.

Activity	Schedule
Board Meeting - 2022 Operating Budget Submission	October 25, 2021
Administrative Review – City Finance, CFO, City Manager	October 2021
Budget Committee Informal Reviews	Week of October 18
Board Meeting - 2022 Budget Updates	December 6, 2021
Political Reviews (Confirmation Outstanding – Estimated Timeframe ONLY Below)	
Board Meeting - 2022 Budget Updates	January 2022
Board Meeting - 2022 Budget Updates or Adoption of Budgets	February 2022
Budget Launch - Budget Committee	City targeting Budget launch in early/mid-January with approvals expected to be in February
Budget Committee Review	
Public Presentations - Budget Committee	
Budget Committee Wrap-Up	
Budget Committee Final Wrap-Up	
Executive Committee	
City Council	Dates to be confirmed

Due to COVID-19, it is possible that adjustments to the fall/winter political schedule may occur.

CONCLUSION

Changes to the timing, scope and costs of projects in the 10-year plan are a normal part of the annual budget process.

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SIGNATURE

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