



STAFF REPORT INFORMATION ONLY

2026-2035 Capital Budget and Plan - Status Update

Date: September 29, 2025

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 on the status of the 2026-2035 Capital Budget and Plan submission (2026 capital budget submission). The 2026 capital budget submission will be developed in accordance with the City's 2026-2035 budget guidance and instructions, with consideration to the guidelines and targets provided. The 10-year plan will also be informed by the Library's planning framework, service delivery model, and its demonstrated ability to deliver on capital projects.

The 2026-2035 Capital Budget and Plan submission is expected to be presented for Board consideration at the October 27, 2025 meeting.

FINANCIAL IMPACT

This report identifies the guidelines, factors and issues that will be considered and impact the development of the 2026 capital budget submission.

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

ALIGNMENT WITH STRATEGIC PLAN

The 2026 capital budget submission will support Toronto Public Library's (TPL) strategic plan objectives, particularly shared community spaces and awareness and availability.

EQUITY IMPACT STATEMENT

The 2026 capital budget 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).

DECISION HISTORY

At its meeting on May 26, 2025, the Board adopted the report titled [Capital Budget Adjustment and Monitoring Report - April 30, 2025](#), which included cash flow accelerations of \$11.763 million and budget adjustments of \$1.086 million, while also reporting year to date spending of \$11.495 million and a forecasted year-end spending of 95% of the 2025 capital budget for TPL.

At its meeting on May 22, 2025, City Council adopted report EX23.7 titled [City of Toronto's 2025 Corporate Asset Management Plan](#), which included all City divisions, agencies and corporations that hold ownership and/or responsibility over City-owned municipal infrastructure assets. This included assets, and primarily facilities, under the jurisdiction of TPL.

At its meeting on February 24, 2025, the Board adopted the report titled [2024 Capital Budget Adjustment and Monitoring Report - December 31, 2024](#), which included a 2024 year-end adjustment of \$10.178 million cash flow acceleration from the 2025 budget to align the 2024 budget with year-end actual spending and \$1.752 million of unspent 2024 funding to be carried forward to 2025-2034.

At its meeting on February 24, 2025, the Board adopted the report titled [2025-2034 Capital Budget and Plan – Adoption](#), which included the City Council adopted 2025 – 2034 Capital Budget and Plan for TPL.

ISSUE BACKGROUND

TPL's Facilities Master Plan (FMP) and Service Delivery Model

TPL's FMP and Service Delivery Model provide a framework and a roadmap for branch capital investments. The updated FMP, which has impacted capital priority scores and branch rankings, will be taken into consideration as the 2026 Capital Submission is being developed.

Development Charges funding

Development Charges (DC) funding continues to be a significant funding source in the development of the 2026 Capital Submission, and TPL intends to continue to maximize the available DC funding in the 10-year capital plan.

Community Benefit Charges (CBC)

Community Benefit Charges (CBC) are a growth funding tool under the Provincial Planning Act, replacing the former Section 37 density bonusing framework. Currently there is no CBC funding supporting the TPL 10-year capital plan.

City Debt Funding

TPL's 10-year capital plan is primarily funded by debt. For the 2026 Budget Process, the City has assigned specific annual debt targets for 2026-2035 for City divisions and agencies to align debt funding with the City's debt issuance capacity, long-term financial sustainability and the capacity and ability to deliver capital work.

Capital Prioritization and the City of Toronto Corporate Asset Management Plan

Similar to prior year budget processes, health and safety, meeting legislative requirements, and addressing SOGR projects are given highest priority. Through the City's Corporate Asset Management Plan, it has prioritized actions that result in "flattening of the SOGR curve" through increased SOGR investments. Additional guidance for Service Improvement and Growth-Related projects were included in the City's capital budget guidance and directions to right-size the overall Capital Budget and Plan for these categories, including proposed targets for divisions and agencies to consider in developing the 2026 capital budget submission.

COMMENTS

Capital Budget and Plan Guidance and Directions

On July 9, 2025, the City issued budget guidance and directions for the 2026-2035 Capital Budget and Plan to all City divisions and agencies. As part of the 2026 budget process the City has re-introduced annual capital debt targets to support long-term financial sustainability. These debt targets are established to ensure that debt funded projects align with the City's capacity to manage cash flow effectively and issue debt responsibly. TPL will consider the targets provided in the development of the 2026 capital budget submission.

Changes to Capital Program

The 2026 capital budget submission will be built upon the Board adopted Council-approved 2025-2034 Capital Budget and Plan. All projects in the approved plan are being carefully analyzed to ensure that any changes in costing, timing, scope, affordability or priority are adequately reflected in the 2026 capital budget submission.

The 2026 capital budget submission for TPL will be informed by the need to address a number of key capital priorities and other factors including: The City's Capital Asset Management Plan and TPL's State of Good Repair backlog; GHG emission reduction goals and AODA requirements; broad market increases in construction costs impacting SOGR, improvement and growth projects; and investments in technology to modernize and leverage emerging technologies in alignment with TPL's Digital Strategy.

The 2026-2035 Capital Budget and Plan will include:

- Investing in the SOGR needs of TPL's aging assets and infrastructure and to support GHG emission reduction targets
- Facility changes to address Accessibility for Ontarians with Disabilities Act (AODA) compliance
- Replacement and upgrades in IT infrastructure and services in response to evolving cybersecurity threats and emerging technologies
- Expansion of library spaces and buildings to accommodate the growing needs of the communities and to align with TPL's Service Delivery Model
- Adjustments to the timing of projects based on the latest information

The 2026 capital submission will also consider the improvements TPL has made in its project planning and management approach, which has resulted in the highest capital spend rates in TPL history in 2024 and similar spend rates forecasted for 2025. This demonstrated ability to deliver on capital projects, along with a number of significant active projects in construction, will inform the TPL capital funding requests, particularly in the first five years of the 10-year capital plan.

Capital Budget Submission Timetable

The 2026 capital budget submission is expected to be presented for Board consideration at the October 27, 2025 meeting. TPL staff will report back to the Board on the review and approval process at the City level. Below outlines the activity and timelines in relation to the 2026 capital budget submission.

Activity	Schedule*
Administrative Review – City Finance	Early October 2025
Board Meeting – 2026 Operating & Capital Budget Submissions	October 27, 2025
Informal Budget Committee Review, if applicable	Late October 2025
Board Meeting – 2026 Budget Updates	December 1, 2025
Budget Launch (Budget Committee)	January 8, 2026
Budget Committee – Division/Agencies Reviews	January 14 - 16
Budget Committee Wrap-Up	January 23, 2026
Board Meeting – 2026 Budget Updates	January 2026
Mayor’s Proposed Budget	January 29, 2026
Special Council meeting - 2026 Budget Adoption	February 10, 2026
Board Meeting – Adoption of 2026 Budgets	February 2026

**Dates are subject to change*

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SIGNATURE

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