

# CITIZEN CENTRED SERVICES “A”

## ECONOMIC DEVELOPMENT

# 2006-2010 CAPITAL BUDGET OVERVIEW

Presentation to Economic Development Committee on November 9, 2005

## Key Messages

- *Affordability target for Economic Development in 2006 - 2010 was set at 2005 level of \$3.5M debt*
- *Economic Development has substantially improved completion rate year over year; 2005 projection is 80% completion*
- *All projects two-years or more have been completed; carry-forwards are limited to 2005 projects where timing and/or factors beyond staff control requires continuation in 2006*

## Key Messages (continued)

- *Economic Development requested budget (new & previously approved) for 2006 was \$6.5M gross and \$4.3M debt*
- *Recommended budget reduced to \$5.0M gross and \$3.5M debt to meet affordability guidelines*
- *Achieved through cash-flow deferrals on individual projects including St. Clair Right of Way streetscape improvements*
- *Program demands steadily growing; will become increasingly difficult to meet future year targets*

## Summary of Capital Projects

- *The CM/CFO recommended capital budget provides funding for:*
  - *Commencement of new projects in 32 BIA's on a 50% cost-shared basis*
  - *Continuation of projects in six Employment Revitalization Areas plus banner program*
  - *Façade improvement projects in 8 existing areas plus initial expansion to BIA's as per Council direction; leveraging an average of 90% funding from non-City sources*

## Summary of Capital Projects (cont)

- *Significant pressures in 2006 and future years resulting from:*
  - *Increased take-up anticipated on Façade Improvement program from BIA's*
  - *Major project initiative by Downtown Yonge BIA; \$1.2M over two-years*
  - *St. Clair Right of Way Streetscape Improvements*
- *Current debt target for future years will impede program's ability to meet demand and leverage third-party funding*

## Program Request & Proposed 2006 Capital Budget (\$M)

Program	2006	
	Gross	Debt
Economic Development		
Program Request*	6.5	4.3
Proposed Changes*	(1.5)	(0.8)
Proposed Cash Flow*	5.0	3.5
Debt Guideline		3.5
Variance to Debt Guideline		-

\* Excludes 2005 carry forwards

# Composition of Proposed 2006 Capital Budget (\$M)

Program	2006 Gross Carry			2006 Debt Carry		
	New	Fwds	Total	New	Fwds	Total
Economic Development	5.0	1.3	6.3	3.5	0.6	4.1
<b>Total</b>	<b>5.0</b>	<b>1.3</b>	<b>6.3</b>	<b>3.5</b>	<b>0.6</b>	<b>4.1</b>

Program	2006 Recommended Gross Budget (New)			
	2004 & Prior Yr. Carry Fwds.	Prev Aprvd Commitments	New & Change in Scope	Total New
Economic Development	-	1.0	4.0	5.0
<b>Total</b>	<b>-</b>	<b>1.0</b>	<b>4.0</b>	<b>5.0</b>

# 5 – Year Capital Plan (2006-2010)

## (\$M)

	5-Year Plan					2006- 2010
	2006	2007	2008	2009	2010	
<b>Gross Expenditures:</b>						
Budget (Excluding 1-Yr. Carry/Fwd)	5.02	5.38	5.32	5.04	5.03	25.79
1-Yr Carry/Fwd Gross (Reference only)	1.27					
Sub-Total Gross Exp. Including 1-Yr. Carry/Fwd	6.29					
<b>Financing:</b>						
Debt	3.48	3.50	3.50	3.50	3.50	17.48
Debt Actuals (including 1-Yr Carry/Fwd)						
<b>Program Debt Target</b>	<b>3.48</b>	<b>3.50</b>	<b>3.50</b>	<b>3.50</b>	<b>3.50</b>	17.48
<b>Other Financing Sources:</b>						
Reserves/Reserve Funds						
Development Charges						
Federal						
Provincial						
Other Revenue	1.54	1.88	1.82	1.54	1.53	8.31
<b>By Category:</b>						
Health & Safety						
Legislated						
State of Good Repair	4.02	4.51	4.60	4.04	4.02	21.19
Service Improvement	1.00	0.87	0.73	1.00	1.01	4.60
Growth Related						
Yearly SOGR Backlog Estimate (not addressed by current year projects)	0	0	0	0	0	
Accumulated Backlog Estimate (end of year)	N/A	N/A	N/A	N/A	N/A	
*Note:2006 Proposed Debt 2006 excludes 1-year carry forward debt funding.						