

December 10, 2008

## **Toronto's 2009 Capital Budget invests in neighbourhoods and jobs**

Today Toronto City Council approved a five-year, \$11 billion Capital plan including the 2009 Capital Budget of \$1.6 billion that will invest in neighbourhoods and create or protect tens of thousands of jobs.

For the first time, the City also introduced a 10-year Capital Plan and Forecast. This 10-year Capital Plan and Forecast outlines the capital projects the City will undertake to develop, maintain and/or improve City assets such as transit, roads, bridges, community centers and libraries.

The City's 10-year Capital Plan and Forecast of \$25.9 billion (including Toronto Water and Solid Waste) is expected to create or protect approximately 300,000 new jobs over 10 years.

"Today, Council came together to approve a massive investment that will support a vibrant, growing city", said Mayor David Miller. "In difficult economic times, cities are creating jobs, and with support from our provincial and federal partners, we stand ready to do more."

"People expect cities to protect services in good times and bad," said Budget Chief Shelley Carroll. "By renewing and building new infrastructure, we can provide the services that people count on every day."

The budget includes new transit vehicles, fire stations, ambulances and the installation of new emergency equipment. It also includes the greening of City buildings and use of green technologies to reduce emissions, clean the air, and reduce our costs.

The Capital Budget is funded through debt financing, user fees and indirectly through property taxes to pay for debt service costs. It is also supported with partnership funding from the provincial and federal governments. Last year, capital funding from all orders of government reached \$452 million, which does not include the Spadina Subway Extension. The 10-year Capital program includes partnership funding from the federal government (\$3 billion or 12 per cent) and provincial government (\$3 billion or 12 per cent).

For the first time, the entire Toronto Bike Plan is fully-funded within the 5-year Capital Plan, which will give residents better access to bike lanes in the near future. With this \$70 million investment, the City will create 410 km of bike lanes, 122 km of shared roadways, and 83 km of off-road paths.

To address the growing backlog of road repairs, Council has increased funding for state of good repair by \$21 million in 2009. That amount will continue to increase every year, and a total of \$830 million will be spent on roads and related infrastructure over the next five years.

The waterfront parks and civic spaces will see improvements with the completion of the Port Union and Mimico waterfront parks. Continued development of the West Don Lands and East Bayfront precincts, and development of new community centres at Edithvale, Warden Woods, York, Railway Lands, and Regent Park are also part of the 2009 Capital Budget.

"Beginning in 2010, the financing plan outlined in this budget will reduce our new debt requirements every year. City operations make up only eight percent of City debt, and by 2013, there will be no new debt required for City operations at all," said City Manager Joe Pennachetti. "From then on, only transit will require new debt financing."

"Significant investments will be made in public transit including new streetcars, buses, and subways to address the City's needs over the next five years," said Acting Deputy City Manager and Chief Financial Officer Cam Weldon.

State-of-the-art signaling will be installed to improve capacity on the Yonge-University line, improved accessibility in subway stations and continued implementation of Transit City's light rail network are also included in the 2009 budget.

In addition to \$937 million in state-of-good-repair projects, this budget includes some targeted investments in City programs, and ABCs, including the installation of automated check-out machines in 30 libraries over five years, the launch of the 3-1-1 call center in June 2009 taking calls 24-hours-a-day, seven days a week. It also includes the construction of six additional courtrooms, the creation of 206 new childcare spaces in new childcare centres at Thorncliffe Park (56 spaces), Chester Le (66 spaces), Nelson Mandela in Regent Park (32 spaces), and St. Andrew (52 spaces). Construction of four community centres including the completion of Jenner Jean-Marie Community Centre's additional space in 2009, construction on the Edithvale, York, and Railway Lands, with planned openings in 2010, 2011, and 2011 respectively.

The design and construction at Union Station (\$462 million) will create a multi-modal transportation and retail destination, including the replacement of the pedestrian bridge along Front St., exterior façade repairs, the installation of Deep Lake Water Cooling, and improvements to transit.

Finally, the Capital Budget and Plan includes ongoing and new funding for Council's unanimously-approved Climate Change Plan, including continued implementation of our successful green fleet program, a \$93 million investment over five years in sustainable energy conservation and retrofit programs like the Better Buildings Partnership, the Toronto Energy Conservation Fund, the City of Toronto Green Fund. Implementation of the Energy Retrofit Program, which will support lighting and energy retrofits in City buildings. These investments will pay for themselves over time, and create permanent savings for the City.

Toronto is Canada's largest city and the sixth largest government, and home to a diverse population of about 2.6 million people. It is the economic engine of Canada and one of the greenest and most creative cities in North America. In the past three years, Toronto has won numerous awards for quality, innovation and efficiency in delivering public services. Toronto's government is dedicated to prosperity, opportunity and liveability for all its residents.

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**Media contacts:**

Cindy Bromley, Communications Manager, 416-392-4993, [cbromley@toronto.ca](mailto:cbromley@toronto.ca)

Kevin Sack, Director, Strategic Communications, 416- 397-5277, [ksack@toronto.ca](mailto:ksack@toronto.ca)