

July 2019

Public Meeting on Sidewalk Labs' Proposal for Quayside

Volume 3: The Partnership

Volume 3: Room and Discussion Topic Guide

Volume 1: The Plans	Volume 2: Urban Innovations	Volume 3: The Partnership	Digital Innovations, Digital Governance & IP
The Quayside and River District Plans	Mobility	IDEA District	Digital Innovations
Social Infrastructure	Sustainability	Roles for SWL	Digital Governance and Privacy
Economic Development	Buildings	Transaction Economics	Intellectual Property
	Housing	Government Obligations	
	Public Realm		

Volume 3: The Partnership

- IDEA District
- Roles and Income Opportunities for Sidewalk Labs
- Transaction Economics
- Government Obligations

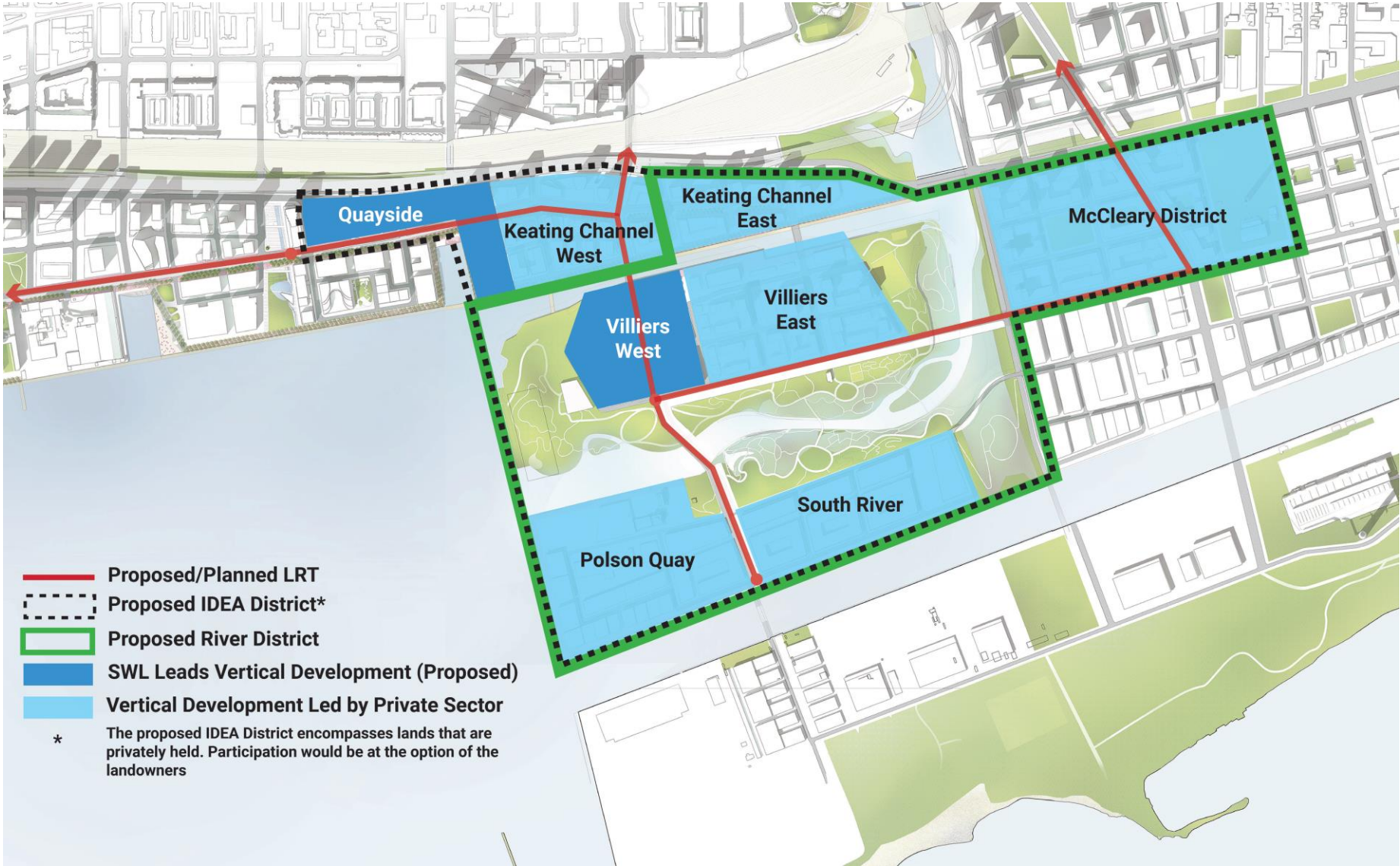
For the IDEA District, Sidewalk Labs proposes:

IDEA District is 190 acres and includes a proposed governance model and a phased approach that would be subject to government approvals. Core elements of the IDEA District include:

- **The Public Administrator**, supported by several new entities
 - Waterfront Transportation Management Association
 - Waterfront Sustainability Association
 - Waterfront Housing Trust
- **An Innovation Framework**
 - a package of targeted regulatory adjustments, and enhanced requirements
- **Financing Mechanisms**
 - Changes to Development Charges, land value reductions, Tax Increment Financing

Priority Consideration: Sidewalk Labs proposes the up-front creation of an IDEA District that covers a much larger area than the 12 acres of Quayside. Waterfront Toronto has told Sidewalk Labs that the concept of the IDEA District is premature, and that Waterfront Toronto must first see its goals and objectives achieved at Quayside before deciding whether to work together in other areas. Even then, we would only move forward with the full collaboration and support of the City of Toronto, particularly where it pertains to City-owned lands.

The Proposed IDEA District



Three Core Areas of Business for Sidewalk Labs



Real Estate

To use the knowledge gained and the ideas validated in their explorations to enable new opportunities for real estate development, such as tall timber and passive house construction, which are not currently widely used.

If Successful...

Sidewalk Labs would consider both investing in projects and partnering with others to develop projects around the world.

Technology

Invest in a limited number of products core to the delivery of their objectives where they propose they are particularly well-suited to develop the technology.

If Successful...

Sidewalk Labs would plan to sell these products to cities, municipalities and developments around the world.

Infrastructure

Create a company, funded by both Alphabet and other investors, to fill a gap in financing advanced infrastructure and developing innovative systems to combat climate change.

If Successful...

Sidewalk Labs, through this company, would invest in and help build the next- generation of infrastructure systems around the world.

Roles and Income Opportunities for Sidewalk Labs

Role 1: Lead Development of Real Estate and Advanced Systems in Quayside and Villiers West

- income from real estate development

Role 2: Innovation Planning, Design and Implementation

- income from advisory and implementation services

Role 3: Technology Development

- income from technology products deployed in Toronto and to other cities

Role 4: Optional Enabling Infrastructure Financing

- income from interest on debt financing

Other Income Opportunities for Sidewalk Labs

- Potential income from Venture Fund Seed Funding
- Potential income from investments in a Tall Timber Factory
- Income from Performance Payments if Sidewalk Labs satisfies the final stage gates and achieves the performance and growth targets

Proposed Transaction Economics

Our publicly owned waterfront lands have enormous value. Sidewalk is proposing that Waterfront Toronto reduce the price of public land in return for achieving policy outcomes such as job creation, economic development, and sustainability (which Sidewalk Labs proposes to deliver).

What are we willing to give/invest in order to receive the benefits Sidewalk Labs proposes?

Real Estate

- Lands in Quayside and Villiers West be sold or leased directly to them
- Scenarios for Calculating Land Value: Highest and Best, Policy Proposal, Innovation

Infrastructure

- Upfront Optional Financing for Municipal Infrastructure
- Implementation and optional Financing for Advanced Systems

Intellectual Property

- Profit Sharing / Testbed
- Patent Pledge

Priority Considerations: Sidewalk Labs proposes to lead development on Quayside, with the support of local partners. Should the MIDP go forward, it should be on the basis that Waterfront Toronto lead a competitive, public procurement process for developer(s) to partner with Waterfront Toronto and Sidewalk Labs (as our Innovation and Funding Partner).

Proposed Government Obligations

Government Investment

- Municipal infrastructure
- Below market housing program
- Not-for-profit/third-party management entities

Policy/Regulatory reform

- Regulatory/Targeted Adjustments
- Initial Innovation Design Standards and Guidelines

Priority Considerations: Sidewalk Labs' proposals require future commitments by our governments to realize project outcomes. This includes the extension of public transit to Quayside prior to development, new roles for public administrators, changes to regulations, and government investment. These proposals raise important implementation concerns. They are also not commitments that Waterfront Toronto can make.