



Queens Quay Revitalization Project Update: On schedule, increased budget

Toronto, December 11, 2014 – The revitalization of Queens Quay is on schedule for completion in June 2015. While the schedule has not changed, Waterfront Toronto has encountered challenges related to soil and groundwater conditions, aging infrastructure, unforeseeable underground obstacles, harsh winter weather and other issues. These challenges have resulted in an increase to the project budget in order to meet Waterfront Toronto's commitment to have the project completed in June of 2015 – in time for the Pan Am Games and the expected influx of tourists to the city.

The challenges Waterfront Toronto encountered on the project, which are detailed and explained on our [website](#), led to changes and delays in the scale and scope of work on Queens Quay, and resulted in financial claims from several project contractors. Since spring 2014, Waterfront Toronto has been undertaking commercially sensitive negotiations to settle these financial claims. Waterfront Toronto was unable to publically disclose the updated Queens Quay budget until the claims were settled.

Waterfront Toronto can now disclose the Queens Quay Revitalization budget, which has increased from an estimated \$93.2 million in 2011 to the current \$128.9 million – an increase of 38.3 per cent. The final cost will not be known until the project is substantially complete; however, Waterfront Toronto is managing the remaining risks and is confident that the current budget estimate will not change significantly. The revised budget for Queens Quay is fully funded by Waterfront Toronto, and will require no additional funding requests to the City or any other order of government – their original contributions to the project will remain unchanged.

In December 2013, as construction progressed, we began to encounter a series of unforeseeable obstacles and issues which could not have been fully assessed before the construction moved underground. Once the impact of these challenges was understood, Waterfront Toronto management informed the Board of Directors and prepared an increased budget that would allow the project to be completed on schedule. The increased budget was approved by Waterfront Toronto's Board of Directors in February 2014.

After the approval of the increased budget, the Board of Directors undertook a detailed review of the project. The review noted that the cost estimates for the project were fair and based on proper assumptions and it confirmed that the factors that led to cost increases on the project were largely beyond Waterfront Toronto's control. Waterfront Toronto has established and implemented additional risk management and control processes for the Queens Quay project and any other large-scale projects involving a high level of risk and uncertainty.

Waterfront Toronto has a strong track record for bringing projects in on time and on budget when we control and manage the projects directly from start to finish. To date, Waterfront Toronto has delivered 19 projects with

a total budget of approximately \$250 million. These 19 projects have been delivered at 3.4% below budget on average – or for approximately \$241 million.

Waterfront Toronto is committed to completing Queens Quay on time – for the Pan Am Games, for tourists visiting our waterfront, and for the many local residents and businesses. This is a commitment we made at the outset of this project, and it is a promise we intend to keep.

As one of Toronto’s most important tourist destinations, Queens Quay was not fulfilling its role as an economic driver; it lacked the infrastructure and facilities to make it a truly excellent waterfront street and to ensure that the street was friendlier to, and safer for, pedestrians, cyclists and transit users. It needed to be a more welcoming, more beautiful and more enjoyable space for visitors – who’s spending directly benefits the area’s economy. The revitalized Queens Quay will be a waterfront showpiece, economic driver and must-see destination. It is also increasingly important as a key public space for the fast-growing South Core.

To view some of the construction challenges on this project, please visit this selection of [Queens Quay construction photos](#), or have a look at [this video](#) that explains the challenges of working underground on Queens Quay.

To learn more about the overall Queens Quay Revitalization project, please visit our [Queens Quay project page](#).

Media Contact:

Andrew Hilton
Waterfront Toronto
T: 647-288-8048
C: 416-427-4613
Email: ahilton@waterfrontoronto.ca