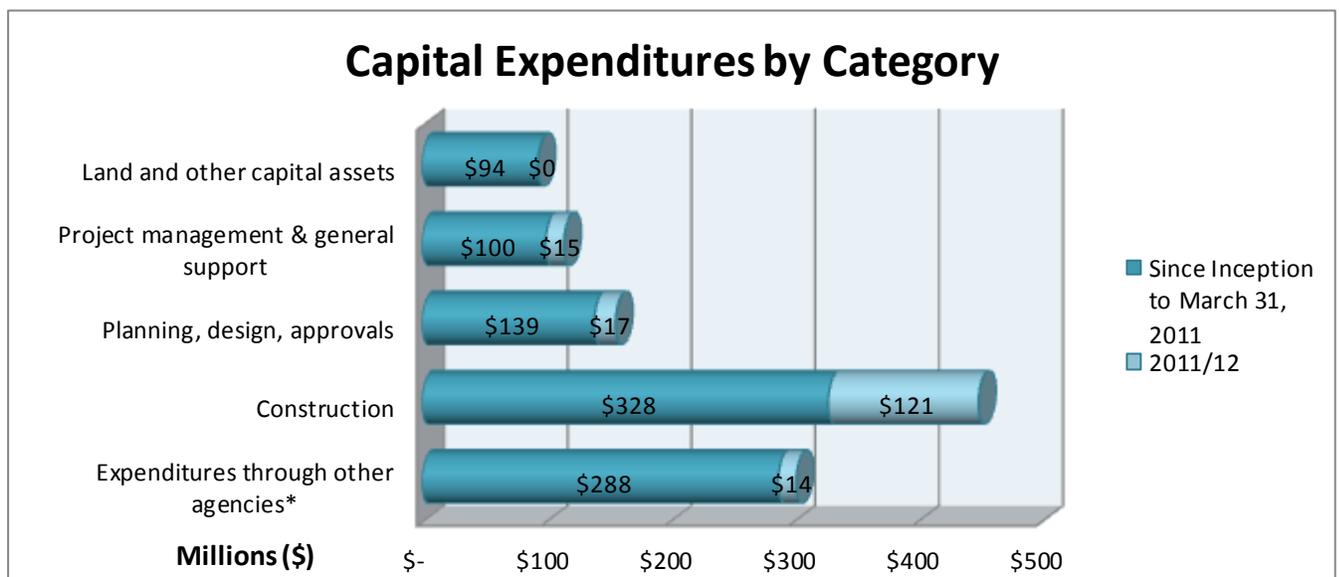


## 2011/12 Management Report

### RESULTS FOR THE YEAR

During the year ended March 31, 2012 Waterfront Toronto (or the Corporation) continued with the implementation of its mandate to oversee and manage the revitalization of Toronto's waterfront.

Waterfront Toronto and other government agencies have invested over \$1.1 billion over the last ten years (2002-2012) in capital projects on Toronto's waterfront. These are revitalization initiatives that the citizens of Toronto, Ontario and Canada will enjoy and benefit for generations to come. The following graph illustrates capital expenditures by major category:



\* Expenditures through other agencies relate to government funding which is flowed directly to other government agencies (not through Waterfront Toronto) for projects such as the flood protection landform in West Don Lands, GO Transit expansion, Union Pearson link, Fort York pedestrian bridge and government secretariat costs.

The major activities of the Corporation for 2011/12 included:

#### East Bayfront:

- Completed construction of Sherbourne Common North;
- Continued construction of external sanitary sewer;
- Continued participation in construction of George Brown underground parking garage and related public realm.

#### West Don Lands:

- Continued construction of Don River Park and River Square;
- Initiated construction of stormwater quality facility tunnel and shafts;
- Completed construction of Mill Street.

#### Central Waterfront:

- Continued construction of Canada Square underground parking garage in partnership with Harbourfront Centre.

#### Port Lands:

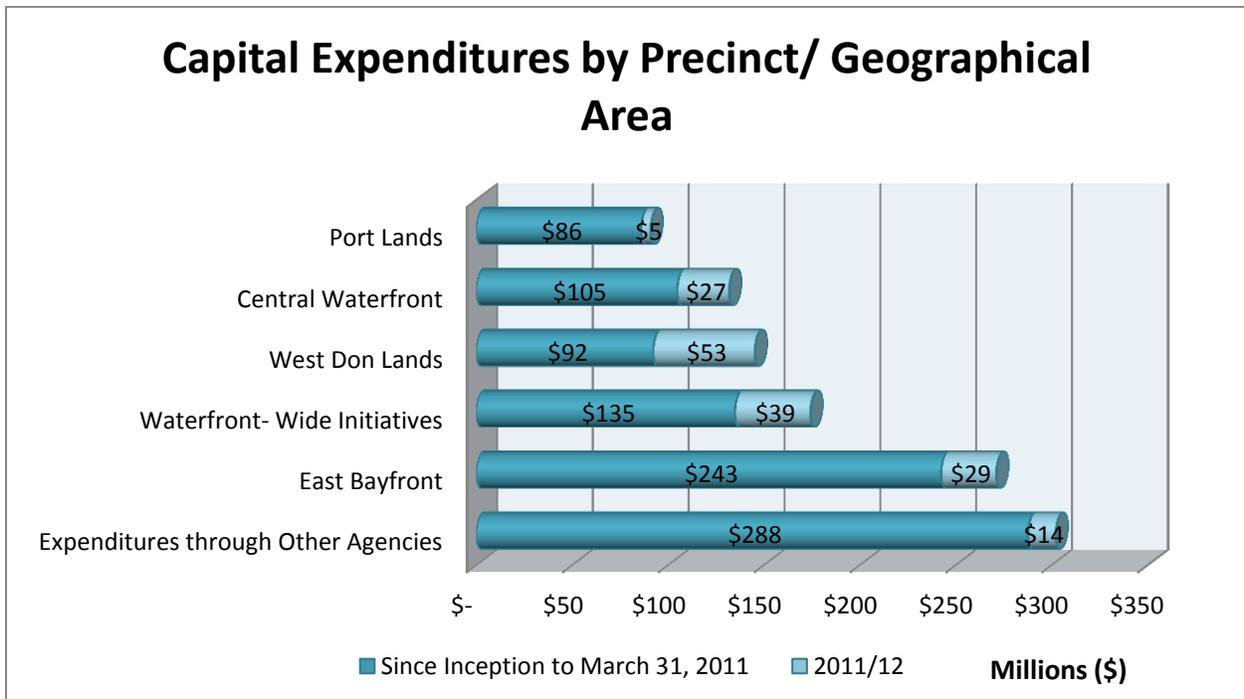
- Completed construction of infrastructure for Tommy Thompson Park.

Waterfront- Wide Initiatives:

- Continued construction of the Union Station second platform expansion;
- Continued construction of Mimico Park.



To date total capital expenditures (including expenditures through other government agencies) have been incurred in the following geographical areas:



Note that in the graph above, the Lower Don Lands, Port Lands Area and Lake Ontario Park (shown in the map above) are consolidated into one precinct as Port Lands.

Waterfront- Wide Initiatives includes primarily Union Station Second Platform, Mimico Park, Port Union Waterfront Park and district energy.



*Going Forward*

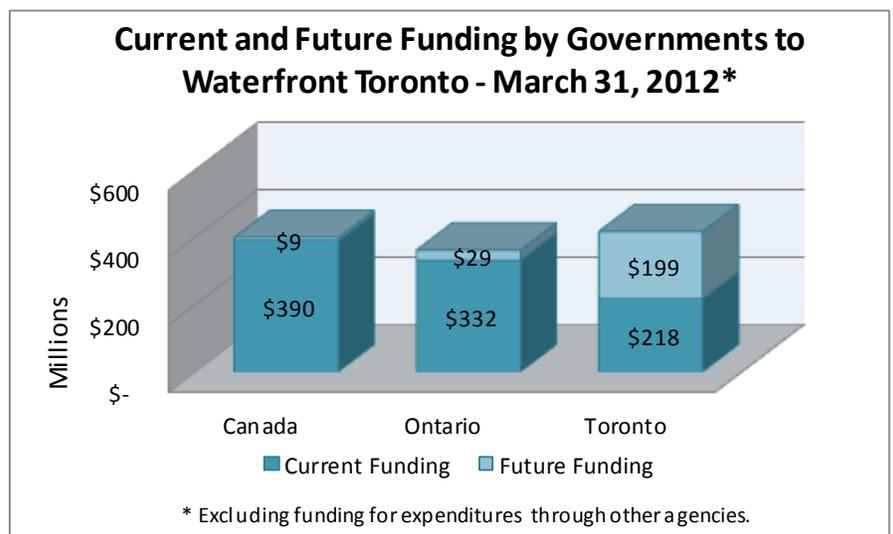
As detailed in the Corporation’s 2012/13 Annual Corporate Plan, East Bayfront (EBF), West Don Lands (WDL) and Central Waterfront (CWF) continue to be the focus of Waterfront Toronto’s implementation efforts for the 2012/13 fiscal year. In EBF the key deliverables relate to the development of local infrastructure in Bayside (roads and utility connections) as well as public realm (namely construction of Bayside dockside reinforcement and water’s edge promenade).

In WDL the key deliverables relate to construction of the storm water treatment facility and completion of two signature parks – Don River Park and Underpass Park. The Corporation will also continue to work with Infrastructure Ontario in the delivery of the Pan/Parapan American Games Athletes’ Village. In CWF, Waterfront Toronto will commence construction of Queens Quay Blvd. as well as commence construction of the Portland Slip promenade.

**RESOURCES**

Funding

In 2001, the three orders of government pledged \$1.5 billion (\$500 million each) as initial capital for waterfront initiatives. From the government funding, approximately \$1.2 billion has been or will be made available to Waterfront Toronto through government contributions and the balance has been or will be flowed directly to other government agencies for projects in the designated waterfront area.



As of March 31, 2012, approximately \$940 million (80%) has been received by Waterfront Toronto with the majority of the remaining balance of \$237 million to be received over the next three years.

The cost of revitalization of Toronto’s waterfront was originally estimated (in 2001) at \$17 billion, of which \$4.3 billion would be funded from the public sector and the remaining \$12.7 billion from the private sector. Due to escalation in construction costs, the cost of revitalization is now estimated to be \$34 billion.

Additional public sector funding or expenditures were expected to be provided through public-private partnerships consistent with the Corporation’s mandate. Such partnerships require the Corporation to identify either a separate revenue stream and/or a separate project or service. The first of this type of partnership was completed in 2010/11 through the introduction of intelligent communities. In 2011/12 Waterfront Toronto continued to enter into partnership arrangements to deliver district energy in East Bayfront and to initiate a public art program.

Based on government funding and other revenues, Waterfront Toronto has developed a \$1.831 billion capital expenditure program. Of this, Waterfront Toronto is currently directly managing \$1.5 billion from government funding (\$1.2 billion) and other revenues related primarily to land proceeds (\$270 million). The balance of \$384 million is being flowed directly to other government agencies for projects in the designated waterfront area, such as for the flood protection landform in West Don Lands, GO Transit expansion, Union Pearson link, Fort York pedestrian bridge and government secretariat costs.



#### **OPERATIONAL GOVERNANCE**

Waterfront Toronto is a tri-partite funded Corporation with a 25-year mandate to revitalize 2,000 acres of brownfield lands on Toronto’s waterfront. It is one of the largest infrastructure projects in North America. The context within which Waterfront Toronto currently operates has changed significantly since the original creation of the Corporation in 2001. Waterfront Toronto has developed mature management and operational structures including human resources, facilities, and internal systems enabling the Corporation to deliver superior results.