



Finance, Audit & Risk Management Committee – June 1, 2016
Item 7a - Q4 2016/17 Corporate Plan Performance Reports
Lisa Taylor

Background

- The 2016/17 Corporate Plan was approved by the Board in December, 2015.
- On June 13, 2016 the FARM Committee suggested that Management track the Corporation's investments quarterly against the approved Corporate Plan.
- Management subsequently developed the following reports to track investments against the Corporate Plan:
 - Corporate Plan Performance Report – Key Deliverables
 - Corporate Plan Performance Report – Budget
 - Corporate Plan Performance Report - Revenues

Update

The **2016/17 Annual Report** provides the formal report to stakeholders and the public with respect to Waterfront Toronto's achievement of its 2016/17 Corporate Plan. The attached set of March 31, 2017 Year End Performance Reports provide the quarterly dashboard level report to the FARM Committee and Board with respect to the 2016/17 Corporate Plan.

1. Q4 2016/17 Corporate Plan Performance Report – Key Deliverables

Overall the Corporation achieved 12 out of 18 key deliverables as per the approved 2016/17 Corporate Plan. Specific details of deliverables achieved and deferred are outlined in the 2016/17 Annual Plan.

2. Q4 2016/17 Corporate Plan Performance Report – Budget

- Overall the Corporation invested **49%** of its total 2016/17 Capital Investment Plan (\$33M vs. \$67M, exclusive of government flow throughs).
- This significant reduction was due primarily to:
 - The deferral of the stormwater management facility core and shell (\$10M);
 - A revised scope and later completion schedule for The Bentway (\$12M); and
 - A planned land acquisition that did not take place (\$7M).

3. Q3 2016/17 Corporate Plan Performance Report – Revenues

- Overall the Corporation earned **121%** of planned 2016/17 revenues (\$56M vs. \$47M per Corporate Plan, exclusive of government flow throughs).
- The favourable variance is due largely to higher than forecasted land sale related revenues in Dockside (sale of Block 3 and sale of GBC parking garage concession).

Committee Action Required

None



Corporate Plan 2016-17 Performance Report - Deliverables
As at March 31, 2017

DRAFT FOR DISCUSSION

Program Name	Major Deliverables	Status	Comments
East Bayfront	<ul style="list-style-type: none"> - Complete construction of Storm Water Management Facility core and shell, located at the intersection of Cherry and Lake Shore Boulevard East. - Complete construction of dockwall reinforcing between Aitken Place Park and Parliament Slip. - Commence planning and design for revitalizing Queens Quay East between Yonge and Small streets. - Select Preferred Proponent for Quayside development. - Completion of the Pre-Development agreement for the Waterfront Innovation Centre and present recommendations to Toronto City Council. 	<ul style="list-style-type: none"> ● ● ● ● ● 	<p>The Stormwater Management Facility core and shell was originally deferred to 2017/18 due to the submission of the non compliant tenders. It has now been deferred to 2018/19 in order for Waterfront Toronto to redesign the facility to accommodate changes necessitated by the realignment of the Gardiner Expressway east of Cherry Street pursuant to the Gardiner East EA Hybrid 3 preferred alternative. The deferral has also allowed for the allocation of additional funding sufficient to permit the concurrent installation of the storm water treatment systems, including water clarifiers and ultraviolet treatment equipment. When complete, the Stormwater Management Facility will serve East Bayfront, West Don Lands and the future Keating Channel neighborhoods by receiving and treating stormwater run-off created by rain and melting snow.</p> <p>Achieved - Completed January 2017.</p> <p>Objective deferred as a result of city council direction to undertake a Waterfront Transit reset in late 2015. Concurrent change in strategic direction to accelerate infrastructure into North Keating in lieu of Queens Quay East revitalization.</p> <p>Request for proposal (RFP) issued March 17, 2017; scope of project has been expanded to include broader sustainability goals. Proponent will be selected in 2017/18.</p> <p>Proposed development transaction approved by City Council March 2017; Development agreement will be finalized by end of July 2017.</p>
West Don Lands	<ul style="list-style-type: none"> - Complete construction of Phase 1 Storm Water Management Facility core and shell; capital investment for the facility is allocated to East Bayfront and West Don Lands precincts. - Close on sale of lands for River City Phase 4. 	<ul style="list-style-type: none"> ● ● 	<p>Refer above under East Bayfront.</p> <p>Achieved - Closed September 21, 2016.</p>
Central Waterfront	<ul style="list-style-type: none"> - Complete detailed plans and drawings for the first phase of improvements to the Jack Layton Ferry Terminal and Harbour Square Park (located next to the ferry docks). 	<ul style="list-style-type: none"> ● 	<p>Phase 1A schematic design completed; scope may be revised to include the rest of Phase 1 and will be reflected in the design development for 2017/18, requiring more time to complete design and secure City funding.</p>
Port Lands	<ul style="list-style-type: none"> - Complete Port Lands flood protection due diligence. - Secure tri-government funding commitment for Port Lands flood protection. 	<ul style="list-style-type: none"> ● ● 	<p>Achieved - Completed October 20, 2016.</p> <p>Toronto City Council funding share approved November 9, 2016; Yet to secure Provincial and Federal funding.</p>
Waterfront-wide Initiative	<ul style="list-style-type: none"> - Complete the Gardiner Expressway East Environmental Assessment. - Complete update of the Lake Ontario Park Master Plan. 	<ul style="list-style-type: none"> ● ● 	<p>Voluntary review period for Environmental Assessment (EA) ending September 2016. EA report submitted to Ministry of Environment.</p> <p>Discussions continue with the City on advancing this project, delaying completion of Master Plan; five smaller quick start projects from the Master Plan have been completed or are underway.</p>
Project Under Gardiner (The Bentway)	<ul style="list-style-type: none"> - Completion of construction documents and award constructor contract for public spaces and multi-use trail beneath elevated expressway. 	<ul style="list-style-type: none"> ● 	<p>Achieved - Construction Manager contract awarded September 2016.</p>
Corporate	<ul style="list-style-type: none"> - Secure tri-government commitment to 2.0 program. - Continued development of Waterfront Toronto's social media platforms and capacity to allow public to engage more directly with revitalization initiatives; increase engagement on Facebook and Twitter. - Develop a programming strategy to animate waterfront public realm. - Develop brand strategy to support the economic development objectives for the innovation corridor in East Bayfront. - Develop a transition plan to manage the organization from Waterfront 1.0 and 2.0. 	<ul style="list-style-type: none"> ● ● ● ● ● 	<p>Work continues to secure government funding commitments to the next phase of waterfront revitalization.</p> <p>Achieved.</p> <p>Achieved - Summer programming series established; events took place from July to September.</p> <p>Achieved - Data is currently being analyzed to confirm the industry and innovation clusters moving into the waterfront. The data will then inform the development of an appropriate brand to support our East Bayfront (EBF) economic development and employment strategy objectives.</p> <p>Achieved - Following the internal visioning exercise which took place this summer, Management presented the transition plan as part of the 2017/18 Corporate plan in December 2016 .</p>

Legend:

- Achieved by March 31, 2017.
- Not achieved by March 31, 2017 and deferred to 2017/18 or a future year.



Corporate Plan 2016-17 Performance Report - Budget
Year Ended March 31, 2017

Program	Approved Plan	Actual Plan	Variance	Comments
East Bayfront	\$ 30.3	\$ 14.6	\$ 15.7	A reduction from plan of \$15.7M was largely due to the delay in storm water quality management facility for West Don Lands and East Bayfront (refer explanation under West Don Lands). Also, WT had anticipated a land acquisition as part of accelerating the North Keating infrastructure works, however this was sold to a third party.
West Don Lands	14.3	1.9	12.4	A reduction from plan of \$12.4M was primarily due to the deferral of the Stormwater Management Facility core and shell. This was initially due to the submission of the non compliant tenders, however has now further been deferred to 2018/19 in order for Waterfront Toronto to redesign the facility to accommodate changes necessitated by the realignment of the Gardiner Expressway east of Cherry Street pursuant to the Gardiner East EA Hybrid 3 preferred alternative. This deferral has also allowed for the allocation of additional funding sufficient to permit the concurrent installation of the storm water treatment systems, including water clarifiers and ultraviolet treatment equipment.
Central Waterfront	1.4	2.7	(1.3)	Increase due to scope of work either deferred from 2015/16 or increased from original Corporate Plan. Key projects include completion of the Lower Yonge Precinct Plan and Municipal Class Environmental Assessment (\$1.3M).
Port Lands	1.8	5.0	(3.2)	Increase due to an additional investment required to advance the Port Lands flood protection implementation plan due diligence project (\$1.8M), together with initial costs associated with the new investment for the Cherry St. Lakefilling project (\$1.4M), both not anticipated in the original Corporate Plan.
Waterfront-wide Initiatives (WWI)	3.2	5.9	(2.7)	Increase mainly due to re-prioritization of staff time towards non-project specific revitalization initiatives (e.g., visioning, strategic priority setting and other corporate initiatives) resulting from project deferrals as noted in the precincts above.
Project Under Gardiner (The Bentway)	16.0	2.8	13.2	The project scope was adjusted and completion schedule extended as agreed with the City of Toronto.
Corporate	included above			Corporate costs including direct staff time as well as indirect overhead costs of \$12.6M are incorporated in the above project's budgets (excluding The Bentway). The original 2016/17 budget was \$12.4M however this was revised in the 2017/18 Corporate Plan to \$12.6M to account for certain one-time restructuring costs.
Total	\$ 67.0	\$ 32.9	\$ 34.1	Decrease of \$34.1M due largely to the deferral of the Storm Water Management Facility (\$10M), the revised schedule for The Bentway (\$12M), together with a land acquisition which did not take place (\$7M).

(\$ in millions)



Corporate Plan 2016-17 Performance Report - Revenue Year Ended March 31, 2017

Revenue Source	Approved Plan	Actual Revenues	Variance	Comments
Government Contributions	\$ 4.0	\$ 2.4	\$ (1.5)	A reduction of \$1.5M from plan primarily in City contributions due to deferral of revitalization of Queens Quay East.
Revenues				
Philanthropic Contributions	16.0	17.5	1.5	Project delivery agreement was amended after the approved plan was developed. Actual revenues are based on the amended project delivery agreement.
Developer Contributions (EBF and WDL Public Art Contributions)	3.4	3.8	0.4	Favourable variance is as a result of inclusion of Public Art Contributions from private landowners in East Bayfront. These were excluded from the approved plan due to absence of agreements in place for private landowners to dedicate public art funds to the Corporation at that time.
Land Sales	17.5	27.0	9.5	Favourable variance as a result of higher revenues than anticipated from the sale of Block 3 lands (\$2.8M) and the George Brown College Parking concession (\$6.7M), both in East Bayfront.
Cost Recovery Agreements (City of Toronto)	4.5	3.4	(1.1)	A reduction in revenues due to the deferral of the East Bayfront Stormwater quality management facility (\$2.2M) partly offset by new City funding for Jack Layton Ferry Terminal design and construction Phase 1A, Toronto Water funding for Queens Quay and City funding for Ontario Place Bridge study (\$0.9M).
Other Revenues	1.2	2.1	1.0	An increase of \$1.0M due to realized parking and interest income as a result of conservative estimates used in the approved plan.
<i>Subtotal- Revenues</i>	\$ 42.5	\$ 53.9	\$ 11.3	
Total	\$ 46.5	\$ 56.3	\$ 9.8	Overall favourable variance primarily as a result of the increase in revenues realised for the sale of Block 3 lands and the George Brown College parking concession (\$9.8M).

(\$ in millions)