



**WATERFRONT**Toronto

# **Waterfront Toronto 2.0 Review**

Board of Directors Meeting  
October 22, 2014



## The Case for WT2.0

- Waterfront Toronto has a proven track record of performance
- Waterfront Toronto has delivered significant Return on Investment (ROI)
- ROI for Waterfront Toronto 2.0 is exponential
- Waterfront Toronto 2.0 aligns with government priorities

# Waterfront Toronto 2.0 – Flood Protection

1. Proposal removes the risk to governments of catastrophic flooding in this area of Toronto
  - 1:5 ratio – every dollar invested in flood protection will mitigate \$5 in damages
2. Unlocks economic development and investment:
  - 16 million sq. ft. of residential development (approximately 16,500 residential units and 28,500 residents)
3. ROI: Government investment in the project will generate:
  - \$3.6 billion in value added to the Canadian economy
  - 7,672 person years of employment
  - \$2.3 billion in labour income
  - \$2.0 billion in revenues to all orders of government on the public sector investment alone
  - At full build-out, total property tax revenues generated on an annual basis will be approx. \$75 million on a \$6.14 billion assessed value
4. Shovel-ready for 2016
  - Tri-government commitment would trigger project
5. Project delivers urban, resilient infrastructure that opens up economic development opportunity priorities for all governments

# Waterfront Toronto 2.0 – EBF LRT

- Transit is a prerequisite for continued private investment on the waterfront
- Essential for current and planned/future commercial development and employment including the Port Lands and eastern waterfront
  - 6,000 residential units and over 2 million sq. ft. of commercial development (approx. equivalent of first Canadian place) and 8,000 jobs expected in EBF alone
  - 12 million sq. ft. (40,000 new jobs) of commercial/employment land proposed for Unilever Site
- Waterfront Toronto continues to work with all orders of government to deliver a funding solution

# Waterfront Toronto 2.0 – Intergovernment Steering Committee (IGSC) Meeting - September 2014

Key discussions:

- Governments agree on 2.0 priorities
- Opportunity for tri-government movement on flood protection funding as first tranche of 2.0
  - Preliminary business case submitted to governments September 30, 2014
- Funding options require tri-government discussion and alignment

# Waterfront Toronto 2.0 – IGSC September 2014

## Key discussion:

- Operational Governance and Waterfront Toronto request for operating line of credit including ability to encumber its assets
- The lack of an operating line of credit creates unnecessary instability and risk
- The Long Term Funding Plan is predicated on governance authorities for Waterfront Toronto, without which neither Waterfront Toronto 1.0 or 2.0 can be delivered
- Recognition that governments must develop a strategy among themselves on how to move forward to avoid fragmented approach and financial uncertainty
- Waterfront Toronto is re-submitting the business case with detailed information regarding loan terms and mechanics

# Why Waterfront Toronto?

- The unique attribute of Waterfront Toronto is the tri-government structure
- Governments had foresight to create an arm's length entity with a focused revitalization mandate that can deliver revitalization and the consensus vision consistently and without interruption
- Governments understand and agree that the waterfront revitalization is an infrastructure project designed to deliver economic development and a competitiveness model for Canada's largest city
- Fundamental tenet of the Waterfront Toronto model is strategic public infrastructure investments that leverage private sector dollars; often easier for dedicated agency to deliver than single governments
- Waterfront Toronto has a proven 10 year track record that demonstrates the value of continued tri-government investment and the tangible benefits already flowing from that investment in waterfront revitalization
- Governments have invested in an agency that delivers results, is highly accountable and transparent; and whose work has broad and far-reaching public support. Waterfront Toronto has consistently delivered positive public good will and platforms which advance government policy objectives while tangibly delivering value for money and significant ROI back to government

## Why Invest Now?

- Important to plan and build now in order to catch next wave of demographics (millennials) who will increasingly want to live and work downtown
- There is urgency around being ahead of this curve in order to respond to this demographic and the city building needs of a growing city
- 2.0 projects complete the central waterfront and the city, province and country will realize exponential, not incremental, return on their initial investment
- Recent Toronto Port Authority - commissioned poll in City of Toronto shows 88 per cent of respondents think waterfront revitalization is either “very” or “somewhat” important; 81 per cent think revitalization is headed in the right direction
- Important to take timely advantage of potential tri-government alignment around 2.0 projects



## High-Level Messages in Support of Waterfront Toronto 2.0

Waterfront revitalization and the tri-government model is working as demonstrated by smart, targeted investment and tangible progress after decades of inaction and paralysis on the waterfront

- Providing value for money in leveraging private sector investment and delivering long-term revenues to government that more than repay the initial investment
- Delivering on its mandate and the public policy goals set by governments
- An accountable, transparent and collaborative organization that has earned the public's trust

## High-Level Messages in Support of Waterfront Toronto 2.0

Waterfront Toronto is providing a sustainable model for community building that directly enables Toronto to compete globally for investment, jobs and people

- Building communities that will be home to 40,000 residents and a hub of creative industries and innovation
- Delivering robust and strategic infrastructure that unlocks development and private sector investment

Waterfront Toronto 2.0 is a roadmap to allow Waterfront Toronto and its government partners to finish the work started, deliver substantive completion of waterfront revitalization and allow for continued development and investment over the long term against the road map