

Government Relations - Update

Item 7



Current Context – headlines

- Continued alignment between Ottawa, Queens Park, Toronto on waterfront issues
- June 2017 \$1.25 B announcement for Port Lands Flood Protection
- Government excitement about Quayside announcement – theory now reality
- Election footing and filters at Province and City:
 - June 2017 Provincial election
 - October 2018 Municipal election
- We have a roadmap for operational governance - mandate extension and required enhancements
- Need to reaffirm WT role in Port Lands as per 2006 MOU with City
- New team at federal level
 - New Deputy Minister – Kelly Gillis
 - New Chief of Staff to Infrastructure Minister – Mike Burton
 - New Waterfront secretariat Director – Marie-Pier Nassif

Current Context - continued

- **3 separate CAs (coordinated with common elements) underway to fund Port Lands Flood protection**
 - Timing – December City Council
 - Drafting of CA schedules and articles of agreement to commence imminently
 - CA execution by end of December 2017

- **CAs will include new tri-government Framework Agreement**
 - **Recognizing that WT not relying solely on Government funding i.e. Quayside**
 - **Key principles:**
 - Government commitment to next phase of waterfront revitalization (PLFP +)
 - Accountability and transparency in financial reporting – most notably for projects not funded through CAs
 - Management of Borrowing
 - Land acquisition and disposition
 - Role of IGSC and oversight of non CA projects
 - Long-term role of government shareholders

Operational Governance & Mandate Extension – the roadmap



- Governments have agreed in principle to extend the life of WT for 5 years (to 2028) as provided for in the TWRC Act
- On or before 2023 (20th anniversary) governments have the option to wind up or extend WT.
 - To extend, governments must conduct a review of WT. If the recommendation from the review is positive and government agree, WT is extended until 2028
- Governments have agreed to start that review process now
- WT has been asked to conduct that review through a third party for governments to approve
- We anticipate review will be complete later this fall; management has engaged E&Y to assist with the review
- Mandate extension to 2028 does not require legislative change; City requires Council approval
- Mandate extension beyond 2028 requires legislative change
- Enhanced operational governance for WT (ability to create subsidiaries, form JVs, create SPV, encumber and mortgage assets, receive revenues) will require a specific business case
 - Approval is delegated to Ministers and City Council via consent
 - Discussions with Quayside partner will help define the specific governance enhancements being sought