



## Backgrounder

January 12, 2012

### **CONSTRUCTION MOVING FORWARD ON A NEW WEST DON LANDS COMMUNITY IN TIME FOR TORONTO 2015 PAN/PARAPAN AMERICAN GAMES**

*Contract designed for on-time, on-budget project delivery*

Dundee Kilmer Developments L.P. (Dundee Kilmer) has signed a fixed-price contract with the Province of Ontario to design, build and finance the construction of a new community that will provide a home away from home for athletes and officials during the Toronto 2015 Pan/Parapan American Games.

#### **Contract**

Dundee Kilmer Developments participated in an open, fair and competitive procurement process that was overseen by an independent, third-party fairness advisor (P1 Consulting).

The value of the contract with Dundee Kilmer is \$514 million. The Province will recover approximately \$65 million in development costs from future facility operators, for a total net provincial outlay of approximately \$449 million.

As part of Infrastructure Ontario's commitment to a transparent process, the final contract with Dundee Kilmer will be posted on Infrastructure Ontario's website in the coming months.

#### **Payment**

The Province will pay Dundee Kilmer for the project in three instalments at key project milestones.

In December 2011, the Province paid Dundee Kilmer its first instalment of \$21 million for works to prepare the site for the main construction and for installation of new roads and services. In April 2013, the Province will pay Dundee Kilmer a second instalment of \$100 million for completing the facilities that are required in time for the Games, including: the market and affordable housing projects and George Brown College's student residence, all of which will be used for accommodations during the Games; an 82,000 square-foot YMCA recreation centre that will be 'fitted out' as a temporary fitness centre; and site preparation for temporary facilities. Dundee Kilmer will also provide facilities management services (grounds and building maintenance) during the 2015 Pan/Parapan American Games period.

Once the project achieves substantial completion in early 2015, the Province will provide the third and final payment of \$393 million to Dundee Kilmer. This payment will also cover the cost for Dundee Kilmer to remove temporary facilities that were installed to support the Games and for converting housing and facilities used during the Games into their permanent post-Games state.

Following the Games, Dundee Kilmer will develop additional blocks of market housing, advancing the implementation of Waterfront Toronto's West Don Lands Precinct Plan.

The project is being financed by seven banks: Bank of Montreal, Bank of Tokyo-Mitsubishi UFJ, Canadian Imperial Bank of Commerce, Dexia Credit, Royal Bank of Canada, Sumitomo Mitsui Banking Corporation, and Toronto Dominion Bank.