

November 14, 2005

2006 BUDGET BRIEFING NOTE - Role of Waterfront Project Secretariat

At its informal meeting to review Operating Budget submissions on Wednesday, November 2, 2005, the Budget Advisory Committee requested a briefing note from the Waterfront Project Director on the role of the City's Waterfront Project Secretariat in the Toronto Waterfront Revitalization Initiative.

The Waterfront Project Secretariat is the liaison between City divisions, agencies, boards, commissions, and corporations, and the Toronto Waterfront Revitalization Corporation (TWRC). It oversees and facilitates all processes related to the Waterfront Revitalization Initiative, ensuring that the City's interests and priorities are protected and reflected in Revitalization efforts. It works with the provincial and federal orders of government to support the efforts of TWRC.

The Secretariat's mandate is to:

- Lead and direct the City's participation in the Toronto Waterfront Revitalization Initiative, which is a priority for City Council, the Province, and the Federal government.
- Provide one-window access for TWRC, all City Divisions, Agencies, Boards, Commissions and Corporations (DABCCs), other governments, and the public to municipal programs and services required to expedite Revitalization.
- Ensure that all City DABCCs assist in implementing the Initiative in a co-ordinated, efficient, and cost-effective manner. This involves co-ordinating municipal resources and expertise as required from a cross-section of areas such as Planning, Parks, Transportation, Finance, Legal, Economic Development, TTC, TRCA, Public Health, TEDCO, Culture, etc. In fact, most staff reports prepared by the Secretariat for consideration by Committees and Councils are cross-Divisional in nature.

Through this service, the Secretariat ensures municipal processes with respect to Waterfront matters are streamlined, and that the City "speaks with one voice" on Revitalization.

- Negotiate with the other governments on the major issues of governance, funding, legal documentation (such as Contribution Agreements), and land contributions.

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- Support the Mayor in his role as a member of the TWRC Board.

In addition to technical expertise, staff within the Secretariat possess a unique skill set encompassing co-ordination, communication, project management, financial management, real estate, intergovernmental relations, policy, and negotiation capabilities. The Secretariat's role distinguishes it from that of other City units, in particular:

- City Planning, which works closely with the Secretariat, but is not charged with performing the co-ordinating and negotiating functions outlined above.
- TEDCO, which is focused on commercial/industrial uses of its lands as opposed to an overall City-building vision involving the development of mixed-use communities, public realm amenities, and tri-government investment.
- TWRC, which is mandated to implement Revitalization. The TWRC is a not-for-profit tri-government corporation consisting of the members of the Board of Directors, who are government appointees. With minor exceptions, government contributions to the Initiative flow through the TWRC. Each government considers its \$500M funding to be capital in nature.

In 2005, the three governments approved a new governance structure that empowered the TWRC as the entity charged with leading Revitalization. Government DABCCs with landholdings in the Designated Waterfront Area (DWA), specifically TEDCO and the Ontario Realty Corporation, were to undertake projects in the DWA through service or delivery agreements with the TWRC.

- The Waterfront Secretariats in the other orders of government, which were also established in 2002. The City's Secretariat is far more "hands on", however, as it must ensure that municipal regulatory and planning authorities are upheld, that infrastructure built by the TWRC is consistent with municipal standards, and that the impact of infrastructure on the City's Operating budget is identified and mitigated.

All Secretariats work together to ensure that the TWRC is accountable, that its processes are open and transparent, and that appropriate funding agreements are in place. This is done through monthly, quarterly and annual reviews of all TWRC documentation (such as funding requests and Project Progress Reports), reviews of an input to tri-government Contribution Agreements, attendance at TWRC Board meetings, input into the *TWRC Act* and its regulations, and implementation of policy documents recently endorsed by Council such as the Accounting Framework and Framework Agreement.

With the approval of a new governance structure and a multi-year Business Plan by the governments, the Initiative is now at a critical juncture to proceed from "Planning" to "Implementation". The Secretariat must have the appropriate resources and operational capacity to move Revitalization forward.

The Secretariat currently consists of 6 staff: the Waterfront Project Director, four Waterfront Project Officers (3 permanent, 1 temporary), and 2 support staff. The gross operating budget has

been stable from inception in 2002 (\$830K) to 2005 (\$815.4K). In 2002 and 2003, the Unit was fully funded through the Capital Program. Since 2004, \$120K only has been funded through the Capital Program, representing staffing costs for one Project Officer directly involved in capital Project Management. This change was directed by Finance to ensure consistency with City policy.

The 2006 “base” budget was requested at the level of \$869.1K (gross)/\$749.1K (net), including an increase \$53.7K (gross/net) over 2005 to accommodate fringe benefits changes, merits/step increases, and COLA. All other accounts remained at last year’s levels. However, as a result of this increase, a reduction of \$25.3K (gross/net) would be required to meet the 2% target level.

In addition, the 2006 request included \$290K (gross/net) of “new” funding to provide for:

- The conversion of the temporary Project Officer position to permanent. This position was established in 2005 with monies from within the budget for technical resources. However, considerable expertise will be required in 2006 onwards to assist with complex issues, and, consequently, the consulting/legal funding must be maintained at 2005 levels.
- The addition of one new permanent Project Officer position.
- The addition of one temporary Technical Co-ordinator position.

Responsibilities assigned to the two new Project Officers include:

- Overseeing/co-ordinating the provision of municipal expertise on specific Waterfront projects;
- Relocating businesses that will be displaced as a result of Revitalization;
- Implementing the new TWRC governance model;
- Financial modeling of TWRC proposals (e.g. for the redesign of Gardiner/Lakeshore corridor);
- Assessing municipal operating financial impacts of Revitalization and identifying options for mitigation;
- Addressing financial and liability issues associated with the development of brownfields;
- Implementing financing tools and other incentives to encourage employment;
- Implementing the Public Land Management Protocol; and
- Issues management and communications co-ordination.

Responsibilities assigned to the Technical Co-ordinator include:

- Providing technical and project management support to the Project Officers during the implementation of public infrastructure, including co-ordinating small initiatives such as Leslie Greening, Cherry Beach Improvements, Portlands Beautification, Martin Goodman Trail West and East Improvements, Port Union and Mimico Waterfront Parks.

For further information, please contact:

Elaine C. Baxter-Trahair
Waterfront Project Director
(416) 397-4083