

TORONTO STAFF REPORT

March 31, 2005

To: Economic Development and Parks Committee

From: Joe Halstead, Commissioner, Economic Development, Culture and Tourism

Subject: Toronto 2015 World Expo Feasibility Study
All Wards

Purpose:

To report on the Toronto 2015 World Expo feasibility study and to seek Council approval to proceed with Phase I-Pre-Bid.

Financial Implications and Impact Statement :

The estimated cost of Phase I-Pre-Bid is \$2.1 million. The City, the private sector, and the provincial government are the proposed funders of Phase I-Pre-Bid. The City's contribution of up to \$1.0 million will be provided through the City of Toronto Economic Development Corporation (TEDCO) as part of its city-wide mandate. TEDCO management has agreed to fund up to \$1.0 million from its reserve funds, subject to approval by TEDCO's Board of Directors.

Following the completion of Phase I-Pre-Bid, Council will have the opportunity to decide whether to proceed in preparing a formal bid to host the Toronto 2015 World Expo. Should Council decide to proceed, to Phase II – Official Bid, bid promotion and the preparation of the formal bid documents will require total funding of approximately \$4.4 million during 2006 and 2007. The City's share of these costs is anticipated to be approximately \$700,000.

The BIE requires that the finances of the World's Fair organization that is established to build and operate a fair be guaranteed by the central government of the Host City. The central government may pass this responsibility on to another level of government such as a province. However in the event of financial difficulties of the Fair organization, the BIE will call on the central government to take the financial responsibility. In Canada, the federal government requires that a provincial government act as the guarantor of the Fair organization's finances.

The provision of off-site transportation improvements required to accommodate the volume of attendees forecast by Consortium 2015 will result in additional costs that will likely not be covered by the Province's financial guarantee. The feasibility study has estimated that the cost of transportation improvements specifically required to host Expo would be at least \$100 million.

This estimate does not include the “underwater transit way” proposed for the Port Lands and Island Airport dual site option. A cost estimate for this project will be developed as part of Phase I- Pre-Bid.

Many other improvements planned by the City, but currently unfunded, will have to be completed prior to 2015 in order to accommodate the forecast volume of attendees. If either of the waterfront siting options is chosen, many of the improvements identified in the Central Waterfront Secondary Plan, such as LRT lines to the north and west of the Port Lands, will have to be completed prior to 2015.

The economic analysis carried out by Consortium 2015 indicates that a Toronto 2015 World Expo will result in incremental tax revenues greatly in excess of the combined cost of the required transportation infrastructure and any potential operating deficit. These incremental tax revenues will flow primarily to the senior orders of government rather than to the City. Cost-sharing agreements must be negotiated with the senior orders of government for the provision of the Expo-specific transportation infrastructure.

The CFO and Treasurer has reviewed this report and concurs with the financial impact statement.

Recommendations:

It is recommended that Toronto City Council:

- (1) Receive the “Feasibility Study of a World’s Fair in Toronto in 2015 – Final Report” for information;
- (2) Endorse Phase I-Pre-Bid which outlines steps and an organizational structure to further investigate a bid to host a 2015 World Expo as outlined in this staff report;
- (3) Enter into an agreement with the City of Toronto Economic Development Corporation (TEDCO) to act as the legal entity for Phase I-Pre-Bid, to provide executive, administrative, technical expertise and a financial contribution of up to \$1.0 million representing the City of Toronto’s contribution for Phase I-Pre-Bid satisfactory to the City Solicitor;
- (4) Authorize staff to work with TEDCO to actively seek private sector funding and in-kind services for Phase I-Pre-Bid;
- (5) Authorize TEDCO to use reserve account funds of up to \$1.0 million for its financial contribution, structured in a manner acceptable to the TEDCO Board of Directors;
- (6) Authorize staff to negotiate a financial agreement with the Province of Ontario to provide up to \$1.1 million for Phase I-Pre-Bid satisfactory to the City Solicitor;

- (7) Authorize staff to negotiate and secure a financial guarantee from the Province of Ontario and report back to City Council on the terms of the guarantee prior to proceeding with Phase II – Official Bid;
- (8) Authorize staff to negotiate the principles of a contribution agreement with the Federal and Provincial governments for the provision of infrastructure required exclusively for hosting a Toronto 2015 World Expo and report back to City Council on the terms of the agreement.
- (9) Extend the term of the Toronto 2015 World Expo Steering Committee, to provide strategic direction during Phase I-Pre-Bid; and authorize the General Manager of Economic Development, Culture and Tourism to appoint new members, as required, to the Toronto 2015 World Expo Steering Committee including the City of Toronto's Chief Planner, and President & CEO of TEDCO;
- (10) Authorize the City Manager to identify City of Toronto employee secondment opportunities to TEDCO for Phase I-Pre-Bid as may be necessary;
- (11) Direct all City departments, agencies, boards and Commissions to provide guidance and support as necessary to the Toronto 2015 World Expo Steering Committee and to work with TEDCO in completing the work of Phase I-Pre-Bid.
- (12) Direct staff to report back to Council by February 2006 at the completion of Phase I-Pre-Bid with key findings and recommendations including the preferred site, theme, business plan, and all the elements of the "Bid Book" for hosting a World's Fair;
- (13) Authorize and direct the appropriate City officials to take the necessary action to give effect thereto.

Background:

At its meeting of July 20, 21 and 22, 2004, City Council adopted a report to Council (Clause 8 of Report 5), which authorized staff to undertake a process of due diligence to establish the costs and benefits of hosting the 2015 World Expo in Toronto. Specifically, the report authorized the Commissioner of Economic Development, Culture and Tourism to:

- seek the co-operation of the federal and provincial governments to partner in the undertaking and funding of a feasibility study; and
- establish a Steering Committee to further develop the potential of a 2015 Toronto World Expo and guide the feasibility study.

Steering Committee

A Steering Committee was formed with representatives from the City of Toronto, the federal and provincial governments, labour agencies, social advocates, the Toronto Waterfront Revitalization Corporation and individuals with experience from former World Expo competitions.

(Attachment #1 - Toronto 2015 World Expo Steering Committee). The Committee held its first meeting on September 27, 2004 and has been meeting monthly ever since.

Feasibility Study

A feasibility study was commissioned in December 2004 through a Request for Proposal (RFP) process and Consortium 2015, a consulting team made up of experts in various technical fields, was hired. (Attachment # 2 - Consortium 2015)

The Province of Ontario and the City of Toronto funded the feasibility study. The Province invested \$125,000, and the City of Toronto, through the 2005 operating budget, covered the balance.

The scope of the feasibility study included the following key elements:

- (i) Analyse the key factors and characteristics of a World Expo: size, sites, date and duration;
- (ii) Review Bureau Internationale des Expositions(BIE) and Canadian Heritage requirements;
- (iii) Benchmark previous and future World Expo bids;
- (iv) Identify preferred and alternative sites;
- (v) Estimate the costs and revenues of the exposition and the requirements for financing by all levels of government and the private sector;
- (vi) Determine the capability of Toronto's existing and planned infrastructure, tourist accommodations, transportation and communication networks;
- (vii) Estimate the economic and social impact of the exposition to Toronto, Ontario and the rest of the country and describe the potential legacies;
- (viii) Outline the process and costs of mounting a successful bid for a registered exposition and make a preliminary evaluation of its chances for success;
- (ix) Propose an organizational structure;
- (x) Identify additional factors for consideration.

History of World Expos

World Expos, also called World's Fairs or Expositions, bring together the nations of the world and their people to explore issues of common interest while showcasing their culture, achievements, innovation, excellence and leadership. There are two classes of Expositions; a Registered Expo (large scale, six months in length) and a Recognised Expo (small scale, up to three months in length).

Canada has successfully hosted Expo '67 in Montreal (Registered) and Vancouver Expo '86 (Recognized). Toronto unsuccessfully bid to host Expo 1998 (Recognized) and Expo 2000 (Registered), the later which lost to Hanover, Germany by one vote. In 2015 it will be 48 years since Canada hosted a major (Registered) Exposition.

Regulatory Bodies

Regulating the frequency and quality of international expositions is the Bureau Internationale des Expositions (BIE), a Paris-based organization of more than 90 member nations including Canada.

The International Directorate for the Federal Department of Canadian Heritage coordinates our nation's participation in International Expositions. The role of the federal government is to provide guidance to a Canadian Candidate City during the development of a bid, interface with the BIE, and make the final determination on whether a Canadian Candidate City bid is presented to the BIE.

Canada and GTA Support

Support of a Toronto 2015 World Expo bid has been widespread. Mayor Miller wrote to the Mayors of major Canadian cities regarding this initiative and received letters of support from the Mayors of Calgary, Regina, Vancouver, Edmonton, as well as positive feedback from Montreal. A letter of support has also been received from the Prime Minister of Canada. In a letter to Mayor Miller last spring, the Ontario Premier stated his support of the city's interest in exploring the feasibility of bidding for the 2015 World Expo. Mayor Miller has also written to all the GTA Mayors.

Expression of Interest

On December 10, 2004, a letter from Mayor Miller to the Honourable Liza Frulla, Minister of Canadian Heritage expressed Toronto's interest to seek a 2015 World Expo. The Department of Canadian Heritage has confirmed that Toronto is the sole Canadian City interested in seeking a World Expo bid. To date no other written expressions of interest by a Canadian city have been registered for a 2015 (Registered) or 2017 (small – Recognized) Expo.

Comments:

Feasibility Study – Key Findings, Legacies and Benefits

Consortium 2015 studied a number of factors, to measure the feasibility of a 2015 World Expo in Toronto. The Feasibility Study is Attachment #3 - "Feasibility Study of a World's Fair in Toronto in 2015 – Final Report". Some key highlights of the study are:

Attendance

Consortium 2015 estimates a Toronto 2015 World Expo will draw 72 million visits (turnstile clicks) over a period of six months. With an average of three visits per person, the actual number of visitors will be 23.6 million. This equates to a daily average of 400,000 visits with much higher peaks of over 600,000. By comparison, Montreal's Expo '67 drew over 50 million visits and Osaka's Expo '70 drew 64 million.

This is a conservative estimate and takes into account the estimated population increases and Toronto's proximity to the US Border States. The total of 23.6 million visitors includes approximately 16 million US and other foreign visitors (66% of the total). The spending of these additional visitors will have a substantial economic and tourism impact on the Toronto and Ontario economies.

Accommodation & Travel

An estimated 52.1 million visitor nights will be needed during the course of the World's Fair, 48.7 million from 'destination' tourists (those visiting Toronto specifically for the fair) and 3.4

million 'regular annual' tourists (who visit Toronto for other reasons, but choose to visit Expo). This equates to 43,000 hotel/motel rooms per night for typical day. As there are projected to be 100,700 hotel/motel rooms within 100 km of the GTA by 2015, the supply of rooms will be adequate to meet increased demand.

There will be a significant increase in air travel to the GTA, which Pearson International Airport will be able to meet by 2015. Increased traffic from travellers to the World's Fair will be found on roads, major highways and border crossings, however these can be managed with various planned infrastructure improvements, some listed in the draft 'Places to Grow Policy' by the Province of Ontario, February 2005, and demand management practices and priorities. Most of these infrastructure improvements will be in place by 2015 with Provincial and US border initiatives.

Site Analysis

Three sites for a Toronto 2015 World Expo have been identified: the Downsview Lands; the Port Lands; and a combined site of the Port Lands and the Island Airport. Ranking these sites through a set of criteria identified the combined Port Lands/Island Airport site as the preferred site.

The criteria included:

- Useful acreage related to attendance space [Minimum of 630 acres of land (430 acres within gates plus 200 acres outside gates for ancillary services and transportation)]
- Attractiveness and views
- Stakeholder and political support
- Advancement of current plans
- Access to site (transit)
- Synergies with adjacent uses
- Remedial action required
- Site servicing required
- Accessible to visitor amenities
- Opportunities for legacies
- Value for future use
- Ownership and assembly
- Value of transit improvements
- Efficiency of configuration
- Effect of fixed impediments
- Permanent iconic structures

Downsview Lands:

The site is easily consolidated under one owner, the federal government, and a portion of the park and potentially some adjacent residential development could be completed as part of the World Expo.

The core of Downsview Park is not large enough and only use of the adjacent runway (in part) and railway underpasses would make this site viable. The Spadina subway would need to be

extended north. Current manufacturing on site are assumed to continue. The existing site does not have the attractiveness of the waterfront's natural environment and iconic views of the City.

Port Lands:

This waterfront site is considered an excellent location in terms of attractiveness and the site would be suitable if lands could be consolidated and made available. A World Expo could serve as a catalyst for subsequent development on this land and proximity to downtown Toronto has major benefits in terms of accommodations and attractions. Lake Ontario Park, Commissioners Park, the Don Greenway and Humanitas could be jointly developed with this site.

Challenges include site remediation, industry relocation and possible redevelopment deferral. The Port Lands would require additional servicing, transit access, traffic and parking strategy and new shipping channel bridges.

Port Lands/Island Airport:

This is an attractive site showcasing the entire waterfront across the Toronto Harbour. Tremendous opportunities for programming and marketing synergies between the island site, Ontario Place and Exhibition Place exist. Legacies are similar to the Port Lands as well as servicing for reuse of the airport site and a new waterfront transit line providing a substantial public transit legacy with positive land-use impacts and long-term value.

The major challenges are: gaining support at all levels of government for use of the airport site, environmental approvals for a new western gap; the east-west transit tunnel and lake fill in the existing western gap; as well as land consolidation of the Port Lands (on a smaller scale than if the site was the Port Lands alone).

Theme

The BIE requires that themes of Registered Expositions be broad, relevant to the host country and inspire the participants and visitor experience. The theme should be developed, through consultation with the public and key experts.

Theme options identified by Consortium 2015 include:

- Diversity and multiculturalism
- The environment
- Innovation

Cultural

A World Expo can elevate Toronto's status as a cultural capital of Canada to a major international cultural capital and stimulate the arts, culture and design sectors of Toronto, Ontario and Canada. The goals, and perhaps the theme, of a Toronto 2015 World Expo can be culturally driven.

World Expo's have gone hand in hand with architectural design and innovation during the planning and construction of pavilions and buildings on the Expo site. Famous examples include the Eiffel Tower (Paris 1889); Habitat (Montreal 1967) and Buckminster Fuller's US pavilion

dome (Montreal 1967). Similar iconic permanent structures can be created in Toronto with the 'Humanitas' building providing a major legacy of the fair.

A Toronto 2015 World Expo can provide a stimulus to fulfil recommendations outlined in 'The Culture Plan for the Creative City', adopted by Toronto City Council in June 2003, including encouraging a cultural renaissance, promoting Toronto's history and built heritage, integrating diversity and attracting youth to the arts. Event specific programming can showcase exhibitions and performances both on and off the site, enhance thematic programming for current venues, attractions and annual events, and provide many opportunities for artists and architects.

Cultural legacies can include:

- New works of Art - commissioning and creating new works of art such as compositions, public art, sculptures paintings, etc.;
- Physical Facilities - creating new exhibition and performance spaces for residents and visitors;
- Catalyst for Youth and New Artists – creating exposure and opportunities to a wide range of cultural activities;
- New Technologies – opportunities to expose new cultural industries and technologies, such as IMAX technology which was first unveiled at EXPO '67.

Community Response

Testing the general interest of key stakeholders on the prospects of mounting a bid for a World Expo in 2015 was a primary task of the feasibility study. A half day, targeted public consultation workshop was organized in which over 70 individuals participated representing over 50 different organizations. Participants represented a range of interests and sectors including economic, social, cultural, First Nations, environmental, labour, and tourism, as well as individuals with related past World Expo experience. In addition, several individuals with national and international Expo experiences were interviewed by telephone.

The workshop revealed favourable interest in the Expo initiative and expressed considerable support. While many suggested that Toronto should pursue this initiative vigorously, others expressed more conditional support, citing key issues that need to be met in order for a World Expo bid to be successful and fully supported. It should be noted that no major opposition was expressed. Stakeholders wanted to continue the process and communication through the next phases of the project and enhance all areas of study and operation (site, culture, legacies, theme) through consultation.

One of the outcomes of the targeted consultation was a set of Guiding Principles to take forward into Phase I-Pre-Bid.

Guiding Principles

- Maximize the benefits to Toronto, Ontario and Canada before, during and after Expo 2015;
- Create lasting social, cultural, environmental, and physical legacies that benefit and meet existing needs of the broad Toronto community;
- Make the bid process a positive experience that fosters Toronto's pride, even if it is not successful;

- Make a visit to Expo 2015 a fun and wonderful experience for visitors, from Toronto and around the world;
- Celebrate Toronto's unique cultural mix and what makes our city "work";
- Enable and enhance existing and proposed plans and initiatives, as opposed to working at cross purposes;
- Be conservatively realistic with financial and economic analyses and assumptions;
- Maximize the likelihood of meeting BIE selection criteria and winning the bid;
- Make the process as open, transparent, inclusive and broad-based as possible.

Financial, Economic & Tourism Benefits

Historically, financial benefits of World Expos are measured in terms tax revenues, economic impacts and job creation, rather than producing a profit. Using a 'Toronto World Expo Not-for-Profit Corporation' as a model, the corporation is anticipated to generate \$5.6 billion in tax revenues (\$2.67 billion Federal, \$2.27 billion Provincial, and \$277 million City of Toronto, other). There will be 191,037 jobs created.

These impacts are estimated to cover the deficit of \$645 million from a \$2.04 billion capital and \$1.61 billion operating budget with just over \$3 billion in revenues.

The direct and indirect benefits can be substantial on the local and national levels and achieved through construction, operations and tourism factors. The report suggests that for every dollar invested in the 2015 Toronto World Expo, there is a return of \$5 to \$8 (depending on the site) in public sector revenues.

The study estimated that a post Toronto 2015 World Expo, over 8,000 jobs and \$1 billion of economic impact would be injected annually into the community. In 2015, the total number of tourist to Toronto is estimated at 35.1 million which includes both 'regular' and 'destination' tourists. The length of this economic impact beyond 2015 will depend upon the tourism strategies employed to sustain the momentum resulting from the World's Fair.

Funding Sources & Deficit Guarantees

The BIE requires that the finances of the 'Expo Organization' be guaranteed by the central government of the Host City (federal government) who, in the event of financial difficulties, would take on all financial responsibility. The central government may pass this responsibility on to another level of government, such as a province.

In Canada, the federal government requires that a provincial government act as the guarantor of the 'Expo Organization' finances. Thus, the Province of Ontario must play a key role in bid development and organization. Further negotiations with the Government of Ontario will be required to confirm its role.

Number of Participating Nations

Having the largest possible number of foreign participants is paramount to the success of a World Expo, especially in achieving high levels of attendance. The number of countries who register to partake in a World Expo is widely reported by media and a primary vehicle by which

potential visitors judge whether the event is worth attending. Canada has long enjoyed a tradition of participation at World Expos and is considered a safe and desirable destination.

Transportation

The feasibility study identifies three potential sites that can host a Toronto 2015 World's Fair. All sites will require a "Transit First Strategy" and "demand management practices and priorities", in order to be successful. Over the six months of a World's Fair, the feasibility study projects between 400,000 to 600,000 daily visits to the fair site. Moving large volumes of people into and out of the fair site comfortably, safely and efficiently will need to be a high priority.

Most of the transportation costs associated "within the gates" of the site are incorporated within the study. The additional, and most significant, transportation infrastructure "outside the gates" (moving people to and from the site) has not been examined in great detail, and therefore not fully costed. These costs are not included as part of the provincial deficit guarantee. Further transportation studies are required and will form a significant body of work in Phase I-Pre-Bid.

An additional surcharge to World's Fair visitors generating approximately \$216 million could be applied against the new transportation infrastructure costs. A net financial return of \$4.8 to \$5.0 billion in tax revenues to governments would be enough to cover the additional transit costs associated with the World's Fair depending upon the site selected. Cost sharing agreements are required with levels of government for the provision of the Expo-specific transportation infrastructure and can be negotiated in a Tri-Partite Framework Agreement with the governments of Ontario and Canada.

Risk Assessment

The study looked at a number of risk factors that could impact the bid for and hosting of a Toronto 2015 World Expo. The number one risk was weak political support, especially at the Federal government, as they must drive the bid internationally. Federal support will have to be confirmed in both Phase I-Pre-Bid and also in Phase II-Official Bid should an official bid proceed. It was noted that overwhelming support from the public sectors is critical in preparing, winning, and ultimately hosting a World Expo.

Other risk factors that have been identified include time and funding constraints; change in government; community opposition; and competition. During the hosting of a World Expo pandemics, terrorism, economic recessions and escalating costs could be factors affecting the success of the event.

City Building

Hosting a 2015 World Expo meets a number of Toronto City Council and TEDCO priorities achieved through permanent facilities, both on and off site. City building can include cleared and newly created serviced land as well as new structures. Off-site residuals are measured in the form of urban infrastructure such as new and improved roads, public transit systems, housing, and environmental remediation. In addition to bricks and mortar legacies, city building can also incorporate how the Host City defines itself for the year 2015 and beyond through education, cultural programming, ingenuity, and the message communicated to countries around the world.

Organizational Structure for Phase I & II

The study recommended two options for an organizational structure to drive the project through the next phase of due diligence.

The first option is to continue with the existing Toronto 2015 World Expo Steering Committee, expanded and supported by an existing legal entity that has the ability to commission the next phase of detailed studies, receive funding, and hire staff in a timely fashion.

The second option is establishing a new legal entity (Not-for-Profit Corporation) possibly under the Municipal Act to lead the next phase of the feasibility and bid process. This entity would need to have a board of directors and independent advisory committees to counsel on specific areas (culture, social, environmental, etc.).

Successful Bid – Toronto 2015 – A National Bid

Consortium 2015 concludes that there is a high predictability of success for a Toronto bid in 2015 should there be the political will to host the 2015 World's Fair. All 3 orders of government, the private sector and public must be behind a Toronto 2015 Bid, should decisions be made to proceed. The bid to the BIE needs to take on national identity in becoming "Canada's Bid".

Toronto's past World Expo bids lost by very small margins. In fact, Toronto's 2000 World Expo bid lost to Hanover by one vote while a subsequent bid for a smaller World Expo in 1998 lost to Portugal by a vote of 23 to 18. Toronto's international image likely has been enhanced as a result of these international bid efforts. Also, with Toronto having come so close to winning past Expo bids, there may be significant interest in awarding an Exposition to Toronto.

Competition

Canadian Heritage has confirmed that Toronto is the sole Canadian City to have expressed an interest in vying for the Canadian candidacy for 2015.

Though no other cities have formally announced an intention to bid, it is anticipated that bids may be forthcoming from Moscow, Buenos Aires, Sao Paulo, Alexandria, Casablanca, Tehran, Dubai, Turin and perhaps a city in South Africa. The cities of San Francisco and Istanbul may also be in the running.

There is some support in the BIE for rotation of World Expo's between continents. If this were considered then South American and African cities, which have never hosted before, could be at an advantage. It is more probable that these cities would be awarded smaller (recognized) events to test their ability to host prior to undertaking a larger (registered) event. North America hasn't hosted a Registered Event since Montreal '67 Expo.

Toronto's stiffest competition would be from European, Asian and North American cities, and cities such as Moscow, who lost to Shanghai for the 2010 Expo. Canada has tremendous strengths, including an excellent track record in hosting; proximity to a large population base; strong technical, economic and creative community; political stability; clean, safe and healthy

cities; North American free trade agreements; and a strong international reputation for welcoming people from around the world.

Phase I – Pre-Bid

The Feasibility Study has provided key information and recommends proceeding with more detailed studies and plans in another phase in order to determine whether to proceed with a bid for a Toronto 2015 World Expo. This phase is defined as “Phase I-Pre-Bid”. This will be followed by “Phase II-Official Bid” depending on information collected during Phase I-Pre-Bid and whether Toronto City Council decides to proceed.

Phase I-Pre-Bid will run from April 2005 (following Toronto City Council’s decision to proceed with this phase) until January/February 2006, when Toronto City Council determines whether to proceed with a bid. The estimated cost of the Phase I-Pre-Bid is \$2.1 million. The City, provincial government, and private sector are the proposed funding sources for this phase. The City’s contribution of up to \$1.0 million will be provided through TEDCO’s reserve account funds, as agreed by TEDCO’s management and subject to approval by TEDCO’s Board of Directors as part of its city-wide mandate. A request from City of Toronto staff to the Government of Ontario for up to \$1.1 million will cover the balance of the funding for Phase I-Pre-Bid.

Key studies and projects to be completed in Phase I-Pre-Bid include:

- Detailed site planning, including facilities programming, urban design concepts, landscaping, and integration with current plans;
- Environmental analysis and assessment;
- Engineering consulting for infrastructure, structural (bridges), and marine works;
- Detailed transportation analysis (most extensive for dual Port Lands/Island Airport site);
- Cost estimating and refinement;
- City-wide public consultation;
- Social, art and cultural impact and development studies;
- Theme development;
- Updating Financial and Economic impact models with new and revised information;
- Tourism development, economic development and investment strategy;
- Organizational development;
- Funding plan;
- Development of financial and social accountability reporting system.

Upon completion of Phase I-Pre-Bid, Council will have the opportunity to move forward with Phase II - Official Bid or decline to do so. The estimated costs for Phase II- Official Bid is \$4.4 million, which ends with the BIE decision of the host City in December 2007. The City’s contribution during Phase II-Official Bid is estimated at \$700,000.

Listed below are the necessary timelines, costs, steps and organization structure required for Phase I-Pre-Bid.

Timeline & Phasing Costs

Time Period	Item (decisions indicated in bold)	Estimated Budget
PHASE I – Pre-Bid – April 2005 to January 2006		
April 4, 2005	Feasibility Study and Recommendations presented to Economic Development & Parks Committee (EDPC)	
April 7, 2005	Seek approval of TEDCO’s Board of Directors	
April 12, 13, 14, 2005	EDPC Recommendations presented to City Council Toronto City Council decision to proceed with Phase I	
May to December 2005	- Establish Pre-Bid structure, recruit executive staff, secure office space and equipment (excluding seconded staff) - Obtain local, municipal, provincial, federal support (travel, presentation materials) - Provincial government review, Management Board and Cabinet decisions - Produce detailed studies, master plans and documents as outlined above (consulting, presentation materials) - Attend BIE General Assembly as observer	\$2,100,000
July 2005	Present a status report to Canadian Heritage (Toronto City Council recommendations and feasibility study)	
January/ February 2006	Report to Toronto City Council (detail master plans, themes, cost/deficit guarantees, public consultation, etc.) Toronto City Council decision to proceed with Phase II	
TOTAL PHASE I		\$2,100,000
PHASE II – Official Bid – February 2006 to December 2007		
February 2006	Minister of Canadian Heritage seeks Cabinet approval for bid and funding of federal contribution costs Federal Government decision to proceed with Bid	
March 2006 to December 2007 (2 years)	- Expand to National Bid Organization (Bid Commissioner, executive staff, office space and supplies/equipment) – excluding seconded staff - International lobbying of foreign governments (travel, presentation materials) - Refine master plans and bid documents (consulting, presentation materials)	\$4,287,000
May to November 2006	Prime Minister or Minister of Canadian Heritage submits a detailed Toronto bid to BIE -Bid Fee of \$113,000	\$113,000
May/November 2006	2015 World Expo bids accepted from all other interested countries (Note: once a country submits a bid, starting May 2006, other countries have 6 months to respond with a competing bid)	
February/March 2007	BIE conducts on-site enquiry missions	\$ (included in above)
June 2007	BIE decides Short-Lists from bids	
December 2007	BIE General Assembly selects Expo 2015 host	\$ (included in above)
TOTAL PHASE II		\$4,400,000
GRAND TOTAL		\$6,500,000

NOTE: Dates subject to change

Organizational Structure

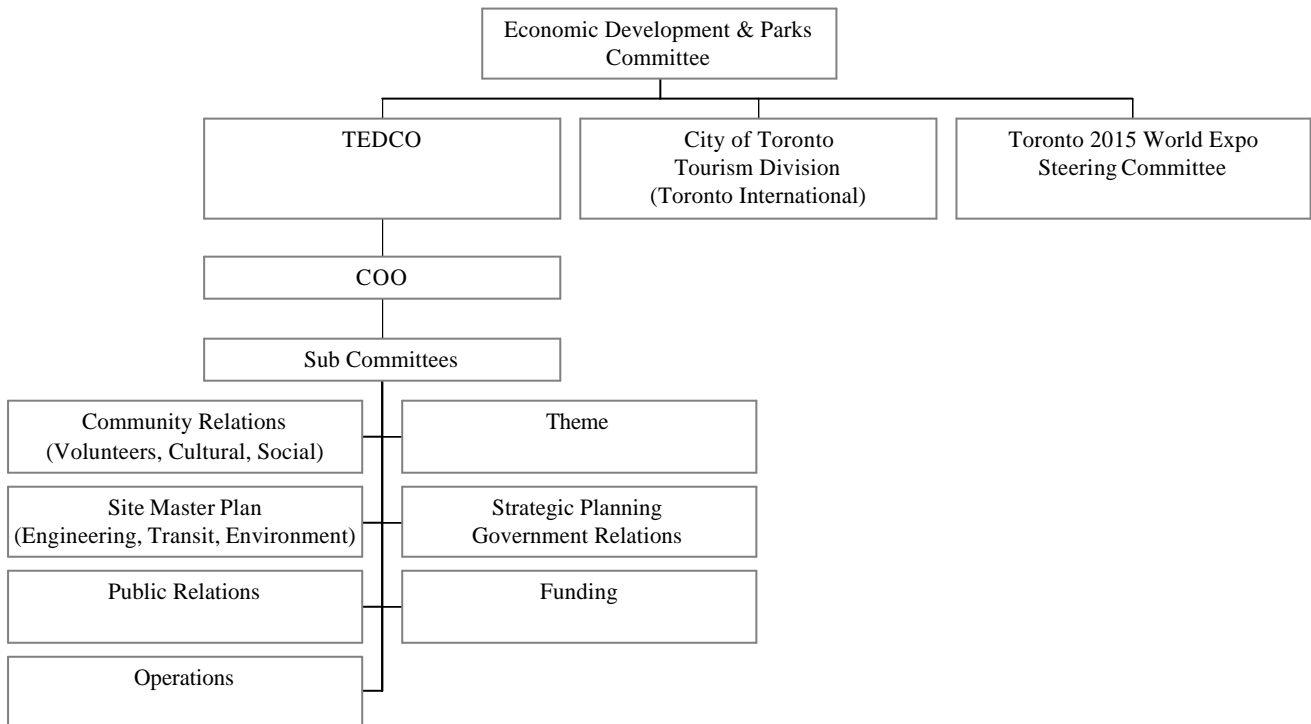
To complete Phase I-Pre-Bid TEDCO will work with the City of Toronto, through Toronto International, to provide executive, administrative and financial functions. Toronto International

will continue to provide administrative support to the Toronto 2015 World Expo Steering Committee and provide strategic direction, assistance and expertise for this Phase, including reporting findings of Phase I-Pre-Bid to Toronto City Council. The Chief Operating Officer (COO) will play an important role during Phase I-Pre-Bid to execute and manage the necessary work required by February 2006.

Should Toronto City Council decide to proceed with Phase II-Official Bid, a new Bid organizational structure (Not-for-Profit Corporation) is recommended with a high profile Bid Commissioner (to be appointed by the Mayor and members of Toronto City Council) to lead this organization through to December 2007.

The Phase I-Pre-Bid organizational and reporting structure is listed below:

*Toronto 2015 World Expo
Phase I – Pre-Bid Organizational Structure*



TEDCO mandate and the Toronto 2015 World Expo project

TEDCO assists the City of Toronto in the implementation of selected elements of the City's broad economic development strategy. Incorporated in 1986, TEDCO pursues industrial development, and attracts and retains jobs in the City of Toronto. TEDCO's mandate was updated by Toronto City Council in 2002 and it is now designated as the City's redevelopment arm with authority to explore, pilot and implement incentives and redevelopment tools as permitted by Provincial legislation and regulations. TEDCO plays an important role in stimulating reinvestment in strategic areas and under-utilised sites across the City of Toronto creating "development-ready" sites and buildings as a catalyst for new employment-related investment.

There are many legacies of a World Expo, direct and indirect, social and financial, but the key intention of pursuing a World Expo bid, is that a World's Expo would be a catalyst for revitalization projects. The feasibility study indicates that all sites would be improved, serviced, and "ready-to-use" following a World Expo for public spaces, transit, industrial and commercial properties, or housing. A Toronto 2015 World Expo will also create an estimated 200,000 jobs leading up to, during and after the event.

Roles and Responsibilities of TEDCO for Phase I-Pre-Bid

TEDCO's primary role during Phase I-Pre-Bid is to work with the 2015 World Expo Steering Committee and City of Toronto through Toronto International to act as the legal entity to provide executive, administrative, technical support and financial functions including:

- Hiring and supervision of COO and senior staff (secondments and new hires);
- Commissioning key studies and reports and hiring consultants and experts as needed;
- Providing office space with furnishing, telephones, computers; office supplies;
- Investing up to \$1.0 million to fund Phase I-Pre-Bid;
- Receiving funding and/or in-kind services from other sources for the project;
- Considering and assessing appropriate land base and infrastructure;
- Providing a representative to the Toronto 2015 World Expo Steering Committee;
- Designing reporting protocols to the various stakeholders.

Composition of Toronto 2015 World Expo Steering Committee

The present Toronto 2015 World Expo Steering Committee (see Attachment #1) will continue to provide strategic direction and expertise during this phase. The City of Toronto will appoint the Steering Committee, who in turn will elect a Chairperson. In addition to adding a representative from TEDCO, the Steering Committee will be expanded to include other experts and government representatives as needed such as:

- Government – federal, provincial, municipal representatives
- Key Agencies - TWRC, TTC, GO Transit
- Sectors – social, labour, cultural, environmental, private

Conclusions:

The feasibility study determined that a Toronto 2015 World's Fair would be feasible (on three potential sites) and recommended that the City should proceed with the next steps. The study concludes that a bid would be successful provided a number of conditions are met. These conditions include undertaking a series of detailed studies; holding community consultations; obtaining provincial financial guarantees; implementing a properly funded organizational structure; and most importantly, obtaining strong and timely political support from all three orders of government. The "Guiding Principles" contained in the feasibility study should be continued into Phase I-Pre-Bid with an emphasis of a Toronto 2015 World's Fair being compatible with existing and new sustainable development plans. A Toronto 2015 World's Fair needs to be seen as a "National Bid" with the federal government's full support.

The projected financial, economic, cultural and tourism impacts are unprecedented for both the City of Toronto and the Province of Ontario. The return on investment can generate \$5 to \$8 for every dollar spent, and would be more than adequate to cover any deficit. The majority of tax revenues will flow to the federal and provincial governments; however, many legacies would primarily benefit Toronto and the GTA. In 2015, there will be a significant tourism spike to Toronto with an estimated 35.1 million visitors.

A “transit-first strategy” that can accommodate the 23.6 million additional visitors over six months will be a critical factor in a successful World’s Fair, leaving a major legacy. A World’s Fair can accelerate and be a catalyst for planned development, making a significant positive statement to the international community. Toronto is already home to some of the country’s largest immigrant communities and cultures, and can be a showcase of culture, innovation and excellence – the embodiment of a World’s Fair.

The bidding process itself provides a great opportunity for Toronto to reach out to the world on a venture of significant magnitude, requiring a great deal of visioning. In doing so, it is possible to create extremely strong partnerships amongst government, the corporate sector and the public. These partnerships, in turn, have the potential to stimulate a number of important legacies including the revitalization of the waterfront and/or Downview sites, enhanced transit systems, social, cultural, economic, tourism benefits, renewed visioning for our City, and enhanced civic pride.

Contact:

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Joe Halstead
Commissioner Economic Development Culture and Tourism

List of Attachments:

- | | |
|------------------|--|
| Attachment No. 1 | 2015 Toronto World Expo Steering Committee |
| Attachment No. 2 | Consortium 2015 Team |
| Attachment No. 3 | “Feasibility Study of a World’s Fair in Toronto in 2015 – Final Report”, Consortium 2015 |

Attachment #1 – Toronto 2015 World Expo Steering Committee

Name	Title	Organization
Bill Allen	Deputy Minister, Ministry of Tourism & Recreation	Province of Ontario,
Brian Ashton	Councillor, Ward 38 Scarborough Southwest Chair of Economic Development and Parks Committee	City of Toronto
Elaine Baxter-Trahair	Project Director, Waterfront Secretariat	City of Toronto
Paul Burns	Senior Council Liaison, Office of the Mayor	City of Toronto
John Campbell	President & CEO	Toronto Waterfront Revitalization Corporation
Nina Gesa	International Program Coordinator, Toronto International	City of Toronto
Joe Halstead	Commissioner, Economic Development, Culture & Tourism Department	City of Toronto
Michael Langford	Director, Investment Development, Ministry of Tourism & Recreation	Province of Ontario
Dale E. Richmond	(expert from past World Expo bids)	
Duncan Ross	Executive Director, Tourism Division	City of Toronto
Alan Tonks	Member of Parliament, York South-Weston	Government of Canada
John Tracogna	Director, Toronto International	City of Toronto
Laura Walters	Cultural Program Coordinator, Toronto International	City of Toronto
Dr. Joseph Wong	Community Activist, Member Toronto 2008 Olympic Board of Directors	
Mike Yorke	Recording Secretary	Carpenters & Allied Workers, Local 27

Attachment #2 – Consortium 2015 Team

Steven Staples, Project Manager
(Planning and Urban Design, Attendance)

Roger du Toit, du Toit Allsopp Hillier
John Hillier, du Toit Allsopp Hillier
Donna Diakun, du Toit Allsopp Hillier
(Planning and Urban Design)

Robert McBride, BA Group
(Transportation)

Jon Linton, TCI Management Consultants
(Tourism/Accommodation)

Greg Young, TCI Management Consultants
(Economic Impact)

Mike Williams, TCI Management Consultants
(Demographics/Population estimates)

Jeff Shamie, JGE International Commerce Network Inc.
(Bid Organization)

Nicole Swerhun
Process Design and Facilitation
(Public Consultation)

Tony Burt
(Advisor - Cash Flow Analysis)

Paul Westbrook, Hanscomb Limited
Dale Panday, Hanscomb Limited
(Cost Consulting)

FEASIBILITY STUDY OF A
WORLD'S FAIR IN TORONTO
IN 2015

FINAL REPORT

March 22, 2005



Consortium 2015:

Steven Staples
du Toit Allsopp Hillier
BA Group
Jeff Shamie
Nicole Swerhun
TCI Management Consultants
Hanscomb Limited

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Note: Numbering of appendices is correlated to corresponding sections of the report.

Executive Summary

The purpose of this Study is to investigate three key questions:

- Is a first category world's fair feasible in Toronto in 2015?
- Should Toronto proceed to the next phase in the bidding process?
- Will a Toronto bid be successful against competing world cities in the vote at the December 2007 General Assembly of the *Bureau International des Expositions* (BIE)?

The provisional answer to each question is YES.

The answers to them have been analyzed in this Study, and must continue to be analyzed and confirmed in the next phases of the process before the submission of Toronto's bid to the Department of Canadian Heritage, and then to the BIE in 2007.

What is a World's Fair?



Expo '92 Seville promotional brochure

World's fairs are often referred to by the date when they were or are to be held as, for example, Canada's Expo 67 and Expo 86 in Montreal and Vancouver. These are examples of the two categories of world's fair, the former a major or 'Registered' fair and the latter a minor or 'Recognized' fair. Since the year 2000 major fairs are to be held every five years. This Study is for a major world's fair in 2015 following Shanghai in 2010.

At the major fairs, which last for six months, the participants normally build their own pavilions using their own architects and designers.

The BIE is the organization that regulates world's fairs and its member nations choose the host cities by secret ballot. The purpose of fairs is educational: they are not trade fairs where the latest car and boat models are unveiled.

Why Host a World's Fair?

Experience from past world's fairs has shown that a successful Toronto Expo 2015 could:

- Stimulate Canada's, Ontario's, Toronto's, and the Greater Toronto Area's economies.
- Substantially improve Canada's travel account balance of payments by increased tourism from outside the country.

- Create major infrastructure that transforms the City of Toronto (i.e. public transit, housing, environmental remediation) and act as a catalyst and accelerator for planned development.
- Increase Toronto's profile as a major international cultural center.
- Create the necessary co-operation between all 3 levels of government and the private sector for a successful Toronto Expo 2015.

The factors that make a world's fair successful are detailed in the body of our Study.

What did Stakeholders Say?

In the course of the Study we have consulted with some 70 stakeholders, representing key interest areas and organizations, through a workshop and individual interviews. The feedback was all constructive and none said outright "under no conditions would a Toronto world's fair be acceptable." They do wish to have their interests taken into account if the bid proceeds further and to continue to be involved in the process.



Stakeholder Consultation Workshop

Recommendations

Our recommendations are:

- that the bid should proceed provided the process will meet the stakeholders' conditions
- that the topics of the fair itself, site, theme and legacies be brought forward in a broad public consultation process
- that further consultation strategies be implemented in the next phase, as detailed in the body of the Study

What are the Financial and Economic Implications?

The proposed Toronto World's Fair Organization is a partnership primarily of three levels of government. This organization, established to plan, build and operate Toronto 2015, is anticipated to generate an increment to government tax revenues of \$5.6 billion - \$2.67 billion federal, \$2.27 billion provincial, and \$277 million to Toronto. Building and hosting the Fair is estimated to create 191,000 jobs.

These additional tax revenues, due solely to the Fair, will cover the estimated deficit of \$645 million resulting from the operations of the Fair organization. The Table on the facing page summarizes these results.

Summary of Financial Results and Economic Impact

	AMOUNT <i>(millions 2005\$)</i>
FINANCIAL RESULTS OF THE ORGANIZERS	
- Capital Costs	\$ 2,042.2
- Operating Costs	\$ 1,605.6
- Total Costs	\$ 3,647.8
- Operating and Other Revenues	\$ 3,002.7
- Surplus (Deficit)	(\$ 645.1)
TAX REVENUES TO GOVERNMENTS	
- Federal Government	\$ 2,671
- Provincial Government	\$ 2,270
- Municipal Governments (in Ontario)	\$ 685
- <i>GTA Municipalities</i>	\$ 555
- <i>City of Toronto (estimated)</i>	\$ 277
- Total Tax Revenues	\$ 5,626
NUMBER OF JOBS	191,037

The Table shown is for one of the three site options analyzed in the Study (the Port Lands/Island Airport option) but the results are very similar in all cases.

Recommendation

Our recommendation is:

- that Expo 2015 be financed in the short term if its positive economic impact is to be realized in the long term

How Many Visitors Could The Fair Attract?



Crowds at Expo 67

Toronto is easily accessible to a very large North American market from which to draw visitors to a world's fair. There will be an estimated population of 74 million within 500 road miles (800 km), or a day's drive, of the City in 2015 and from which some 60% of total attendance is projected to come. This population is located primarily in Ontario, Québec, New York State, Pennsylvania, and Michigan. Adding to this market base and just beyond the 500-mile limit are the major cities of Washington DC, Philadelphia, Baltimore, Newark, New York, Boston, Chicago and Cincinnati. These states and cities, together with the populous states of Ohio, New Jersey, Illinois, Texas and California will form the primary target market areas for a Toronto 2015 world's fair.

The estimated 72 million attendance (visits or turnstile clicks) and 24 million visitors for a Toronto fair is shown in the Table below. The low and high attendance estimates range from 65 million to 80 million visits. The estimate is conservative: if Toronto 2015 were to prove to be as popular as Expo 67 in Montreal it would generate an attendance of 83 million.

No fair has yet had an attendance of this magnitude: the highest to date was 64 million at Osaka, Japan in 1970. The future Shanghai fair in 2010 is projected to attract an attendance of up to 80 million in populous China.

Estimated Attendance and Visitors (millions)

Origin	Attendance	%	Visitors	%
Ontario	28.6	39.7	4.1	15.5
Canada	38.0	52.8	7.5	30.4
USA	30.5	42.4	15.0	64.5
Other Foreign	3.4	4.8	1.1	5.1
TOTAL	72.0	100.0	23.6	100.0

A key finding of our Study is that about 16 million US and other foreign visitors will come to Toronto in the six-month period of the fair. Many of these will visit Toronto only because of the fair. The spending of these additional visitors for travel, for accommodation, for food and gifts, will have a substantial impact in making the fair economically feasible, particularly if strategies are implemented to prolong visitor stays in Toronto and Ontario.

Recommendations

Our recommendations are:

- that the site chosen for Expo 2015 be the most attractive for fairgoers in order to ensure high attendance and favourable word-of-mouth
- that attendance from US and other foreign visitors be recognized as a key factor in the financial feasibility of Expo 2015

Is a Good Site Available?

An attendance of 72 million over six months results in an average day of 400,000 and a 'design day' - the day for which the site and all facilities are designed - of a little over 500,000. Crowds of this size will require a site within the gates of some 430 acres. There is an additional requirement for service facilities of over 200 acres outside the gates, depending on the location and configuration of a specific site.

There are few sites within Toronto of this size. A number were investigated and three were shortlisted: Downsview and two on Toronto's waterfront -- the Port Lands and a dual Port Lands/Island Airport site.

Each of the three is technically feasible if a number of obstacles, both physical and political, can be overcome. These obstacles are described in detail in the main body of the Study.

1. Downsview

Downsview is a landlocked suburban site with little inherent attractiveness. Shepherd Avenue and Keele and Dufferin Streets bound it. The Downsview station on the Spadina subway line could potentially provide the main means of access to a fair site in this location. The federal government owns the land and there are plans to develop a large portion of it for a park. Bombardier maintains a manufacturing plant and runway on the site and the Department of National Defense has permanent facilities there. A north/south CN rail line runs through it.



Aerial view of Parc Downsview Park

This site is only feasible if part of the existing Bombardier runway can be used for fair purposes. Otherwise, it does not have enough contiguous acreage, it has an awkward configuration divided by a rail line, and it is cut off from its main access point, the Downsview TTC subway station. If the runway, in whole or in part, should become available and the proposed extension of the subway line northward provides another station close to the site, then it becomes eminently workable. This option assumes that the Bombardier manufacturing plant remains fully operational

2. Port Lands

This waterfront site, facing Toronto harbour and the city skyline, has the attributes for an exciting venue for a world's fair, attractive to fairgoers. It would be located within an area bounded by the eastern edge of the City's Inner Harbour; by Lakeshore Boulevard on the north, on the east by Leslie Street and on the south by parkland at the edge of the Outer Harbour. A major feature of the site is the Ship Channel at its center. The land is owned primarily by the City, provincial and federal governments.



Aerial view of the Port Lands

It has great potential to advance the current stalled plans of stakeholders in the area as long as timing issues for use of certain portions of the site can be worked out. Its use for a fair would create legacies in the form of serviced land, landscaping and connections across the Ship Channel thus enabling the development of southern parts of the Port Lands sooner than otherwise anticipated. It would also create locations on the water's edge for permanent buildings

that could come to symbolize Toronto as the Sydney Opera House has come to symbolize that city.

Access to the site for the large attendance anticipated is marginally achievable; and current plans and projects in key locations also make the acreage required, particularly for ancillary services outside the fair gates, difficult to achieve.

3. Port Lands and Island Airport

This site would be divided more or less equally between the Port Lands and the existing Island Airport that forms the eastern edge of Toronto's Inner Harbour.

It requires less acreage in the Port Lands and can therefore be better integrated with the plans of stakeholders. It provides more water's edge locations for iconic facilities built either for the Fair or afterward. It opens up the Island Airport to subsequent city building. One way for visitors to move between the two parts of the site, a ferry ride, would be a memorable experience in itself.

There are many examples of fairs divided into two or more parts: the key to making them successful has been a high capacity, free and attractive means for fairgoers of getting between the parts. We are recommending that a new transit system be built between the two parts of the site. The system is conceived to continue eastwards and westwards to serve existing communities. The system is also conceived to connect to, and be an extremely valuable and integral part of Toronto's current and planned public transit systems.

The transit system linking the two parts of this site option is both a strength and a weakness. Its great strength is in improving access to transit in areas now not well served; and in making a major contribution to city building and increased density on the Toronto waterfront. Its weakness is that it is a project not so far budgeted by any government and that may divert attention from other transit priorities. We note that our estimate of economic impact shows a total increment of tax revenues to governments due to the Fair of \$5.6 billion. This would be sufficient to offset the costs of the new system not included in the capital cost estimates of the Fair organization.

The other stumbling block to this site option is the difficult political one of making the Island Airport available for the Fair. This will require timely negotiations between three levels of government to dissolve an agreement slated to run until 2033.

The dual Port Lands/Island Airport is our first-ranked site. We believe that it has the potential to attract visitors and excite world



Aerial view of the Port Lands
- Island Airport Dual Site



Linking multi-site fairs
(Toronto waterfront Dual Site
above and Expo 67, Montreal
below)

media and opinion in the way that Montreal's fair did in 1967 -- in other words, to put Toronto, Ontario and Canada 'on the world map' with an extraordinary fair on both sides of Toronto's harbour.

Recommendations

Our recommendations are:

- that demonstration plans for the three short-listed site options be further advanced in the next phase
- that a priority should be made of further investigating the conditions required for all three sites to quickly assess the political will to proceed with each
- that the dual site be put forward as the preferred option

What Should the Theme of the Fair be?

Three theme options have been briefly investigated in the course of the Study, through the public consultation process and in meetings with knowledgeable persons. They are: Diversity, Environment and Innovation.

It will be a task of the next phase to fully develop a coherent and appropriate theme for a 2015 Toronto world's fair. The leading contender identified in our study is 'Diversity.' This can be interpreted broadly, as required by the BIE for a major fair, and encompasses such fields as culture and demographics, genetics, anthropology, and environmental science.

It is also relevant to the increasing cultural and ethnic diversity of Toronto and Canada, another requirement of the BIE being that the theme is appropriate to the host city and nation. It is a current subject as evidenced by a recent conference held in association with the BIE on the topic of 'Cultural Diversity and Cultural Integration in Cities.'

Recommendation

Our recommendation is:

- that the theme be further investigated by public consultation in conjunction with a panel of experts, starting with 'Diversity' as the leading contender

What Are the Legacies of the Fair?

A world's fair presents numerous opportunities that, if taken, will become legacies of the event. They relate to developing the site and transportation systems for the fair, to city structuring, to culture, to



Theme: Man in the Community, Habitat

tourism and such intangibles as the reputation of the host city and nation.

City Building

- All three site options can contribute to advancing and enhancing plans in their areas which are currently stalled. The stringent deadlines associated with building a fair will provide the focus so that necessary decisions are taken and not delayed.
- The waterfront sites in particular will prepare the way for future development with the installation of infrastructure and building of parks.
- They will also provide locations for permanent iconic facilities, built either especially for the fair or afterward.
- The dual site option will open up the Island Airport to mixed-use development and/or parkland, more consistent with adjacent uses.
- The Downsview option could contribute to the extension of the Spadina subway line to York University while providing access to the fair with a new station.
- The waterfront sites could ensure the construction of current TTC waterfront transit plans, perhaps earlier than would otherwise be the case.
- The construction of a new transitway along the waterfront in association with the dual Port Lands/Island Airport site could transform the development of the whole Toronto waterfront and become an integral part of the TTC transit network.



Canada Place, legacy of Vancouver's Expo 86

Culture

- Opportunity to showcase Canadian talent (both 'high' and 'pop' culture) and provide a boost to the careers of individuals and groups in all the arts.
- Unexpected synergies between individuals and groups brought together by the Fair's cultural programs.
- Permanent works of art (music, painting, sculpture, drama, etc.) specially commissioned by the Expo Corporation for its buildings and the site.
- Advancement of current culture plans by the City and arts groups.
- Attraction of talent in planning and building the Fair and their retention after the fair to strengthen the City's arts communities.

Tourism

- The very large influx of tourists for the Fair, especially from the US, provides the opportunity for the tourism industry to invest in new facilities, and to upgrade existing ones.

- There is the opportunity for all segments of the tourism industry, working together, to capture and retain Fair visitors as new tourists after the Fair. This could result in 8,000 new tourism industry jobs and nearly \$1 billion of additional economic impact sustained annually after the Fair if all parts of the tourism industry continue to work together to promote Canada, Ontario and Toronto.

Civic Engagement

- By continuing to share information and consult with communities through the World's Fair bid process, the process itself is contributing to a legacy of civic engagement that has proven important to Torontonians.

Putting Toronto, Ontario and Canada on the Map

Past experience shows that a world's fair can capture the imagination of visitors and the world media and thereby ensure that the profiles of the host city and country are raised to another level. This can only happen if the Fair is well operated and promoted, and has a very attractive site that is boldly and imaginatively planned.

Toronto has such an opportunity in the dual site with the Fair on both sides of the harbour and facing the City's downtown skyline. It is our view the Fair on this site would be an extraordinary event in addition to providing by far the most important city-building legacies of the three.

Recommendations

Our recommendations are:

- that the dual site be promoted as the option having the most important city-building legacies
- that legacies be further developed as a key strategy in the next phases of bidding for and planning the fair

What are the Risks?

There will be risks in undertaking both a bid for Expo 2015 and, should Toronto win the bid, in building and operating the Fair.

The main risks during the bid process are weak political support, especially from the federal government, which must play a key role in winning a bid; and that time constraints may undermine the preparation of a thorough bid. Other risks that may be managed include changes in governments, community opposition and competition from international cities.

The single greatest risk if Toronto wins the bid for Expo 2015 is the occurrence of a pandemic. Other less severe and more manageable risks include a terrorist threat, an economic recession, escalating costs, and budgetary and time constraints.

Can a Bid for a BIE Fair Succeed?

The first test for a successful Toronto bid is to be placed on the BIE short list of fairs for the final vote. There is little doubt that Toronto will meet this test based on past experience and current information from persons associated with the BIE.

The principal test will be in the competition with other finalist cities. This competition will be strong, although not certain at this time, and will require the committed support by all levels of government and the private sector. The absolute commitment of the Prime Minister and senior Cabinet members is of crucial importance in approaching and lobbying their foreign government counterparts. Every political lever that Canada can bring to bear must be used in what is essentially a geo-political poker game. The message must be conveyed that, this time, Canada really wants to host Expo 2015.

Feedback from our interviews leads us to believe that Canada is now in a strong position, with its excellent record on holding successful fairs, its commitment to the BIE organization, its technical know-how and creative talent, and its proximity to a large potential market, to win the bid.

Recommendation

Our recommendation is:

- that obtaining the committed support of the federal government for the bid process be a priority for Toronto's Bid Organization

What are the Next Steps?

Phase 1

The immediate next step, should Toronto City Council at its April meeting decide to proceed further, will be to undertake the necessary detailed work to allow a final decision on whether or not to submit a bid to the federal government. This phase is anticipated to take until approximately January 2006.

There are two alternative models for an organization to lead this task: the first is the continuation of the current Expo 2015 Steering Committee with some modification to its membership and



Toronto skyline

leadership. A Toronto 'champion' is needed to lead the Committee. The Committee would have to be supported by an existing agency or corporation with the legal ability to enter into contracts for the additional studies that must be done. The Committee could act on an interim basis until a Bid Corporation is established, or it might be necessary for it to continue for the whole of the first phase.

The second model is a fully functioning legal organization supported by a partnership of governments and the private sector, with a representative Board of Directors, a Bid Commissioner (CEO), a COO, and staff.

Independent Advisory Committees in such areas as culture, social issues, the environment and tourism would support both the Steering Committee and the Bid Corporation.

The budget requirement for the first phase is estimated at \$2.1 million to be paid principally by Ontario and Toronto with support from other GTA municipalities and the private sector.

Phase 2

Phase 2 would start with a Toronto City Council decision to submit a formal bid to the federal government for evaluation at the beginning of 2006, and end with the vote by BIE members in December 2007 on the choice of the successful city to host Expo 2015.

Key milestones would be the decision by the federal Cabinet to support the bid and the establishment of a tri-partite Bid Organization in March/April 2006; the formal submission of Toronto's bid to the BIE by the Prime Minister in mid-2006; hosting the BIE Pre-Enquiry mission in February or March 2007; and Toronto's final presentation at the BIE General Assembly in December 2007.

The Bid Corporation would be established early in Phase 2 or develop out of the Phase 1 Bid Corporation if that is already in existence. The Board would be strengthened with a greater federal government presence and more at-large members from across Canada and with world's fair experience. The Organization's principal task will be to lobby for the support of Canada's bid from BIE member nations.

The Phase 2 budget of the Bid Corporation, on an annual basis, is estimated at approximately \$2.2 million provided primarily by Canada and Ontario with support from Toronto and the private sector.

Role of Ontario

The BIE requires that the central government, when submitting a city's bid, guarantee the finances of the proposed fair. In Canada the federal government requires that the provincial and municipal governments provide the guarantee. Effectively this means that the provincial governments must fulfill this responsibility since cities are creatures of the provinces.

Recommendations

Our recommendations are:

- that Toronto City Council approve proceeding to Phase 1 of the bid process as described in the body of our Study;
- that steps be taken to establish an organization with the capability and leadership to undertake the necessary Phase 1 work;
- that the participation of the provincial government be negotiated as a partner in the initiative;
- that support from the private sector be actively sought; and
- that the necessary budget be allocated to undertake the required work.

1 Introduction

This Feasibility Study for a major World's Fair in Toronto in the year 2015 was commissioned by the City of Toronto's Economic Development, Culture and Tourism Department in December 2004.

A number of principles were adopted early on to inform all aspects of the Study. The most important of these were:

- To work closely with those agencies and departments currently responsible for plans in the locations of the candidate world's fair sites, the objective being to support, enable and enhance their plans;
- To make the Study as open as possible within the limits of the time available; and
- To identify opportunities for long-term legacies that could be experienced as a result of hosting the Fair.

In adhering to these principles we have had discussions with the main and related agencies responsible for planning on the candidate sites. We have held a Workshop for community stakeholders and interviewed many others, locally nationally and internationally. We have identified and listed a large number of legacies from bricks and mortar to the less tangible.

Background

What is a world's fair? It is not a commercial enterprise such as a trade fair showing the latest models of cars or boats. Its primary purpose is educational; it does this by bringing together many nations - that is why it is a world's or international fair - to illustrate important issues of the day and how they might be addressed. The participants will try to exhibit these issues, or the theme of the fair, in entertaining ways.

There are two categories of world's fair: major and minor ones. The former are now held every five years and last for six months. The latter take place in the years between the major fairs and last a maximum of three months. At the major fairs the participants normally build their own pavilions using their own architects and designers, while at the smaller fairs the host country provides the space within which the participants install their exhibits.

Canadian examples of the two categories are Montreal's Expo 67, a major fair, and Vancouver's Expo 86, a minor one.

The body that regulates the types of fairs to be held, their frequency,

the selection of host cities and some aspects of their organization and operation is called the *Bureau International des Expositions* or BIE. The BIE has its headquarters in Paris and normally meets twice a year in General Assembly. It currently has almost 100 member nations that vote on issues, including the selection of the next host city.

Toronto's bid if approved by City Council must then receive the financial support of the Provincial government. The bid can then be forwarded to the federal Department of Canadian Heritage (PCH) for review and eventual Cabinet approval. The BIE regulations require that the Prime Minister or his designate make the formal submission of the bid to the Bureau.

The process of bidding for a world's fair has similarities with bidding for an Olympic Games in that members of a body - the BIE or the International Olympic Committee (IOC) - vote to choose a host city. However, the BIE is government oriented while the IOC is much more private sector. Also, a six-month world's fair's revenues are dependent on high attendance while a three-week Olympic Games depends for its revenues primarily on the sale of TV rights.

Appendix 1.1 describes world's fairs and the BIE in greater detail.

Purpose of the Study

This Study has three essential purposes:

- To determine whether a world's fair would be feasible in Toronto in 2015;
- To determine whether Toronto should proceed to the next phase in the bidding process; and
- To assess whether a Toronto bid would be successful against competing world cities in the vote at the Bureau International des Expositions General Assembly in December 2007.

In undertaking the Study we have had to restrict ourselves to analysis of the finances of the Fair Corporation established to plan, build and operate the fair, and to the resulting economic impacts. We have assumed, as was the case in all other US and Canadian world's fair feasibility studies with which we are familiar, that certain costs would not be on the books of the Fair Corporation. The general principle, which we have adopted, has been that the costs of infrastructure and facilities that are already planned would be excluded from the costs of the Fair Corporation even though they might be essential for the operation of the fair and even though the timing of their construction might be brought forward because of the fair.

We are very much aware of the political dimensions of such a large

and difficult project including successfully bidding for, and then building, operating and paying for a major world's fair. Political decisions must be made at a number of points in the process. Our task has been to provide some of the answers to allow those decisions to be made.

This study is structured into three main parts: various aspects of feasibility; a description of the next steps that must be taken if a bid for Toronto 2015 is to proceed; and an evaluation of whether Toronto is likely to succeed if it does make a bid.

Feasibility

In Sections 2 through 10 we analyze a number of aspects related to the technical feasibility of a Toronto World's Fair and the extent of the legacies that would come after it. We start with the estimate of the attendance the fair could generate. This determines many aspects such as the size of site that would be required; the extent of transportation systems needed to bring visitors first to Toronto and then to the fair site; the kinds and costs of facilities needed to serve the visitors; the financial requirements; and the economic impact of building the fair and of the spending of visitors to the fair.

An important section describes the major efforts undertaken to ensure that Study would be as open and transparent as possible within a very short timeframe.

We also look at options for a theme for the fair, its cultural implications, and a wide variety of legacies of the fair.

The Next Steps

Section 11 describes the steps that must be taken to make a bid to the BIE. It enumerates the main actions necessary and shows the kind of organization that must carry the bid forward, together with preliminary estimates of the costs involved.

The section is divided into two parts: the first, from a decision by Toronto City Council in April 2005 to undertake detailed analysis of all aspects of feasibility to a final decision by Council to proceed with a bid in early 2006; and second, until the vote by BIE members in December 2007.

A Successful Bid

The last section evaluates the chances of Toronto making a successful bid in competition with other world cities. The lessons learned from Toronto's two previous bids for World's Fairs (for 1998 and 2000) are also analyzed. Finally, the risks involved both in making the bid and, if successful, hosting the fair are assessed.



Crowds at Expo 67, Passport to Expo 67 allowing multiple entries

2.0 Attendance

The estimate of attendance is the basis for many parts of a world's fair feasibility study: the size of site needed, the amount of exhibition space, the number of facilities to serve the fairgoers, costs and revenues, the financial analysis, and the fair's economic impact.

The Estimate

We estimate that a Registered, or major Toronto World's Fair in 2015, sanctioned by the *Bureau international des expositions (BIE)*, will draw an attendance of 72 million (**visits** or turnstile clicks) over a period of six months. The range of attendance is estimated to be from 65 million to 80 million.

Since some fairgoers will attend the fair only once and others many times - especially those in the Greater Toronto Area - the average visitor will attend about three times. Therefore the actual number of **visitors** will be some 24 million.

Exhibit 2.1 shows these numbers and some information on where we estimate that fair visitors will come from.

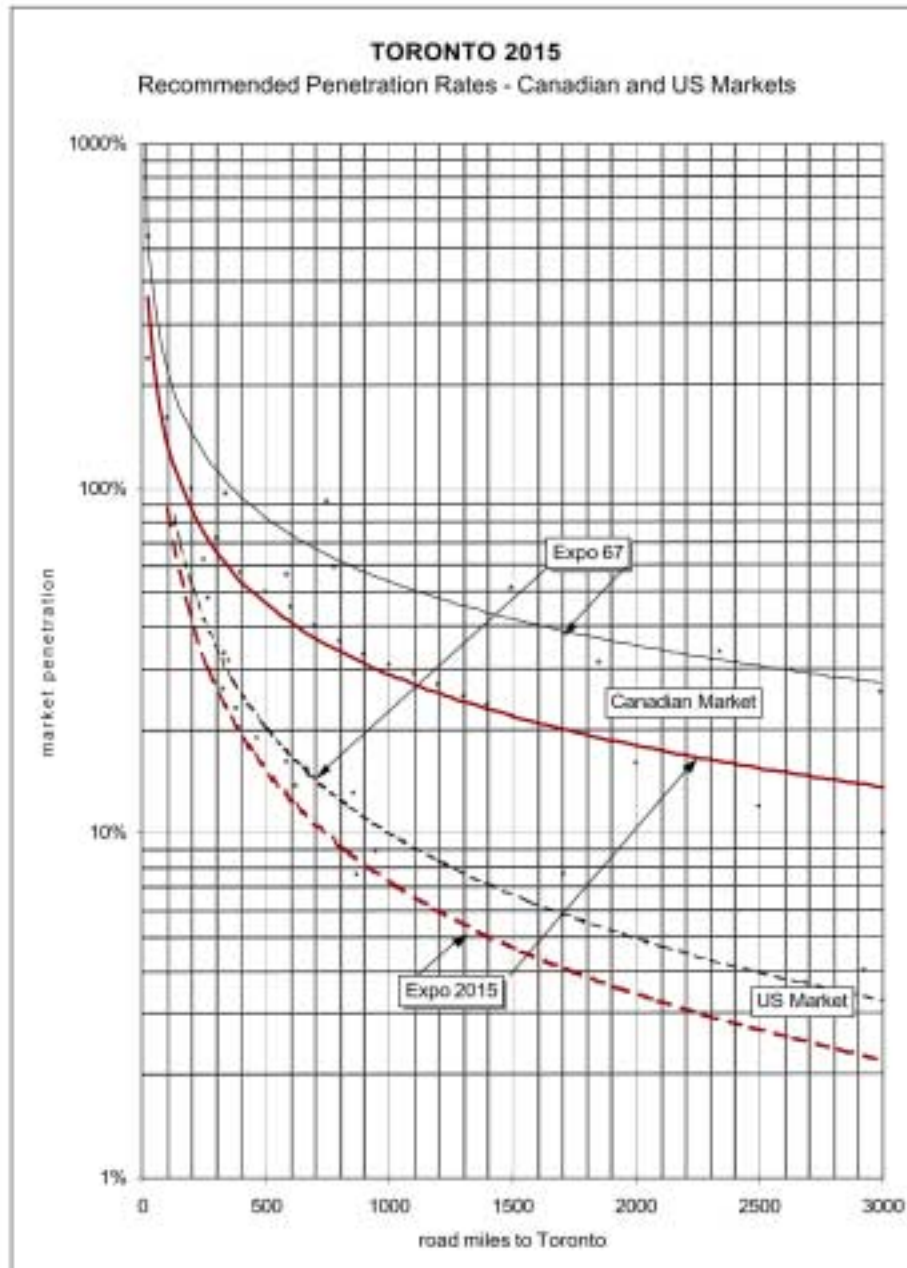
EXHIBIT 2.1
Estimated Attendance and Number of Visitors

Geographic Area	2015 Pop. Estimate	Pen Rate Estimate	Attendance Estimate	Per Cent of Total	Visits per Visitor	Visitor Estimate	Per Cent of Total
	1000's	%	1000's	%		1000's	%
CANADA							
Ontario	13828.1	206.7%	28588.4	39.70%	7.05	4053.2	15.50%
Québec	8253.3	79.3%	6541.4	9.08%	3.23	2023.0	8.71%
British Columbia	4671.0	16.9%	789.7	1.10%	2.00	394.8	1.70%
Alberta	3530.1	20.9%	738.3	1.03%	2.00	369.2	1.59%
Manitoba	1200.3	30.1%	361.1	0.50%	2.00	180.5	0.78%
New Brunswick	774.8	41.2%	319.4	0.44%	2.25	141.9	0.61%
Nova Scotia	964.0	33.1%	318.8	0.44%	2.00	159.4	0.69%
Saskatchewan	989.4	24.5%	242.9	0.34%	2.00	121.4	0.52%
Newfoundland	508.0	15.0%	76.2	0.11%	2.00	38.1	0.16%
PEI	142.1	35.0%	49.8	0.07%	2.00	24.9	0.11%
NWT	44.4	10.0%	4.4	0.01%	1.50	3.0	0.01%
Yukon	33.5	7.5%	2.5	0.00%	1.50	1.7	0.01%
Inuvik	32.6	5.0%	1.6	0.00%	1.00	1.6	0.01%
SUB TOTAL	34971.5	117.0%	38034.4	52.82%	5.06	7512.7	30.39%
USA							
New York	19959.1	23.8%	4748.7	6.59%	2.28	2083.9	8.97%
Michigan	10286.7	25.0%	2571.7	3.57%	2.00	1285.8	5.53%
Pennsylvania	12573.1	20.0%	2514.6	3.49%	2.00	1257.3	5.41%
Ohio	11637.4	17.0%	1978.4	2.75%	2.00	989.2	4.26%
Illinois	13313.6	11.5%	1531.1	2.13%	2.00	765.5	3.29%
New Jersey	9286.4	14.5%	1346.5	1.87%	2.00	673.3	2.90%
Texas	25663.1	4.5%	1154.8	1.60%	2.00	577.4	2.48%
California	43573.0	2.4%	1045.8	1.45%	2.00	522.9	2.25%
Rest of USA	174166.4	7.8%	13658.3	18.97%	2.00	6829.2	29.39%
SUB TOTAL	320458.8	9.5%	30549.9	42.42%	2.04	14984.5	64.49%
OTHER FOREIGN							
SUB TOTAL	N/A	N/A	3429.2	4.76%	3.00	1143.1	5.13%
GRAND TOTAL	N/A	N/A	72013.5	100.00%	3.05	23640.3	100.00%

Market Penetration

The term used to measure the level of attractiveness in distinct geographic market areas is called the 'Penetration Rate.' It is defined as the number of visits - or attendance - that is generated from the population of a geographic area such as a Province or State. The number of visitors from each area is a function of the average number of visits each fairgoer makes to the fair. The number of visits made from the areas declines with distance from the fair's host city.

EXHIBIT 2.2



For example, if a market area has a population of one million and a penetration rate of 10%, it would generate 100,000 visits to a fair. Assume also that on average the visitors from the area each attend the fair twice, then the number of visitors from the area will be 50,000.

The comparative attractiveness of a Toronto World's Fair in 2015 and Expo 67 is shown in Exhibit 2.2. If Expo 2015 proves to be as attractive as was Expo 67, it will draw an attendance of over 83 million visits. Thus our current estimate is conservative.

Market Size

There is a direct correlation between the size, density, and proximity of the markets potentially available to a fair and the level of attendance it achieves. The size and growth in the markets from which we estimate that some 95% of Toronto's attendance will come is shown in Exhibit 2.3.

EXHIBIT 2.3
Population Change 1967 - 2015

	Montreal 1967	Toronto (est) 2015	Change
	millions	millions	%
Population Canada	20.4	35.0	71%
Population USA	197.5	320.5	62%
Total Population	217.9	355.4	63%
Population < 500 road miles	44.5	74.0	66%

Within Canada, the population of Ontario is estimated to grow by 93% between 1967 and 2015. This is an even faster growth rate than those of Canada and the USA, projected to grow by 71% and 62% respectively.

Clearly, Toronto is close to a large and dense population from which Expo 2015 visitors would be drawn. Research on the experience of previous fairs shows that a large percentage of visits - 60% and over - comes from an area within a day's drive of the fair's host city. The size of this population for Toronto in 2015 is estimated at 74 million people, primarily from Ontario, Québec, New York State, Michigan and Pennsylvania. This does not include a number of cities, which are just beyond 500 miles (800 km) by road from Toronto. This distance is used as the cut-off beyond which few people will drive in one day. Cities just beyond 500 miles from Toronto include

Washington DC, Philadelphia, Baltimore, Newark, most of New York City, Boston, Chicago, and Cincinnati.

Site Size

The calculation of the size of site needed to accommodate the expected number of visitors at a fair depends on the application of three factors to the estimated attendance. These are:

- The 'design day' attendance
- Peak on-site crowd on the design day, and
- Desirable crowd density.

Design Day Attendance

The 'design day' is the day's attendance for which all fair facilities (site area, amount of exhibit space, number of restaurant seats, number of toilets, number of entry turnstiles, width of pathways, etc.) are designed. These facilities cannot be designed for the average day - they would then be overcrowded half the time - nor can they be designed for the peak day since they would be underused all except one day. The design day is somewhere between the average and peak days and, through experience, is usually defined as 0.7% of total attendance. This is close to the median of five methods of defining the design day and approximates the 80th percentile day at Montreal 1967. This means that on 20% of the days facilities will be somewhat, but acceptably, crowded.

The design day for Toronto 2015, based on six months of operation and a total attendance of 72 million, is estimated at 504,000.

Peak On-Site Crowd

Not all the day's visitors will be on the fair site at one time since some may leave early and others arrive late. Previous experience indicates that for major fairs 60% of the total day's attendance on the design day is the maximum on the site at one time. We assume 60% for purposes of Toronto 2015, resulting in a peak on-site crowd of 302,400 that will occur in the early afternoon.

Crowd Density

The acceptable crowd density at fairs and similar events has been established as a range between 600 and 800 persons per acre. Since crowds do not distribute themselves evenly over an area there will be localized density peaks that may reach 1000 persons per acre. Beyond this level, movement will be restricted, enjoyment of the fair will be compromised, and safety hazards may develop. For the purposes of the study we assume a desirable density of 700 persons per acre.



Crowds at Expo 67

Site Area Required

The site areas needed to accommodate the estimated level of attendance at Expo 2015 are summarized in Exhibit 2.4.

The critical figure shown in the Table is for the Main Pavilion Area.¹ There is some flexibility in the extent and location of the ancillary services outside the gates. Their location and size will depend to some extent on the location and configuration of the site option being analyzed. No allocation is made in the Table for parking requirements or terminus facilities for transportation facilities

EXHIBIT 2.4
Site Area Requirements

SITE CATEGORY	EXPO 2015	
	acres	hectares
Main Pavilion Area	432	175
Major Open Space *	50	20
Total inside the Gates	482	195
Administration *	5	2
Services *	25	10
Total outside the Gates	30	12
TOTAL	512	207

* Allowance only.

providing access to the fair. These will depend entirely on the location of each site in relation to existing and planned access systems.

A Key Finding

A key finding of our attendance analysis is that about 16 million US and other foreign visitors - 67% of the total of 24 million - will come to Toronto in the six-month period of the fair. Many of these will visit Toronto only because of the fair. The spending of these additional visitors for travel, for hotel rooms, for food and gifts, will have a substantial impact on the Toronto, Ontario and national economies. This impact will be even more substantial if strategies are implemented to prolong their stay during their visits to the fair, and to return in the years after the fair.

¹ The Main Pavilion Area of 432 acres (175 hectares) is calculated by dividing the peak on-site crowd of 302,400 by the desirable density of 700 persons per acre.



Toronto skyline

3. Capability of Toronto to Host a Fair

This section looks at the capability of the Greater Toronto Area (GTA) and Ontario to handle the large number of visitors expected at Toronto 2015. First we review the supply of, and demand for accommodation in the region. Then we review how they are expected to travel to the Fair and whether current transportation facilities will be able to handle the demands that will be placed on them.

3.1 Tourist Accommodation

In this section, we review the supply of accommodation in the Toronto region to determine whether there is sufficient capacity to host the World's Fair. Our estimates of demand (Section 8.2) for tourism indicate a total of 52.1 million additional visitor nights from tourists which will include 3.4 million visitor nights from 'regular annual' tourists (i.e., tourists who are in Toronto for other reasons, and choose to visit the Fair) and an additional 48.7 million visitor nights from 'destination' tourists who visit the Fair for that reason.

EXHIBIT 3.1
Additional Visitor Night Demand

From 'regular annual' tourists	3.4 million visitor nights
From 'destination' tourists	48.7 million visitor nights
From all tourists	52.1 million visitor nights

For the purposes of the model, we have assumed that the Toronto/Southern Ontario accommodation market is well equipped to handle regular tourism, since Toronto occupancy rates were 57% in 2003 and are projected to be 63% for 2004 and 64% for 2005.¹ Further, historically the hotel room stock has been increasing at approximately 1% per year which should be sufficient to accommodate long term growth in demand which is expected to be on the order of 1.02% per year for tourists visiting Ontario.²

¹ Source: 2004 - 2005 Canadian Accommodation Outlook Forum, PKF Consulting, November 2004.

² We have used Toronto's 2002 tourism as the base year for long term projections.

Based on the expected attendance to the Fair, the challenge will be to accommodate the additional 52.1 million visitor nights from regular and destination visitors who extend their stay. Based on data from Expo 67, tourists visiting Montreal were accommodated with 31% occupying hotels and motels as shown in Exhibit 3.2 below:

EXHIBIT 3.2
Accommodation Demand

Accommodation Type	Expo 67 Distribution	Implied Demand (nights) Expo 2015 Design Day
Hotels/motels	31%	43,000
Other commercial (B&B, etc.)	44%	59,000
Friends/relatives	21%	N/A
Other	4%	N/A

If we assume the demand for hotels and motels from destination tourists would be similar in Toronto as it was at Expo 67, and that the average number of persons per room in this accommodation is 2.5, this implies a demand for 43,000 hotel/motel rooms per night for the design day³ over the 6 months of the Fair, over and above the usual demand.

On the supply side, there are projected to be 100,700 hotel/motel rooms within 100 km of the GTA (under normal circumstances). If we assume that the occupancy rate from 'normal' tourism is 75% during 2015, we would expect this normal occupancy rate to drop off by 20% to 60% during the Fair period as a number of these tourists would choose to avoid Toronto unless they are interested in visiting the Fair. This implies a supply of 43,000 rooms would be available (40% of 107,000) during the Fair to accommodate additional tourism generated by the Fair. Demand would roughly match supply.

Using similar analysis, there would be a demand for an average of 59,000 rooms (or campsites) per night on the design day from the other commercial market which includes B&Bs, apartment hotels, college and university dormitories, and campgrounds. Exhibit 3.3

³ i.e. 52.1 million additional visitor nights of demand, times 31%, times 1.2 (for the design day), divided by 2.5 persons per room, divided by the 180 days (nights) of the Fair.

EXHIBIT 3.3
Accommodation Supply from 'Other Commercial' Sector

	Apartment Hotels	B&B	College Dorms	Campground sites	Total Available Supply Other Commercial
Units	12,000	3,300			
Rooms (sites)	18,000	10,560	55,000	51,300	134,860
Assumed Supply rate (%)	50%	50%	40%	50%	46%
Effective supply rooms (sites)	9,000	5,280	22,000	25,650	61,930
Persons /room (site)	3.00	2.50	2.00	3.00	2.60
Persons/night accommodated	27,000	13,200	44,000	76,950	161,150

above shows the accommodation that can be supplied from the 'other commercial' sector. This segment is able to supply effectively 62,000 rooms (or campsites) and is able to accommodate 161,000 Expo visitors per night. There would still be an adequate supply of rooms (or campsites) in this segment of the market, but accommodation would be tight.

Supply meets demand in the hotel/motel sector and slightly exceeds the demand in the other commercial markets for the design day requirement, particularly as there is a need to use most accommodation within 100 kilometres of the GTA for design day purposes. In fact, pricing practices in the hotel/motel sector are likely to have some effect in terms of spreading out demand over the Fair period on a more even basis.

The industry and tourism stakeholders may wish to increase supply and there are a number of ways this could be encouraged. It is possible that given the existence and promotion of the Fair, that the commercial market may bring on an increased number of units. (Each of Barcelona and Sydney reportedly experienced a 30% increase in hotel supply for the Olympics). Further, it may be possible to use hotels/motels further from Toronto than the 100 km from the GTA ring in the tables above.

If it is necessary to increase supply from a variety of sources, the following strategies can be undertaken to accommodate this six-month spike in demand:

- develop a shuttle bus / train network to utilize the base of accommodation within the 100 - 200 km. zone outside of Toronto - a

rough estimate is that there may be another 25,000 rooms in this zone - assuming that the occupancy here were the same as in the Toronto area, there could be on the order of 16,000 rooms available from this source

- intensive use of college dorms - many college dorms are used during the summer period, but many are also available - the model above assumes that these rooms would be available for only 3 or 4 of the 6 possible months and that 20% of these units would be taken by local education institutions. A more aggressive booking of these units and reaching to university/college communities within the 100 - 200 km. zone, could add another 5,000 or so rooms that might be available by including them in the shuttle network. Another approach in Ontario would be to delay the start of the school year during the Fair in order to make more rooms available.
- encourage increased supply of apartment hotels - the above model assumes that apartment hotels come on stream at a historic pace to the year 2015. However, it is relatively easy to convert condominium units to this type of accommodation which could have the effect of adding 5,000 to 10,000 units if aggressively encouraged.
- encouragement of more B&Bs - another avenue might be to encourage more B&Bs to be developed in the GTA (on either a temporary or a permanent basis) - a variation on this is to allow more commercial billeting for households with available rooms - if the stock were to be increased by 25%, this would only add approximately an additional 2,500 rooms within B&Bs to the available inventory.
- add to the supply of camping - it may be possible to set up campgrounds, RV and trailer parks in the GTA on a temporary basis. This could add approximately an additional 2,000 to 5,000 campsites to existing supply.
- encourage temporary rentals - some additional supply could be accommodated through the temporary rental of vacated residential units in the City and outlying regions - for example, an agency could be set up to organize this so that when Toronto residents are out of the City on vacation in the summer, their houses/condominiums/apartments are rented out as temporary accommodation to Expo visitors (the agency would screen guests, and make all necessary arrangements for the exchange) - this could enlarge the supply considerably - we conservatively

estimate an additional 10,000 rooms effectively could be brought on-stream through this approach.

- cruise ships - cruise ships are a limited possibility since only small ones up to 400 passengers can navigate the Great Lakes and there is limited docking space for only 2 or 3 ships at most - still, this could add another 1,000 effective rooms to the available supply.

If all of the foregoing strategies were employed, on the order of 50,000 rooms of additional supply could be brought on to the market in order to meet the temporary spike in demand. Accordingly, while no single one of these strategies is a 'magic bullet' that will by itself solve the Expo accommodation shortage, some combination of them would likely be effective.

Another possibility is to try to encourage more of the demand to be diverted into the VFR (visiting friends and relatives) accommodation stream, rather than paid accommodation. If, for example, through an intensive social advertising campaign, the proportion of those seeking paid accommodation were to drop from 31% (as discussed above) to only 25% (by encouraging residents to encourage visitors to stay at their homes rather than in paid accommodation) then the demand for additional rooms would drop by approximately 6,000 rooms.

3.2 Travel to and from the Greater Toronto Area

Although large numbers of fairgoers would be resident within the Greater Toronto Area, a substantial majority of fairgoers would enter the GTA via the international airport, roadway corridors leading to the bridges across the Detroit River to Michigan, the Niagara River to upstate New York and the St. Lawrence River, and roadway corridors within Ontario leading to/from the GTA.

The anticipated net increase in the numbers of foreign visitors to Canada specifically generated by a world's fair has been calculated, distributed amongst the wide range of origins and assigned to the border crossing locations cited above. In addition, the net increase in travel into the GTA from other locations within Canada has been estimated and assigned to the roadway corridors, railways and airport mode options.

Road travel would be both by private automobile and by chartered motor coach. There would also be significant increases in the

demand for air travel to the GTA largely focused on the Pearson International Airport. Although long distance travel by railway is not a significant proportion of the total inter-regional travel market, it is likely that there would be an increase in travel by this mode which would represent an opportunity for VIA Rail.

Access by Road -- International

The demand for border crossing by automobile would increase significantly as follows:

- Detroit River -- an additional 4,300 daily automobile crossings each way (in the year 2000 the typical daily automobile crossings was 78,000 on two bridges and a tunnel)
- Niagara River -- an additional 5,200 automobile crossings each way (in the year 2000 the typical daily automobile crossings was 57,000 on four bridges)
- St. Lawrence River -- an additional 2,000 daily automobile crossing each way (in the year 2000 the typical daily automobile crossing volume was 14,500 on three bridges)

Due to steadily increasing base line demand, there are future vehicular capacity shortfalls which have been identified by several authorities for the border crossings on both the Niagara River and the Detroit River. There are ongoing studies relating to the issue of border crossing capacity along both of these frontiers that have indicated the need for additional vehicular border crossing capacity to be developed and in place prior to the planned date of the world's fair in 2015.

There would also be a significant increase in the demand for international tourist travel by charter motor coach into Ontario as a result of a world's fair. Increased average daily border crossings by motor coach in the order of 19,000 persons each way would be anticipated. This would represent an increase in vehicular border crossing in the range of some 400 to 500 motor coaches each way. The increase in tourism travel to Ontario generated by the World's Fair would represent a substantial opportunity for the motor coach industry. There would be sufficient available capacity in the North American industry to accommodate the additional demand.

Access by Road - Aggregate

An estimate has been made of the net increase in demand for road travel on the principal roadway corridors entering the GTA at a radius of approximately 80 kilometres from the Toronto central area. This would include the international travellers noted above as well as fairgoers travelling by road from origins within Ontario and the rest of Canada.

It has been estimated that there would be a net increase in road travel by automobile as follows:

- Highway 401 west -- 4,800 automobiles daily in each direction
- Highway 401 east -- 3,700 automobiles daily in each direction
- QEW in Niagara -- 5,400 automobiles in daily each direction
- Highway 400 -- 500 automobiles daily in each direction

In addition, there would be an increase in road travel by motor coach of approximately 24,500 persons each way into and out from the GTA. This would imply an increase in the number of motor coaches moving into and out from the GTA in the range of 500 to 600 each way as a consequence of the increase demand generated by the world's fair.

There are certain sections of highway at the perimeter of the GTA which currently operate at or near capacity over substantial portions

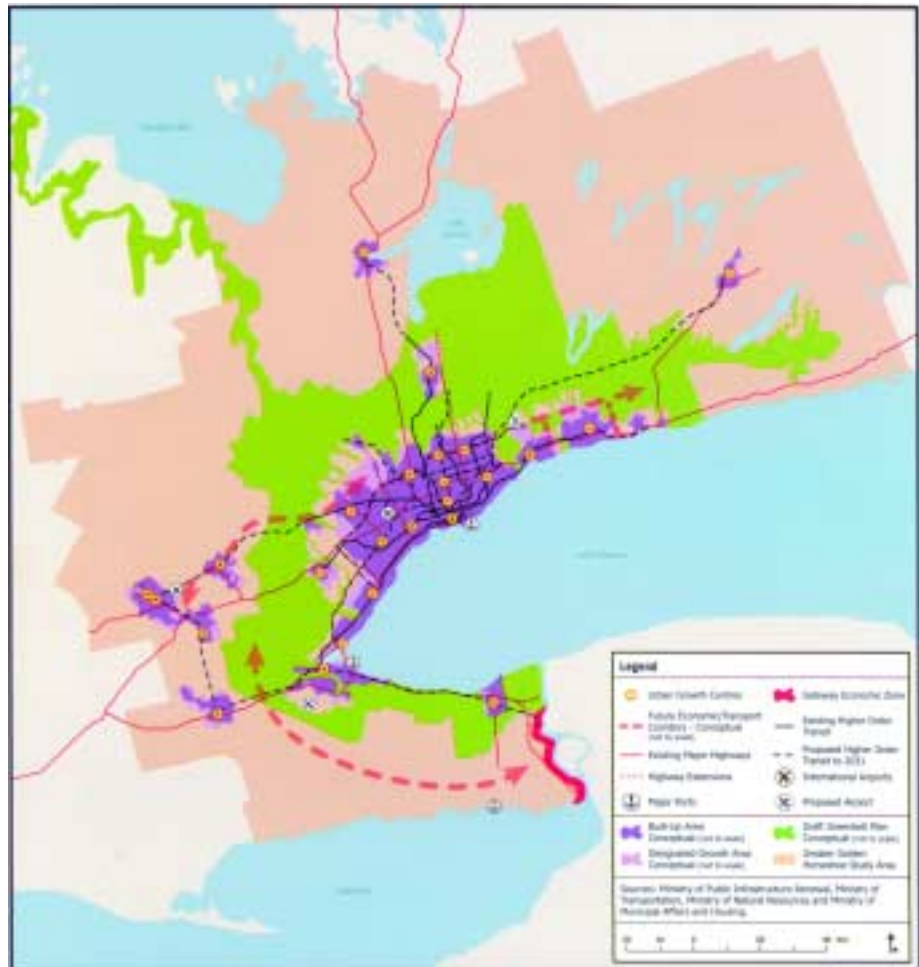


EXHIBIT 3.4 Province of Ontario's Draft Places to Grow Concept, reprinted from Schedule 2 of the Places to Grow Draft Plan (Province of Ontario: February 2005)

of the typical weekday and on certain weekend days. The situation has been recognized in several long range planning studies which have addressed this issue of growing congestion on the principle highways of the GTA. In response to the challenge of this situation, the province has initiated, or indicated an intent to initiate a number of studies (including environmental assessments) intended to facilitate an appropriate expansion of the capacity of the highway system. The draft *Places to Grow* policy document released by the Province of Ontario in February 2005 has identified new transportation corridors leading in to the GTA from Niagara, from Kitchener and from Peterborough. The province has also recently indicated that it intends to identify and implement measures which will result in travellers within Ontario increasingly choosing alternate modes of travel (such as passenger railway.)

Access by Air

The net increase in travel demand generated by a world's fair would also result in significant increases in passenger traffic through the Lester B. Pearson International Airport. Arrivals and departures would each be expected to increase by approximately 30,000 passengers as a result of the world's fair. The estimates have indicated that the net increase in passenger demand would be comprised as follows:

- domestic origin/destination -- 7000 passengers daily each way
- USA origin/destination -- 18,000 passengers daily each way
- foreign origin/destination -- 5000 passengers daily each way

Given the recent and ongoing significant expansion of the passenger processing capacity of the Lester B. Pearson International Airport, there should no problem in implementing arrangements to accommodate the anticipated increase in demand.

Access by Rail

Analysis of the travel demand generated by a world's fair has indicated that there would be an increase in rail travel demand of approximately 2,600 passengers per day in each direction arriving and departing through Union Station. Successful promotion of rail travel as a mode of access to Toronto during the fair period could increase the use of this mode of travel.

Access by International Ferry

On February 28, 2005, the City of Rochester, New York was the successful bidder at a bankruptcy proceeding enabling it to take the necessary further steps to reinstate the Rochester to Toronto high-speed ferry service. The ferry service under the previous operator

had carried 140,000 passengers in 80 days of service in 2004. The Toronto Port Authority has developed a new terminal facility in the Toronto Port. The service provided by the Breeze - a high-speed catamaran ferry craft -- is capable of carrying up to 774 passengers and 238 cars on each trip. Assuming that the service remains viable and stable, it could provide additional access to the fair and would be particularly attractive for access to waterfront fair sites for some US visitors.



Expo 67 Aerial View

4.0 Site Analysis

4.1 What Makes a Good Site?

Overview

The best site for a world's fair would be: beautiful, visible, associated with water, easy to get to, available, the right size, well serviced, and developing it would have a positive impact on the existing and future environment. It would leave valuable legacies after the Fair closes. A consolidated, contiguous site area without too many fixed impediments is desirable to allow visitors to move freely and efficiently within the gates of the Fair. Ideally, the site would have parkland that is located within or adjacent to the Fair gates and is accessible to Fair visitors.

While it is possible to create features for a given site, existing contextual assets such as a city skyline, a waterfront prospect and other 'borrowed' characteristics enhance a proposal because these qualities already exist. This is especially valuable during the time the the Fair is open when these characteristics will excite comment by the media and generate word-of-mouth recommendations by visitors. The result will be to assure high attendance and to put Toronto and Canada 'on the map'. Close proximity to other exciting venues and urban attractions will also provide context and depth to the entire visitor experience.

It is important that preparation of the site for a world's fair be compatible with future planned uses; in fact, the fair should be used as a catalyst to support and accelerate planned development and raise the profile - and in most cases also the value - of the land.

The size of site that is required has been determined from attendance estimates. A site area of approximately 430 acres would be required inside the gates, as well as 200 acres or more outside the gates for ancillary and transportation uses, for a total of 630. Additional area, if available, could be used for an amusement park or parkland inside the Fair.

The best site would be located in an area where existing neighbourhoods would not be unduly disrupted. Existing transit and road infrastructure will need to remain usable for normal operations and must therefore be enhanced or ideally supplemented by separate, purpose built, systems for the event which would then remain to facilitate future community development. Surrounding built form such as light industrial or warehousing is also desirable to support ancillary functions of the fair.

Site Evaluation Criteria

The criteria that a good exhibition site must meet are listed below. Few sites can meet all the criteria and most often there must be compromises in one or another area. An example would be a waterfront site, which satisfies one criterion, but which is often long and narrow, at the expense of another. This was the case with the Brisbane 88 and Vancouver 86 sites which sacrificed efficiency and cost for views and character. The compromises do not invalidate the individual criteria. These include:

Political Support

- Stakeholder Support
- Compatibility with Official and other agency plans

Land Ownership

- Ownership and Assembly (ease and cost of assembly: proportion public/private ownership)
- Compatibility with owner's plans and commitments

Access

- Transit access, road access, gate entries, parking, etc.

Site Conditions

- Useful acreage related to attendance space need
- Efficiency of configuration (compactness)
- Effect of fixed impediments
- Amount of remedial action needed (pollution etc.)
- Visibility from surrounding routes
- Views from the site
- Attractiveness of the site (vegetation, water features)

Surrounding Conditions

- Proximity to support facilities (hotels, hospitals)
- Proximity to recreation and entertainment

Legacies and Residuals

- Value of site remediation to future uses
- Value of site servicing, landscape etc. to future uses
- Value of transportation improvements
- Potential to advance objectives of current plans
- Potential for permanent iconic structures, e.g. museum

Access to the Fair Site

Over a six month period a world's fair would generate a recurring daily demand for site access heavier than anything previously experienced in Toronto except a few notable single day events - such as the Caribana Parade, World Youth Day or the SARS Concert.



Transportation to the Expo 2005 site - Japan's first Maglev linear motor railway service.



At Expo 2005 Aichi, an IMTS transit system allows multiple unmanned buses to run in file formation on dedicated roads.

The attendance estimate of 72 million over the 180 day period of the World's Fair would imply an average day attendance of approximately 400,000 persons. Most transport facilities should be designed to accommodate the design day attendance of 0.7 percent of the total attendance representing about an 80th percentile attendance day of approximately 500,000 persons. The maximum accumulation of persons within the gates of the world's fair at the mid-day would be approximately 60 percent of the daily attendance, or approximately 300,000 persons on the design day.

Approximately 36 days would have attendance levels equal to or greater than the design day. Of these, approximately 18 would be weekend days (Saturday or Sunday), approximately 4 would be statutory holidays and the remaining 14 would be weekdays. Almost all of the most heavily attended weekdays would be in July, August and September.

The heaviest period of travel demand generated by the world's fair at the site would be at the mid-morning (10AM to 11AM) when there would be a pronounced surge of entry to the site and in the late evening (10PM to 11PM) when there would be a correspondingly pronounced surge of exit from the site. These surges would each represent 20 percent of the daily attendance -- or approximately 100,000 persons per hour in the peak direction in each case on the design day.

For comparison purposes, it could be noted that in Toronto a crush-loaded subway line operating at its maximum efficiency can be expected to carry close to 40,000 person per hour in one direction. A streetcar line can carry approximately 8,000 persons person per hour in one direction. A major bus route with fully loaded bus every minute can carry 3,000 passengers per hour. One can see the scope of the challenge involved in meeting the travel demands of a major world's fair. Each day would represent a major challenge and each day would require extensive planning and operational management on the part of the Expo Corporation in partnership with the responsible transportation operating authorities.

The fact that the World's Fair would have a duration of six months significantly differentiates this event from other high attendance events of only a single day's duration, such as World Youth Day or the SARS concert. These were accommodated by implementing special operational provisions (such as road closures and special transit passes) which, although tolerable by the community for one day or a weekend, would not be acceptable for a period of six months. Even a major event like Toronto's bid for the 2008 Olympics,

which would (had the bid been successful) have had a duration of three weeks, could have been accommodated primarily by low cost capital measures and effective operational measures (such as parking restrictions, special lane designations and priority transit services). Such measures could be very problematic -- if required for a six month period. In that respect, a world's fair is a somewhat greater challenge. In other cities the solutions have often involved a mix of significant infrastructure and operational responses. World's fair transportation solutions are usually more heavily weighted toward the implementation of new permanent transportation infrastructure than is typically the case with other heavy attendance events of a shorter duration.

Any major new transportation infrastructure required by the fair must be conceived to be as consistent with, and supportive of, the pre-existing plans and programs as possible. Where new transportation infrastructure is required to support the world's fair, it would ideally already be planned... but perhaps not yet committed to construction. The timing of the implementation of otherwise planned construction may be simply advanced so as to precede the opening of the world's fair. Alternatively, the required transportation infrastructure may be previously unplanned, but may present certain desirable opportunities and worthwhile outcomes which could be incorporated within land-use and transportation plans and thereby generate a valuable legacy of the fair.

It must become the explicit policy of the Toronto Expo 2015 Bid to develop a strong and meaningful *'transit first strategy'* for accommodating the travel needs of fairgoers to/from the world's fair site. In the past, some fairs have been supported by the construction of highways, interchanges and huge parking lots covering hundreds of acres. These measures were to cater to the desires of a large proportion of fairgoers to drive and park their private automobiles within the immediate vicinity of the fair site. This is neither a practical nor appropriate basis for developing a transportation strategy for a world's fair in Toronto ten years from now. Every effort must be taken to attract fairgoers to available mass transit. This requires providing the directional and wayfinding guidance required by both foreign visitors and locals, and to provide sufficient and appropriate measures to facilitate travel to and from the site by means of mass transit for all but a small proportion of fairgoers. The proportion of fairgoers who will inevitably drive and require accommodation in parking facilities at the site must be minimized.



Excerpt of Seville Expo 92 Plan



Expo 67 Monorail in the US Pavilion

Design Considerations in Siting

International exhibitions (first category World's Fairs such as Montreal 67, Osaka 70, Seville 92 and Hanover 2000) pose some special design challenges.

These sites are large in order to accommodate expected high attendance. For Toronto 2015 this would be on the order of 72 million visits over 6 months, requiring a site of around 630 acres in total (the breakdown of this area is described later in this section), containing a large number of pavilions and attractions.

Based on experience at previous fairs the average visitor spends about two to three days on the site. This places a premium on designing a site which has a 'readable' layout; where visitors can easily find their way around without the frustration and discomfort of getting lost.

In building the fair there is continuing uncertainty, particularly with the national participants, right up to opening day. There is uncertainty as to the number of pavilions; some may withdraw or be added at the last minute; and some may want to increase or decrease the size of their allotted space. This requires that the site plan be flexible enough to accept change without losing its integrity.

At a world's fair most participants (countries and corporations) build their own pavilions using their own architects and designers.



Expo 67 Multiple transportation systems interlace: monorail, canal, primary pedestrian (upper right) and secondary pedestrian (along canal)

How, then, does one bring order to the great variety of architectural styles, good and bad?

One way to meet these challenges is with a 'structure' or skeleton plan which is fleshed out by the invited participants. The elements of the structure plan are those over which the Expo organizing body has direct control. They include:

- an integrated hierarchy of movement systems within the site, from mechanical systems to minor pedestrian paths, serving all parts of the site. The top order of the hierarchy should give first time visitors a quick and comprehensive overview of the site;
- one or more landmark or iconic structures, preferably visible from all parts of the site, which allow visitors to orient themselves and find their way;
- the major pavilions or attractions (major traffic generators) need to be located in such a way as to distribute visitors throughout the site and to draw them past the smaller pavilions;
- multiple entry gates in order to avoid crowd problems, particularly at peak entry and departure times;
- creation of land (and water) forms which enhance imageability and allow for flexibility in allocation and adjustment of pavilion sites; and
- integrated design of common elements such as street furniture, sign systems, and services to visitors (covered rest areas, washrooms, and information, food and souvenir facilities).



Pavilion at Expo 67



Expo '92 Seville: water feature in foreground with trellised walkway beyond

4.2 Site Options

This section includes a short description of site requirements, followed by summaries of the two non-short-listed sites, and finally area requirements, assumptions and detailed written analyses for the three short-listed sites.

Site Requirements

The purpose of the site planning task was to evaluate which potential sites would be capable of hosting Expo 2015. A list of evaluation criteria was used to establish a reasoned argument with pros and cons for each potential site, and three sites were short-listed. The short list provides options, should one site prove unfeasible at a later stage once its challenges are further assessed.

The three short-listed sites are Downsview Park, the Port Lands, and a combined site of the Port Lands and Island Airport (Toronto City Centre Airport). Area requirements, land consolidation and access are major challenges for each. To accommodate projected attendance comfortably within the site at a density in keeping with past world's fairs, an area of approximately 432 acres (175 ha) would be required within the gates (482 acres / 195 ha if a major open space is included), as well as 200 acres (81 ha) or more outside the gates for ancillary and transportation

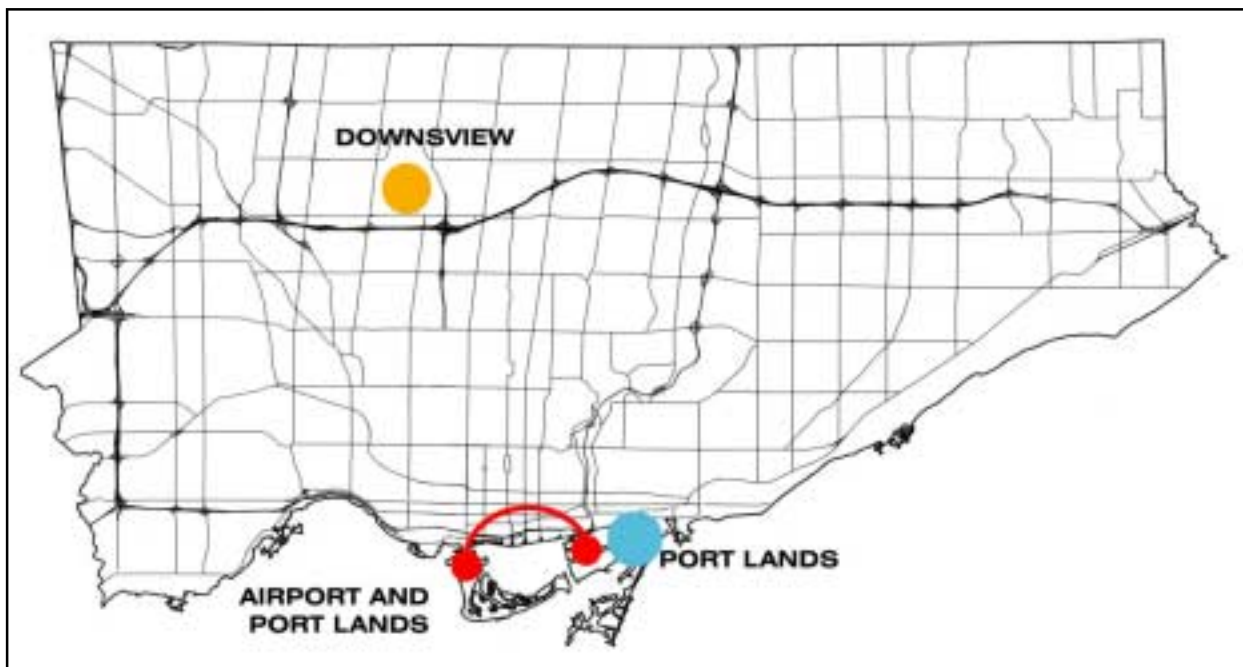


EXHIBIT 4.1 Map of Toronto with three short-listed sites identified

uses, for a total of 630 acres (255 ha). A consolidated, contiguous site area without too many fixed impediments is desirable to allow visitors to move freely within the gates of the fair.

The land use for the world's fair should be compatible with current plans. Such an event has the potential to create momentum for key infrastructure and accelerate site preparation; however, no site of this scale is completely available without some land consolidation. The overall 'package' of Expo 2015 must be considered as a whole for any particular site, weighing the benefits of potential legacies against the conditions that would be necessary to achieve a successful world's fair. Key challenges are identified in Exhibit 4.2 on the facing page, followed by a summary Site Evaluation Matrix.

Non Short-Listed Sites

Initially, four potential sites were considered: Downsview Park, the Port Lands, the Woodbine Racetrack, and a combined site of The Exhibition, Ontario Place and the Island Airport. The latter two options were withdrawn after a preliminary analysis, and a fifth potential site was added - the dual site of the Port Lands and Island Airport. An explanation follows of why two sites were considered initially, but not short listed.

Woodbine Racetrack

This site was considered because of its size, unbuilt area, single ownership, proximity to highways, and potential location along a future rail link to Pearson Airport. Initial analysis demonstrated that use of this site would require redevelopment of occupied areas, which would not be compatible with the land owner's mandate to promote the sport of horse racing. Further, the infrastructure legacy of Expo 2015 would be of no great value to the owner, and current transit access is limited. This site was not short-listed.

The Exhibition, Ontario Place and the Island Airport

This downtown site has an appealing waterfront location, but would pose significant challenges as a world's fair site. The greatest of these is that use of Exhibition Place by Expo 2015 would not be consistent with current plans. A World's Fair would halt operations of working facilities and events for up to three years before the Fair and the year of the Fair. Displaced events and trade shows may be difficult to get back, thus jeopardizing the long-term core business of Exhibition Place.

Another significant shortcoming was the inadequacy of total usable site area; much of the land at Exhibition Place and Ontario Place is

EXHIBIT 4.2
Key Challenges for Short-Listed Sites

	Downsview	Port Lands	Port Lands - Island Airport
Is it feasible?	conditional	conditional	conditional
What are the key challenges?	<ul style="list-style-type: none"> • insufficient contiguous site area • access from Downsview subway station • access across CN/GO rail line 	<ul style="list-style-type: none"> • tri-partite governmental agreement on which lands to use • incorporation of working facilities (Film Studios) during the fair • access congested along Lake Shore Blvd. 	<ul style="list-style-type: none"> • Airport: timely approvals for use of airport lands, new western gap, filling of existing western gap and waterfront transit system • Port Lands: tri-partite governmental agreement on which lands to use

EXHIBIT 4.3
Summary Site Evaluation Matrix

Evaluation Criteria	Downsview (without runway)	Port Lands	Port Lands – Island Airport
Attractiveness and Views	C	B	A
Stakeholder Support	B	B	B
Advancement of Current Plans	C	B	B
Access to the Site	C	B	A
Synergies with Adjacent Uses	C	A	A
Remedial action required? (e.g., for soil pollution)	A	C	C
Site servicing required?	A	B	C
Accessibility to visitor amenities	C	B	A
Major Legacies	C	B	A
Return on Investment	B	B	B
Win Ability	C	B	A

occupied by existing buildings. A large appeal of 'registered' fairs is that most countries build their own specially designed pavilions; therefore the numerous existing buildings at this site would be an encumbrance. The available area would be further reduced by the planned Aquarium and hotel/ conference centre, the latter being scheduled to commence construction in 2005. Land such as Coronation Park, although neighbouring the site, would not be appropriate for building pavilions because of its commemorative trees. Lake fill could potentially make up for unavailable area, but is complex and controversial, and would be difficult to justify without a significant legacy.

Access to and within the Fair would be a key challenge at this site. Large volumes of pedestrian traffic would have to cross Lake Shore Boulevard, a six-lane arterial road running through the middle of the site that is essential for access to the downtown core. The same volumes of pedestrians would have to access the Island Airport. There are no readily apparent means by which the transportation demands of fairgoers could be satisfied in a reasonable way by the existing, planned or practically achievable transportation system improvements at Exhibition Place. Parking demands would be in excess of what the site and surrounding areas could provide. The off-site impact of the transportation demand focused entirely on these sites would be significant.

For all of the above reasons, this site was not considered to be a feasible option.

Short-Listed Sites

Area Requirements

The magnitude of the area required at each site is shown schematically on the following pages. While the area inside the gates remains the same for each site due to attendance which is fixed, the area required outside of the gates varies because automobile access - and therefore parking requirements - varies for each site.

Assumptions for Demonstration Plans

The feasibility and capital costs for each short-listed site were tested by means of a demonstration plan. These plans are described in more detail later in this section. In general, the following assumptions were made in developing these plans.

- The required area could be consolidated, and the exact boundaries of this area would be finalized at a later stage.



West Don Lands Precinct Plan

- A city-building strategy could be implemented whereby the streets-and-blocks pattern would work not only for Expo 2015 but also for potential future development at these sites. Given that the Port Lands Strategy had not yet been drafted at the time of this study, and the Island Airport has no plans for change of use, the demonstration plans were based on an approved block module developed for the West Don Lands area. The streets, street trees and lighting could be built for the fair, but used primarily for pedestrian, rather than vehicular traffic. Curbs are not advisable within the fair, as they could create a tripping hazard. The road allowance could be temporarily widened during the fair to accommodate large volumes of pedestrian traffic, but the core features of the street would already be in place following the fair, ready for future development.
- The plans consist of the fairgrounds within the gates, which are primarily pedestrian, and areas outside of the gates, consisting of transportation-related uses, an administration building, emergency services, and other ancillary uses. Additional areas for storage warehouses were not allocated on the plans, but would be presumably located nearby, for example in industrial lands.

Stakeholder Discussions

There are a number of stakeholders who need to be at the table to help determine the best way to make any of the short-listed sites work. The analysis included here is based on feedback from some of the key stakeholders; however there are a number of others who need to be engaged should the City decide to further explore the feasibility of hosting Expo 2015. Many stakeholders were invited to share their thoughts on the broader concept of a world's fair in Toronto; however detailed consultations regarding specific sites have not taken place. These consultations have been reserved for the next phases of site exploration.

EXHIBIT 4.4



- Area inside gates
- Area outside gates

scale 1:20 000

Area Requirements: Downsvievw

Areas shown are to indicate size of site required only. They are not an indication of precise boundaries of the Fair.

EXHIBIT 4.5



- Area inside gates
- Area outside gates

scale 1:20 000

Area Requirements: Port Lands

Areas shown are to indicate size of site required only.
They are not an indication of precise boundaries of the Fair.

EXHIBIT 4.6



Areas shown are to indicate size of site required only. They are not an indication of precise boundaries of the Fair.

- Area inside gates
- Area outside gates

scale 1:20 000
Area Requirements

PORT LANDS + ISLAND AIRPORT

Downsview

Introduction

Downsview could be seen as a viable option for a world's fair if additional area were to become available in a consolidated, contiguous configuration. The greatest strengths of the Downsview Park site are its single ownership, availability, access, the potential advancement of Parc Downsview Park's (PDP's) development program, and the potential advancement of a extension of the Spadina subway line towards York University.

The lands are consolidated under one owner, the federal government, which supports the current Park plan. Expo 2015 at this site could be seen as a catalyst to the realization of Parc Downsview Park, and to the site preparation for development envisaged adjacent to the park. The greatest challenges are the fragmented composition of its land and its separation from Downsview subway station. Due to these constraints, this site is currently considered conditionally feasible; should additional land become available between Downsview Park and Downsview subway station, this site option would be viable. The site would be most attractive if large enough amounts of adjacent land became available to enable the world's fair to be built alongside the entire Parc Downsview Park.

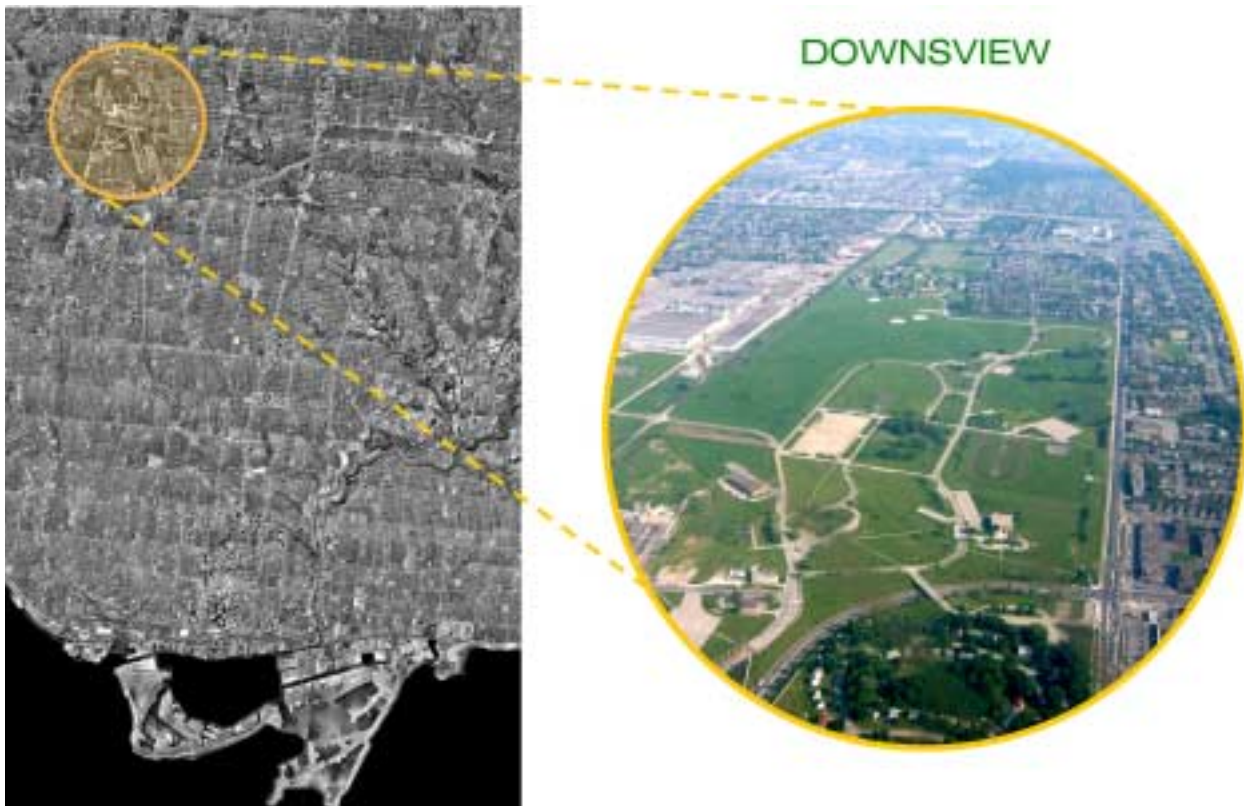


EXHIBIT 4.7 Location Map and Aerial Photo for Downsview Site

Stakeholder Support

The primary stakeholders for the Downsview site are Parc Downsview Park (PDP), The Department of National Defence (DND), Bombardier and the City of Toronto. The PDP lands provide the primary opportunity for this world's fair site option. PDP's initial reaction to hosting Expo 2015 is favourable as it is seen as a potential catalyst for the development of the Park.

DND has consolidated its facilities at Downsview to make way for PDP, however the site remains active and there have been recent improvements to the site and buildings. DND has not been contacted during this study, but should this site proceed to the next phases, DND should be consulted.

Bombardier's manufacturing plant is currently active and utilizes the runway for aeronautical testing. The company's future manufacturing plans will potentially be affected by the success of the current City supported bid to build the 'C' series jet, the outcome of which is not known at this time. The City has supported this bid with various business related incentives.

A number of residential neighbourhoods border this site. Although neighbouring communities were not consulted as part of this study they should be consulted if this site is further considered. It would be essential to adequately address issues such as access and noise for this site to be successful. The neighbouring residents are generally in favour of Parc Downsview Park, so a world's fair that advances the park could be viewed favourably.

Land Ownership and Assembly

The core site is owned by the federal government and is soon to be transferred to Parc Downsview Park (which would remain a federal agency). The adjacent industrial plant and runway is owned by Bombardier, although the land below the runway is owned by the federal government. The federal government retains the first right of refusal for the runway if it were to be sold by Bombardier. The land parcel immediately east of Dufferin Street and south of the Subway station is owned by the City. The Department of National Defence retains ownership of the remaining base lands west of Sheppard and Dufferin Streets.

As the principal owner (anticipated April 1, 2005), PDP has the land assembled and is actively promoting development in accordance with the current zoning and park design.

Compatibility with Official and other Agency Plans

The Secondary Plan for the former Downsview Base lands includes



Parc Downsview Park
Master Plan, Bruce Mau

Public Open Space, Cultural Campus, Residential, Office and Entertainment, Commercial Retail, Research Technology Park and General Institutional uses. The PDP Master Plan focuses on the Public Open Space and the Cultural Campus components and is facilitating the development of the other uses to support the Park development. Interim use of the site by Expo 2015 would not preclude post-fair fulfillment of the Park's Secondary Plan. The world's fair may also facilitate some of PDP's rough development program through a joint development or business agreement. These elements might include open space development and park/campus pavilions. Because of the large area required for the Fair, the creation of the majority of Downsview Park and the entire National Sports Training Venue would have to be deferred. Residential development, although sometimes built in conjunction with a world's fair, would not fit within the available area, and therefore would have to be deferred until after the fair.

Location and Site Features

An inland site, Downsview's primary attributes are access and availability. It currently lacks site features of the calibre normally associated with a world's fair, so these would have to be created by Expo 2015. The site is located in proximity to provincial highways, Downsview subway station and major city roads. Access is discussed in more detail later in this section. Portions of the current plans for Parc Downsview Park (PDP), including a forest, a pond and a hill with 360 degree views of the city, would be assets to the fair. The available land is already largely consolidated within federal hands, and PDP, the federal agency soon to be in control of these lands, views the development of the fair at this site favourably.

Available Area

The available, consolidated area within the boundaries of Sheppard Avenue, Keele Street and the existing airstrip are approximately 398 acres, which is less than the 432 acres required for Expo 2015. This area is also poorly configured, interrupted by the CN/GO rail line, runway and operational DND lands. Additional area could theoretically be accessed with bridges and/or tunnels to the northwest and easternmost sections of the site, but this would not leave enough area outside the gates for transportation and ancillary uses.

Major Challenges

Other major challenges for this site are access across the CN/GO rail, access around (or under, or across) the Bombardier runway and compatibility with existing plans. The CN/GO rail that separates the eastern and western halves of the site would require tunnels below

for the passage of large volumes of pedestrians moving within the fair. The runway effectively cuts off much of the potential fair area, and leaves the northeast contiguous portion isolated from the rest of the Fair. Furthermore, height limitations at the head of the runway would limit uses of this portion for the Fair.

Because of the large area requirements for Expo 2015, full construction of Downsview Park and associated residential development would not be possible for the fair without hundreds of acres of adjacent lands given over for use by the fair. These other lands are currently unavailable. Because of all of the above mentioned constraints, Downsview is currently viewed as conditionally feasible for a world's fair.



SARS concert at Downsview Park

Demonstration Plan

It is important to note that the Downsview Park site could become a viable option, should additional land become available. For example, if the northern portion of the Bombardier runway and DND (Department of National Defence) lands to the west of Downsview subway station were to become available for use by Expo 2015, a number of site constraints could be overcome. First, a direct pedestrian connection to the existing subway could be achieved. Second, an adequate, consolidated site area would be available, in a more usable shape. Third, Sheppard Avenue could be aligned east-west and become a permanent legacy after the fair. This would enable the existing Sheppard Avenue bypass (currently a barrier to a contiguous fair site area) to be relocated outside of the site's boundaries. Fourth, a greater portion of PDP's open space could be completed as part of the world's fair. In overcoming these challenges, we assume that the Bombardier manufacturing operations remain fully operational.

Legacies and Residuals

One potential residual of a world's fair at Downsview Park is site preparation; however, the large areas of roads and lots necessary for a world's fair are not generally in keeping with the large amount of open space currently planned for the park. Parc Downsview Park would be a tremendous legacy, but would not be feasible as part of Expo 2015 unless additional land were available.

Access to Parc Downsview Park

Located centrally within the GTA (just north of Highway 401, east of Highway 400, south of Highway 407 and west of Highway 404), the PDP site is readily accessible by means of the provincial highway system. The site is also well served by major roads. The Allen Road

and its extension to the north as Dufferin Street , Keele Street to the west and Dufferin Street to the south all have interchanges with Highway 401. North of the site Finch Avenue has an interchange with Highway 400.

The Downsview Park site is also located just west of the Downsview TTC subway station, the terminal station on the Spadina subway line. The Spadina subway line is not as heavily used as either the Yonge line or the Bloor / Danforth line. The City and the TTC are currently considering options for the development of bus rapid transit north from the Downsview station to interconnect with the other higher order transit service planned north of Finch Avenue and in York Region. They are conducting an Environmental Assessment of the potential extension of the Spadina subway line north to York University and Steeles Avenue.

There is a rail line passing through the Downsview Park site which carries a limited peak period, peak direction GO Transit service between Union station and Bradford. There are limitations upon the ability of this line to be significantly upgraded to provide a higher order of two-way or all day GO Transit service. The rail corridor is largely a single track, and to the south is located with a narrow and difficult-to-widen right-of-way. There is a level crossing of the east-west CPR line with limited practical potential for grade separation. At this time, GO Transit does not plan to implement the kind of major upgrades of the line that would be required to implement two directional service and thereby allow the line to be used for site access to the fair.

For purposes of demonstrating the feasibility of the PDP site as the venue of the World's Fair, a number of opportunities and constraints were identified and a transportation service concept developed which would be capable of providing an adequate capacity and level of service to accommodate design day peak period travel demands. It should be noted that the capital costs of transportation facilities which are identified as planned or probable capital improvements outside the mandate of the fair corporation (such as the extension of the Spadina subway line) have not been estimated. The capital costs of identified transportation improvements, both at and away from the site, that would not be required except to accommodate the fair have been estimated and included. The operating costs and potential fare and other revenue sources associated with services provided to fairgoers by TTC, GO Transit and other operators have not been estimated.

The plan would have the following components:

- direct TTC subway access to the Spadina subway line at the existing Downsview station located to the east of the site as well as a new Downsview Park station which would be located to the north of the site on a northward extension of the Spadina line which together could accommodate up to 45,000 fairgoers in the peak hour peak direction;
- chartered motor coach access for 15 percent of fairgoers accommodated in the southwest portion of the site with access from Keele Street; facilities would be temporary and removed after the fair; estimated capital cost \$9.0 million;
- access by way of a bus shuttle between the site and the Yonge subway line for 14,000 fairgoers per hour peak direction with terminal facilities at both the Downsview subway station destined for the Sheppard station and at the new Downsview Park station destined for the Finch Station; improvements would be permanent and have post fair value; estimated capital costs \$5.0 million;
- improvements would be required at the Finch and Sheppard stations to accommodate additional bus activity; improvements would be permanent and have post-fair value; estimated capital costs \$5.0 million;
- access by way of GO Transit coaches and other municipal and regional bus transit services up to 10,000 fairgoers peak hour peak direction with terminal facilities located at the new Downsview Park subway station; improvements would be temporary and have no post-fair value; estimated capital cost \$3.0 million;
- access by way of taxi, pick-up / drop-off, walk-in, cycle and hotel shuttle for up to 3,000 fairgoers per hour at facilities located on Keele Street near Sheppard Avenue; improvements would be temporary and have no post-fair value; estimated capital cost \$2.0 million;
- parking with up to 14,000 parking spaces located along the Allen Road corridor south of Sheppard with access at several locations; improvements would be temporary and have no post-fair value; estimated capital cost \$40.4 million;
- a new arterial road interchange would be required on Allen Road south of Sheppard to provide site and parking access;

improvements would be permanent and have post-fair value; estimated capital costs \$5.0 million;

- additional capacity would be required at outlying TTC and GO Transit stations and at key bus transit stops to accommodate additional parking and buses, the required improvements could be permanent and have post-fair value, capital cost allowance \$48.5 million, operating cost N/A, operating revenue N/A.;

A major challenge in the provision of adequate transportation service to the PDP site is the need to establish a high capacity pedestrian connection between the site and the Downsview subway station and major parking areas located along Allen Road. There are existing barriers of the airstrip and the DND site which make achieving the needed connection very difficult. Unless this problem can be suitably addressed, the provision of adequate transit and parking access to the PDP site may not be feasible.

If the aforementioned barriers could be alleviated, there would then be the need to move mass numbers of fairgoers as pedestrians across Allen Road between the site and the Downsview station. The numbers of fairgoers involved will not be compatible with an at-grade crossing of the arterial road in the conventional way at traffic signal controlled intersections. There would be two pedestrian bridges required across the Allen Road: one specifically for the access to the subway station and the other for access to the parking facility located on the east side of the Allen Road.

The other major challenge to the provision of adequate internal transportation linkages within the Downsview Park site is the barrier effect of the rail corridor which bisects the site in a north-south direction. At least three new grade separated underpasses would be required in order to facilitate the movement of people within the site. These underpasses would be major infrastructure initiatives which, if properly located and designed, could have post fair value as part of a new street system within the PDP area.

Port Lands

Introduction

The Port Lands would be a viable and attractive site for a world's fair, provided the required area could be freed-up and consolidated. Its waterfront location could provide a spectacular setting for Expo 2015 and a new image for subsequent development on this land. A world's fair at the Port Lands could also raise the profile of Lake Ontario Park, including the proposed Discovery Centre and the urban wilderness at Tommy Thomson Park (Leslie Street Spit). As a downtown site, it is in close proximity to hotels, restaurants and other amenities. Expo 2015 could potentially break jurisdictional logjams and kick-start overall development at this site; however, much of the land is already planned for other, incremental development, and the exact boundaries of a world's fair would have to be further assessed at a later stage.

The greatest challenges for this site are access, land consolidation, compatibility with future phased development, and incorporation of working facilities during the fair.

Stakeholder Support

The primary stakeholders for the Port Lands include The Toronto Economic Development Corporation (TEDCO), The Toronto

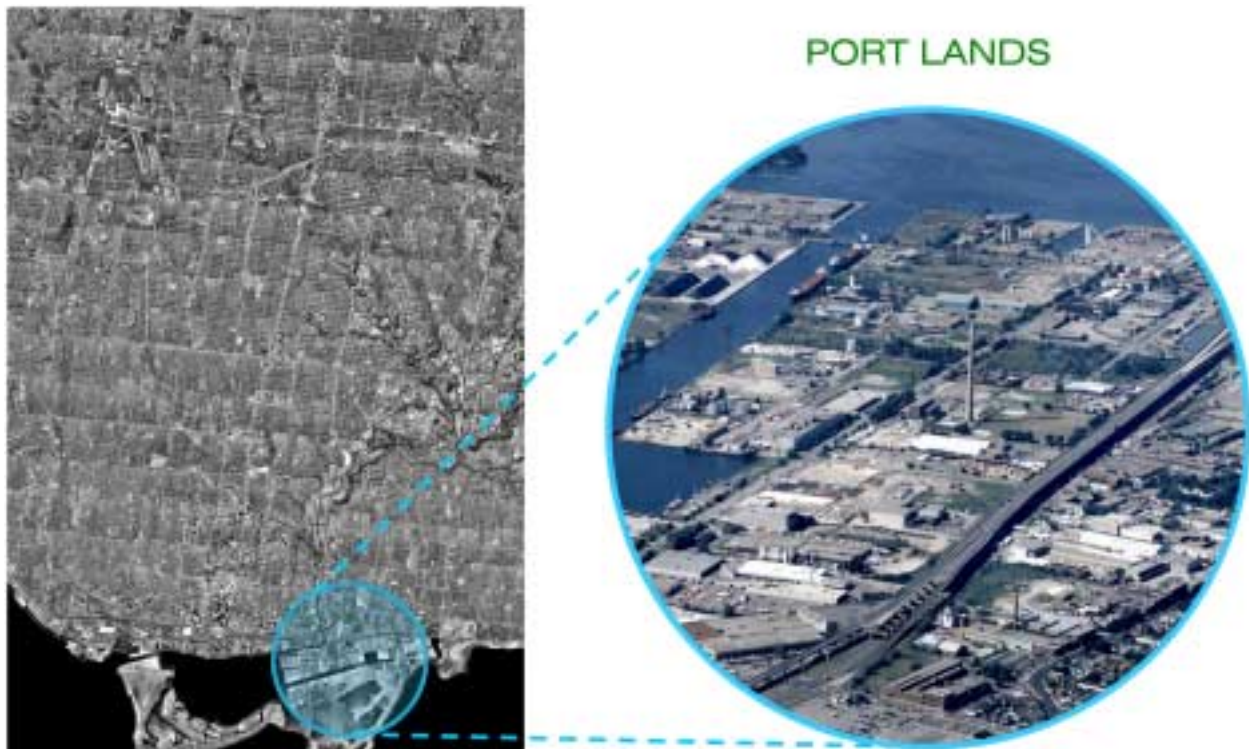


EXHIBIT 4.8 Location Map and Aerial Photo for Port Lands Site

Waterfront Revitalization Corporation (TWRC), The Toronto Port Authority, The City of Toronto, The Toronto Regional Conservation Authority (TRCA), The Ontario Power Corporation and Toronto Hydro. There are also a number of private businesses, which either own or lease land in the Port Lands, many of which are active.

As described at the outset of this section, contact was made with a number of key stakeholders during this process; however discussions were deliberately conceptual. Site specific conversations need to be a priority should the City wish to continue exploring the feasibility of the Port Lands site. At that stage, detailed discussions would need to take place with all stakeholders listed here.

TEDCO is the primary land manager for the City and has a mandate to promote business development in accordance with current and future land uses. While the principal activities and facilities of EXPO 2015 are not those of TEDCO's mandate, the servicing and development legacies could support some forms of business development and might spawn others. TEDCO has concerns with respect to existing industry and lease commitments but remains open to reviewing the potential for development synergies.

TWRC is actively planning for the future development of the waterfront on behalf of the federal and provincial governments and the City of Toronto. The Port Lands are currently the subject of a Planning Strategy Study that will refine the planning vision that is currently defined by the City of Toronto Official Plan and Secondary Plan for the Central Waterfront. In general terms, the TWRC supports the idea of Expo 2015 in so far as it facilitates the redevelopment of the waterfront lands to higher and better uses within the context of sound urban design and city building. In particular, the TWRC prefers Expo 2015 site options that promote the improvement of waterfront lands that are less likely to be redeveloped through normal market forces.

The Toronto Port Authority (TPA) oversees the industrial port marine activity. As managers of marine activity, the Authority would need to consolidate industrial shipping and dock wall use to accommodate public access and use of a significant portion of the Port waterfront. While the shift to publicly accessible uses along the dock wall is consistent with the Official Plan, the Authority would play a key role in any discussions regarding the integration between shipping and publicly accessible land and marine activities.

The TRCA manages Toronto's watersheds and waterfront with respect to public safety, recreation and the natural environment. TRCA's principal concerns at the Port Lands have to do with flood

protection and natural habitat of The Don river watershed, and the emerging plans for Lake Ontario Park including Cherry Beach, the Leslie Street Spit and adjoining base lands. The TRCA supports flood protection and regeneration of the natural environment at the mouth of the Don River, and a natural greenway between the lower Don and Cherry Beach, which could potentially be undertaken as part of the Expo project. The TRCA is also actively promoting visitor program development as part of the Tommy Thomson Park Master Plan and may be open to development synergies between the Master Plan, Expo 2015, and the Discovery Centre proposed by Parks Canada as part of Lake Ontario Park.

Ontario Power Generation Inc. (OPG) is a provincial agency which owns the former Hearn power generation plant and is proposing to build a new energy centre on an adjacent site, also owned by the Corporation. The Port Lands option would require the use of the former Hearn plant. The feasibility of adaptive reuse of the plant building would need to be examined to establish whether it could be adapted for exhibition purposes during and after Expo 2015.

Ontario Hydro lands have a site on the north side of the Ship Channel, south of Bouchette Street, which would be needed, in part, for the Fair. It may be feasible to maintain the existing physical plant on this property with appropriate safety barriers and visual screening. The adjacency of the larger Commissioners Street Site facility to the east and north of the potential Expo 2015 gates and transportation staging would likely affect the ease of accessibility to the Hydro facility.

The Port Lands site proposed for Expo 2015 contains a number of private land holdings with businesses including industrial, commercial, retail and entertainment uses. Clearly, negotiations will be required to use these sites and address existing business interests.

Land Ownership and Assembly

The majority of land required for this option is in public ownership. Of the public holdings, the majority are owned by The City of Toronto (TEDCO) followed by Ontario Power Generation, Toronto Port Authority and Hydro One. Some privately owned land would need to be acquired.

The TEDCO property has a number of lease commitments and potential development interests, which would need to be addressed. In this regard, the TWRC has been actively promoting the assembly of TEDCO and private lands for both open space and new community development, particularly in the central and western portions of the Port Lands. In this light, the notion of expropriation

and business relocation has already been the subject of public discussion. TEDCO is also actively pursuing the development of a film studio and related mixed-use area, which would need to be further assessed for compatibility with the fair. Current discussions have indicated that this facility could be integrated into Expo 2015 activities and be located within the Fair gates, subject to negotiation.

Compatibility with Owner's Plans and Commitments

TEDCO is an agency which historically had a mandate to promote and facilitate a successful working industrial sector on the waterfront. While this mandate remains today, the focus of industry and marine shipping activity has shifted, which in turn is redefining the core business of the agency. The resulting transition of the Port juxtaposes formerly incompatible uses into a future planning vision which is only unfolding at the present time. While the former industrial nature of the Port presents challenges to its use by the World's Fair, the Fair could well be the vehicle to help focus and provide the infrastructure of a redefined future Port area. In this regard, Expo 2015 could well be seen to be compatible with a future vision while seemingly at cross-purposes with the current situation.

The Hearn power plant was recently considered for reuse as a film studio as part of a previous development proposal. It has been used by the film industry. We have therefore made the assumption that a similar approach could be taken for the World's Fair. Current plans for the plant by the Ontario Power Generation Corporation Inc. are unknown.

TWRC is currently undertaking a Planning Strategy Study for the Port Lands. This study is meant to advance previous visions of the Port prepared by the Corporation and establish a framework for more detailed Precinct Plans, which will precede development. Previous visions for the Port Lands by the Corporation have generally promoted a new mixed-use community taking full advantage of the waterfront living, working and recreating. Initial phases of the transformation would focus on the quays, which overlook the Toronto inner harbour and line the Ship Channel. Commissioner's Park, a large, regional multi-use park is envisaged as a first step in combination with regeneration of the mouth of the Don River by the TRCA. The vision also foresees publicly accessible dock walls, where compatible with current and anticipated uses. The Expo 2015 plan for the Port Lands Option is generally compatible with the TWRC's vision of the Port Lands.

Location and Site Features

Located on the waterfront, bisected by the Ship Channel and bounded by the Keating Channel to the North, this site benefits from

the visual appeal of water on almost all sides. The new signature Lake Ontario Park would flank the Fair to the south, including the wildlife preserve of Leslie Street Spit, creating the unique relationship of a wilderness experience right next to the Fair.

Available Area

The Port Lands is a district of approximately 990 acres (400 hectares), the majority of which is planned to be redeveloped over time as part of waterfront revitalization. Consultations so far have resulted in a demonstration plan (described in detail later in this section) having an area within the fair gates of 391 acres (158 ha). Although this area falls short of the 432 acres required, the bounded area could change after further consultations.

Major Challenges

The major challenges of this site are competing visions, access, site contamination, land consolidation and incorporation of working facilities during the Fair. Support from all planning jurisdictions would be required to host Expo 2015 at this site. Lack of support by all levels of government could create a significant roadblock. On the other hand, the catalyst and cachet of a World's Fair could provide the impetus needed to break jurisdictional log jams and create not only a development-ready site but also one with a new image.

Access potential is problematic. To maintain accessibility to the working Port, upgrades would be required to Leslie Street, Unwin Avenue and the single-lane Bailey Bridge connecting two parts of Unwin Avenue. Major access loads would be concentrated along Lake Shore Boulevard. Access is discussed in more detail later in this section.

Expo 2015 has the potential to kick-start current plans for site remediation, land consolidation, servicing and access ahead of schedule. However, the required consolidation of over 400 acres of contiguous development sites runs counter to the current strategy of incremental development.

Demonstration Plan

To test the feasibility of this site to host a world's fair, a preliminary site plan was developed. It uses the boundaries of Lakeshore Boulevard and the Keating Channel to the North, the water's edge to the west (except for Cousins Quay), Lake Ontario Park to the south, and the turning basin and Bailey Bridge to the East. An additional 72 acres (29 hectares) would be required for parking, possibly in the vicinity of Leslie Street, and a portion of the East Bayfront (east of Parliament Street), would likely be required for ancillary and transportation uses. All of the land within the above mentioned

boundaries would be required for the world's fair, except for the south-of-Unwin portion of the existing Toronto Port Authority facilities.

The Expo 2015 plan maintains all of the parks and open spaces identified in the current Secondary Plan for the central waterfront area, Making Waves, including Lake Ontario Park, Commissioner's Park, the Don Greenway, promenades along the water's edge and Inner Harbour Special Places, and would not preclude the post-fair development of smaller local parks in as yet undetermined locations. Commissioner's Park is expected to be completed about six years before the fair. In the feasibility demonstration plan, this park would be incorporated temporarily within the fair's boundaries and temporary pavilions would be built on the southern portion of the park, as well as on the Don Greenway. These are envisioned as 'pavilions in the park' - airy exhibition halls in a green, park setting.

The Expo 2015 plan supports current plans to redevelop the Port Lands; however its phasing would be different. In the event of a world's fair at the Port Lands, the amount of land required would be great, such that much of the Port Lands area would undergo preparation for future development ahead of schedule of current plans for incremental development. While this can be seen as an advantage - the world's fair leading waterfront revitalization forward - the flipside is that market development after the fair would be incremental anyway. Some of the land would likely be turned over to interim uses post-fair before the entire area is completely built out.

The size of area required would pose a challenge to land consolidation and relocation of working facilities at the Port Lands. Although most of this land is in public hands, it would have to be consolidated for use by the world's fair, for example the northern portion of the Toronto Port Authority land, the Ontario Power Generation land, the City Works site south of McCleary Park and Hydro One. Some private land within these boundaries would have to be acquired, such as land at Polson Quay and various properties between Saulter Street and Carlaw Avenue. Some businesses would have to be relocated sooner than currently anticipated, such as the boxboard plant and all activities south of the Ship Channel.

A world's fair within the boundaries described above would result in a consolidated site having four gates, extensive frontage along the water's edge and excellent views to and from the site. The streets and blocks pattern anticipated for future development would also be appropriate for use at the fair. Temporary pavilions would occupy

most of the available land within the gates, but the open space of Lake Ontario Park would be available just beyond the gates to the south.

In summary, The Expo 2015 plan for the Port Lands diverges from existing plans by its deferral of development of Polson Quay until after 2015, accelerated relocation of industries such as the Boxboard plant and parts of the Toronto Port Authority, and temporary use of McCleary and Commissioners Parks. The Toronto Film Studios are assumed to be operational during the Fair, with shared use of some of their lands, and some of their facilities open to fairgoers. All of the current Ontario Power Generation lands would be used for the fair, including the iconic Hearn structure, which could be creatively adapted as a fair attraction. If Expo 2015 goes ahead at this site, the exact boundaries should be determined after further consultation and study. Potential residuals include improved access, site preparation and site servicing.

Legacies and Residuals

Anticipated legacies from the World's Fair at this site include the Ship Channel Bridges as new city icons; the Ship Channel as a waterfront spine for future neighbourhoods; Humanitas¹ as a waterfront icon; portions of the Don Greenway; and a new identity for the future Port Lands neighbourhood.

Access to the Port Lands

Located within the central waterfront area, the Port Lands site is within close proximity to the strategic hub of the GTA central area focused public transportation system. Union Station is the focal point of the GO Transit rail and coach system and the southern extremity of the Yonge and Spadina subway lines. The northeast corner of the Port Lands at Cherry Street and the Don River is within walking distance of Union Station... although the walk would be a rather long one.

The Port Lands are relatively accessible by road. They are located at the south end of the Don Valley Parkway and at the east end of the Gardiner Expressway. Lake Shore Boulevard forms the northern boundary of the Port Lands precinct and its has ramp connection to both expressways. Along Lake Shore Boulevard, there are a number of north south streets which extend south in to the Port Lands area providing opportunities for access. Notable amongst these are Cherry Street which is the westernmost road crossing the Don River,

¹ Humanitas is a proposed new cultural attraction on the waterfront that will tell Toronto's stories to Canadians and the world.

Don Roadway which is an extension of ramps to/from the Don Valley Parkway at Lake Shore Boulevard, Carlaw Avenue and Leslie Street.

There are no major public transit services currently in the Port Lands. However, the area has been the subject of active consideration related to its significant redevelopment potential, and the Central Waterfront Secondary Plan has identified the nature of several new public transit services which could be put in place to support the transformation of the area into a mixed use district.

Currently under active consideration by the City, the TTC and the TWRC, is the plan for an LRT line extending east from Union Station along Queen's Quay Boulevard to Cherry Street together with a north south LRT line along Cherry Street between King Street and the Port Lands. In the fullness of time, it is planned that this LRT line be extended to the east along Commissioners Street and Lake Shore Boulevard to connect with an upgraded version of the Kingston Road streetcar service. As planned, these LRT lines could carry some 8,000 persons per hour per direction.

Also identified in the Waterfront Secondary Plan is an extension of the Broadview streetcar line southward from King Street. This is a physically difficult extension to implement. It would require a crossing of the CNR rail corridor, passage through some privately owned property, a crossing of the Port Lands rail lines in the vicinity of the Keating yards and a crossing of Lake Shore Boulevard in the vicinity of the ramps to/from the Gardiner Expressway. This streetcar line would provide another connection to the Bloor-Danforth subway line and would enter the Port Lands in a location which would make it a very attractive point of entry to the Expo. As planned this route could carry some 4,000 persons per hour per direction.

For purposes of developing a 'transit first strategy' for a world's fair on the Port Lands site, it has been assumed that all of the LRT/streetcar lines identified in the Central Waterfront Secondary Plan to the north and the west of the Port Lands site would be implemented prior to the fair, and during the fair operated in a manner most supportive of the travel demands of fairgoers. It has been assumed that the LRT would not operate along Commissioners Street or to the east of the site until after 2015.

These already planned LRT/streetcar lines would together not provide nearly sufficient capacity to accommodate the needs of fairgoers and substantial additional capacity would be required to be

developed using a combination of temporary operational systems and permanent facility expansions and improvements. It should be noted that the capital costs of transportation facilities which are identified as planned or probable capital improvements outside the mandate of the fair corporation (such as the Queen's Quay LRT line) have not been estimated. The capital costs of identified transportation improvements, both at and away from the site, that would not be required except to accommodate the fair have been estimated and included. The operating costs and potential fare and other revenue sources associated with services provided to fairgoers by TTC, GO Transit and other operators have not been estimated.

The plan would have the following components:

- a temporary rail based shuttle between Union Station and a temporary station to be located on the Don Yards north of the Don River and east of Cherry Street could be operated with a capacity of up to 24,000 passengers per hour in the peak direction; the facility would be temporary and removed following the fair; estimated capital cost \$11.5 million;
- a temporary bus based shuttle service between four selected stations on the Danforth subway line and a major shuttle terminal facility on the south side of Lake Shore Boulevard could be operated with an aggregate capacity of 18,000 passengers per hour in the peak direction; would require site terminal facilities, improved subway station facilities and suitably fitted arterial routes; facilities would be temporary and removed after the fair; estimated capital cost \$20.4 million;
- chartered motor coach access with capacity for 15,000 fairgoers per hour in the peak direction in a suitable facility located in the south portion of the site with access from Unwin Avenue via Leslie Street; facilities would be temporary and removed after the fair; estimated capital cost \$9.0 million;
- temporary modifications to planned LRT/streetcar facilities on Queen's Quay, Cherry and Broadview to accommodate up to 12,000 fairgoers per hour in the peak direction; estimated capital cost \$1.1 million;
- GO Transit coaches and regular and special TTC routes would be required to handle up to 15,000 fairgoers in the peak hour peak direction with transport to remote parking lots or other collection points distributed around the GTA; terminal facilities would be required; facilities would be temporary and removed after the fair; estimated capital cost \$4.7 million;

- a facility for pick-up / drop-off by taxi, hotel shuttle, private automobiles, and fairgoers walking or cycling located near Cherry Street and the Don River to accommodate 6,000 fairgoers in the peak hour peak direction; facilities would be temporary and removed after the fair; estimated capital cost \$2.5 million;
- temporary parking up to 9,400 spaces would be required near the site and be connected by way of conventional shuttle vehicles to a gate in the southeast area of the site; facilities would likely be temporary and removed after the fair; estimated capital cost \$23.0 million;
- various roadway improvements would be required to facilitate the bus shuttles, parking access and increase in traffic flow along Lake Shore Boulevard; the required improvements would be permanent and have post-fair value; capital cost allowance \$15.0 million;
- additional capacity would be required at outlying TTC and GO Transit stations to accommodate additional parking and buses, the required improvements would be permanent and have post-fair value; capital cost allowance \$37.0 million;

The major challenge involved in establishing a transport system of sufficient capacity to serve the needs of fairgoers on the Port Lands site relates to the fact that all vehicular access would rely upon use of Lake Shore Boulevard in the section between Parliament Street and Leslie Street. Taken together, the number of buses, private automobiles and coaches which would use that section of Lake Shore would be very large and could overwhelm the capacity of the road. It is beyond the scope of this study to examine this question technically, but we identify the issue for more detailed examination in the event that the decision is made to proceed.

To the extent that it is possible within the central area, fairgoers should be encouraged to walk long distances to connect to transit services, and venture out on foot to other destinations or hotels. It will be essential to improve the functional, aesthetic quality and safety of all pedestrian routes near the Port Lands site to the maximum possible extent. This would include improvement of pedestrian passages under the railway viaduct on north-south streets, sidewalks along east-west streets (such as Queen's Quay), and in particular development of a complete promenade along the water's edge. No capital cost estimate for improvement of the pedestrian environment outside of the immediate vicinity of the fair has been developed.

Port Lands and Island Airport Dual Site

Introduction

The dual site of the Island Airport and part of the Port Lands would be very attractive, but not without significant challenges of land consolidation and access. This site would showcase the entire waterfront of Toronto Harbour, with spectacular views to, from and between the Port Lands and Island Airport across the water. The major challenges for this site are gaining support at all levels for use of the airport site; environmental approvals for a new western gap, the east-west transit tunnel and lake fill in the existing western gap; and the aforementioned challenges listed for the Port Lands, such as land consolidation, but on a smaller scale. Since less land is required in this option than the Port Lands alone, the issue of land consolidation will be less challenging. There are also opportunities for programmatic and marketing synergies between the island site, Ontario Place and Exhibition Place.

Potential legacies include all those listed for the Port Lands as well as servicing for reuse of the airport site and a new waterfront transit line as described below. These are among the most valuable legacies of all site options.

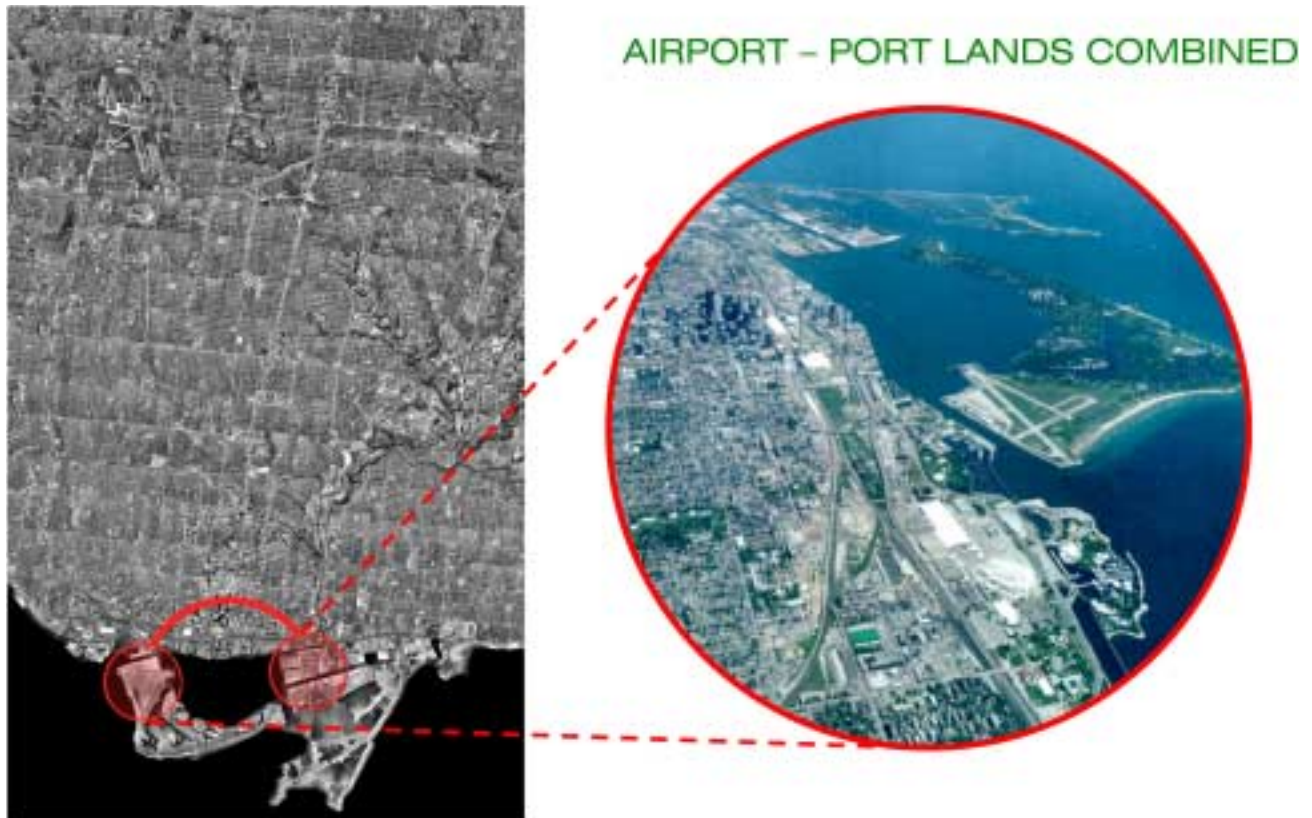


EXHIBIT 4.9 Location Map and Aerial Photo for Port Lands and Island Airport Dual Site

Stakeholder Support

The Toronto City Centre Airport is owned and operated by the Toronto Port Authority. The future of the airport has been the subject of significant public debate, most recently precipitated by the Environmental Assessment for a bridge linking to the island to access the airport. Since the final outcome of the bridge debate remains unresolved, the future of the airport is also unknown. The Toronto Port Authority is not expected to comment on the use of airport lands beyond the terms of their current mandate.

As with the Port Lands option, the primary stakeholders for the reduced Port Lands component include The Toronto Economic Development Corporation (TEDCO), The Toronto Waterfront Revitalization Corporation (TWRC), The Toronto Port Authority, The City of Toronto, The Toronto Regional Conservation Authority (TRCA), and Toronto Hydro. Ontario Power Generation Inc. is not directly affected by this option to the extent that none of their property is proposed to be used for the fair. There are also a number of private businesses, although less so in this option.

The Stakeholder positions regarding this dual site option as related to the Port Lands component remain similar to the Port Lands only option with the following additional considerations:

TEDCO favours an option such as this, which would preserve the film studio development proposal. In this option, it could proceed in parallel with the Fair, although the site is proposed to be shifted north of Commissioners Road. This site relocation is not supported by TEDCO.

In general terms, TWRC and TEDCO prefer leaving the Toronto Harbour Quays to market development. In both waterfront options Cousins Quay may not be used by the World's Fair site allowing for parallel development. In the dual option, phasing of the Port Lands would be more in keeping with current plans.

The dock wall, the harbour within the corridor of the proposed submerged transit line and related shoreline adjustments would all be significantly impacted by this scheme. Anticipated stakeholder views with regard to the dual site and its transit concept are as follows.

TRCA may be cautious about impacts to aquatic habitat while possibly intrigued by the potential for long term improvements for the same; they may also have concerns regarding the changes to the harbour and outer lake ecology resulting from the relocation of the western gap.

TEDCO supports in principal the transit access and potential infrastructure improvements for waterfront land parcels.

The island community may have concerns with regard to the land area and autonomy of the island with any shift to the limits of the island.

Existing waterfront communities north of the island airport will have views on appropriate types of future development and access at the island airport site. They would likely be supportive of additional parkland accessible to them and for new mixed-use development that would provide community facilities close by.

TWRC sees the dual site option as a catalyst for a wide range of waterfront redevelopment. The public transit component also enhances access through and beyond the waterfront.

Exhibition Place and Ontario Place see opportunities for programmatic and marketing synergies as well as the benefit of improved transit access provided by this option.

Land Ownership and Assembly

The land assembly of the Port Lands for this option remains similar to the Port Lands-only option, although less onerous. The Island airport land availability is essentially a political issue in addition to dealing with outstanding and current business impact or relocation compensation.

Compatibility with Owner's Plans and Commitments

Compatibility with plans and commitments within the Port Lands have been dealt with in the previous option. Here again, the island airport is a political issue. The transit component of this concept, while a new alignment, is viewed favourably by Ontario Place and Exhibition Place.

Location and Site Features

This site splits the World's Fair between a portion of the Port Lands and the Island Airport, with a waterfront transitway joining the two halves. The western gap at the North end of the Island Airport would be filled in and a new, navigable western gap created to the South. The transit link is conceived as one segment of a high order transit system to serve the entire waterfront - a major legacy of the fair.

This site would showcase the waterfront of the entire Toronto Harbour, with views across the water to major attractions on each half of the site, and the potential for fireworks or other shows on the water between for the entire harbour to see. Waterborne transport

would be an integral part of the fair experience and a natural way to showcase the venue on the Toronto harbour. Ferry rides across the harbour would be another delightful way to travel from one site to the other; we believe that any operating costs involved could be offset by charges for such a memorable trip across the harbour. It should be noted that the availability of waterborne transport options would not obviate the need for a high-order direct mass transit link between the two sites to transport large numbers of fairgoers.

Available Area

This combined site has several advantages over the Port Lands stand-alone site. It achieves an adequate area while consolidating less of the Port Lands. Land availability would have the same issues as for the Port Lands, but scaled back. Redevelopment of the Island Airport for other uses is not part of current plans, and the availability of this land for Expo 2015 would have to be negotiated and committed by 2007 for use by 2012 to prepare for the fair. The use of the airport land for other uses has been imagined in the past, for example as a residential community in the 1970s Harbour City plan, and at other times for a hotel. In the early 20th century, Hanlan's Point was advertised as "Canada's Coney Island". It is conceivable that new uses could be imagined for this site again in future. Given that the land is in federal hands, no consolidation would be required. As a dual site, proximity to a variety of hotels and transit would be even greater with this option.

Each half of the Fair is edged with waterfront parkland, and the opportunity arises for synergies with Ontario Place and Exhibition Place to combine ticketing for amusement areas and to share parking facilities. Access is good, especially as compared to the Port Lands stand-alone site, and is discussed in more detail later in this section.

Major Challenges

The major challenges for this site are the political one of obtaining the use of the Island Airport for the Fair, and the budgetary one of the cost of the transitway linking the two parts of the site.

Other challenges for this site are environmental approvals for the new western gap, the east-west transit tunnel and lake fill in the existing western gap; and the aforementioned challenges listed for the Port Lands, such as land consolidation, but on a smaller scale.

Demonstration Plan

A demonstration plan was developed to test the feasibility of this site for Expo 2015. For the island airport half of the fairgrounds, it is imagined that a streets-and-blocks pattern would be developed that

is suited to future mixed use development. Major attractions could be located at the end of key axes, on the water's edge. Two gates would be located at the north end of the site. Some of the land proposed to be used by the fair could be given over to parkland following the fair; the rest could potentially be rezoned for development.

For the Port Lands half of the fairgrounds, a smaller portion of land would be required than for the Port Lands stand alone site, enabling overall phasing to occur more in keeping with current thinking. The boundaries for this site would be the Keating Channel north of Commissioner's Park, then South along the Don Roadway, East along Commissioner's Street, south along Bouchette Street to the Ship Channel, then west to the line of the Don Roadway, south to Lake Ontario Park, west along this edge, north alongside (but not including) the Toronto Port Authority, and northwards to include Polson Quay. All of the land within the above mentioned boundaries would be required for the world's fair. The parking load would be somewhat reduced from the Port Lands stand-alone scheme, although as in the other scheme, part of the East Bayfront lands, as well as McCleary Park and the City Works site, would be required for temporary transportation and ancillary uses for the duration of the six-month fair.

In addition to allowing Cousins Quay to develop according to market demands, likely in advance of 2015, the Film Studios would not need to be located within the fair gates; in this plan they are proposed to be located north of Commissioner's Street. Also, the Toronto Port Authority lands, Ontario Power Generation lands and the boxboard plant would not be used for the fair. If this site moves forward to the next steps, the boundaries would have to be further reviewed.

As with the Port Lands stand-alone site, the dual site would incorporate all of the planned parks and open spaces, including Commissioner's Park, the Don Greenway, and Inner Harbour Special Places.

Legacies and Residuals

The waterfront transit system would be a tremendous legacy for the entire waterfront. It would open up higher density development options at the Port Lands, and would be an important asset for the future sustainability of waterfront development in Toronto. Other potential legacies include all those listed for the Port Lands as well as a serviced airport site.

Access to the Dual Site

This site would bracket either end of the Toronto harbour and be within close proximity to Union Station, the focal point of the GO Transit rail and coach system and the southern extremity of the Yonge and Spadina subway lines. With the dual site, both the northwest corner of the Port Lands site and the northeast corner of the Island Airport site would be within walking distance of Union Station. In both cases the walk would be a rather long one but potentially quite pleasant.

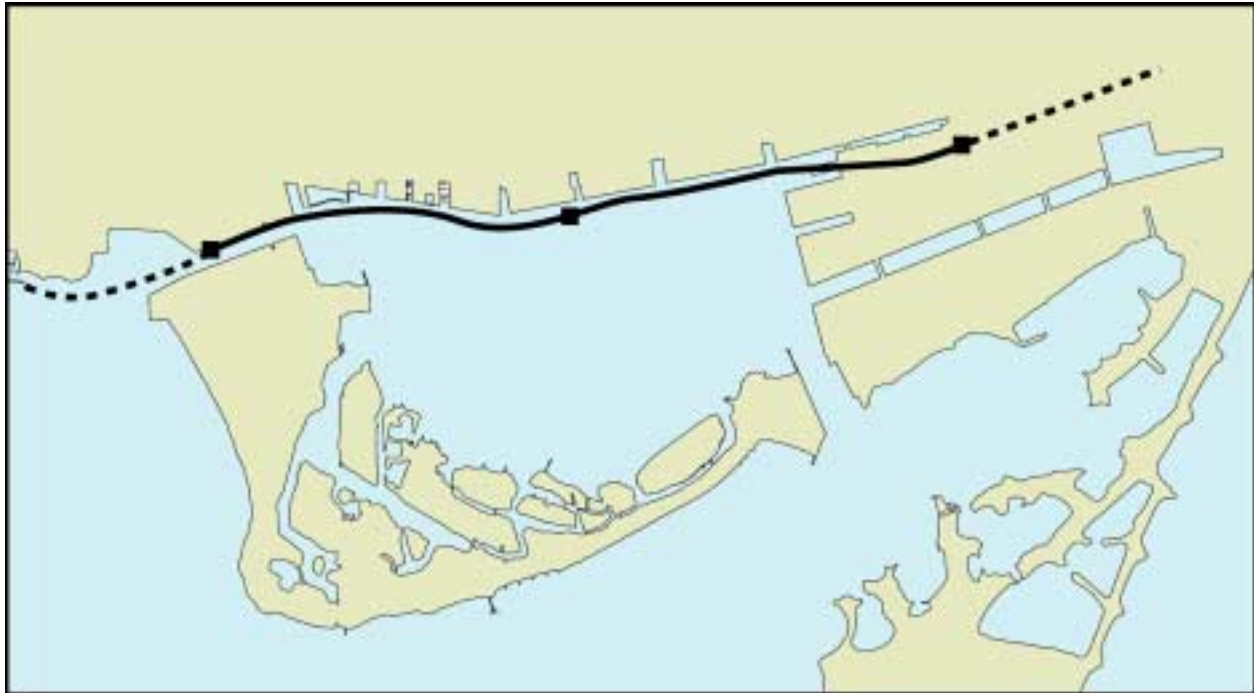
All of the potential new permanent LRT/streetcar routes described in relation to the Port Lands site which are reflected in the Central Waterfront Secondary Plan in the east (i.e., the Queen's Quay LRT, the Cherry Street LRT and potentially the extension of the Broadview streetcar) could be implemented prior to the Fair. In addition, certain western portions of the waterfront transit system could also be implemented (i.e., the extension of the Harbourfront LRT west to Dufferin, and north on Dufferin to Queen).

As with the Port Lands site, taken together these LRT/streetcar transit system improvements would not provide sufficient capacity to support the travel demands of fairgoers. Consequently, a number of temporary operational systems would be required to develop all the required capacity. A significant access advantage of the Port Lands and Island Airport dual site is that there are opportunities to disperse and evenly distribute the travel demand loads to the east and west of the central area. This opportunity means that the bus shuttle to the Danforth subway operated from the Port Lands would be complemented by a similar shuttle to the Bloor line. As a result, the total operation would be more dispersed and have less community impact. There would be some opportunity to use the Exhibition Place GO Transit station as a means of access. Compared with the Port Lands site alone, there would be better use made of facilities such as the Spadina LRT and the Bathurst streetcar.

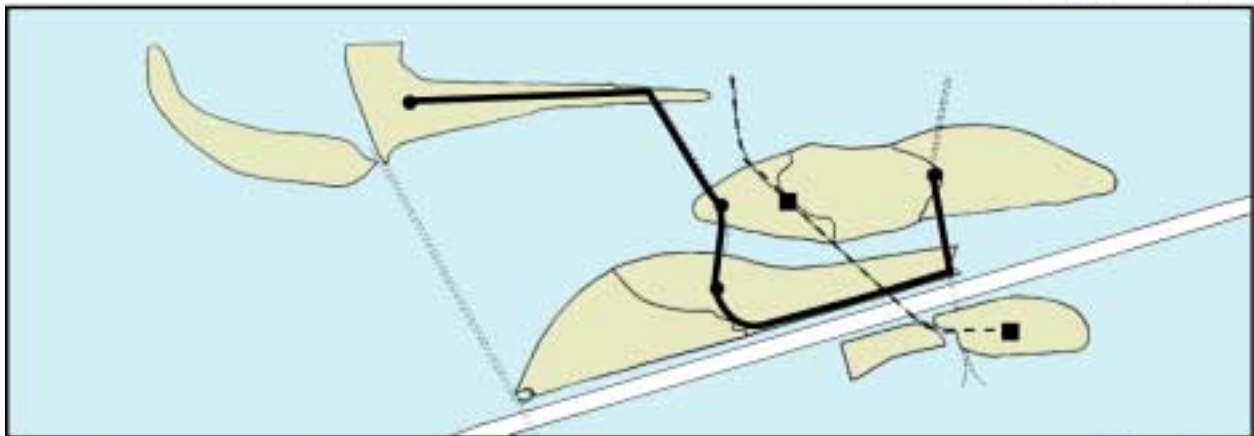
Linking the Two Parts of the Site

Because of the separation between the Port Lands and Island Airport sites, there would be a significant additional transportation requirement to move fairgoers between the two sites in an efficient and pleasant fashion. A high capacity link between the two parts of this site is a crucial requirement for its feasibility. The map on the next page (Exhibit 4.10) demonstrates that the system proposed is comparable in scale and length to the one implemented at Expo 67. At that Fair the cost of the system and the bridges required to carry it constituted approximately 20% of the total capital cost.

EXHIBIT 4.10
Linking Multi-Site Fairs



Expo 2015: Dual Site
Toronto, Canada



Expo 1967
Montreal, Canada

0m 200m 500m 1000m 1500m 2000m

This inter-site transport would have to be designed so as to not require fairgoers to leave one fair site and travel through the city to re-enter the world's fair again at the other site. The inter-site transport system should operate from within the gates of both sites. An exclusive mass transit link between the Port Lands and the Island Airport sites would be a prerequisite of the success of the dual site concept.

The same mass transit system would also be a major means of movement between the heart of the public transit system at Union Station and both the Port Lands and the Island Airport site.

Addressing these challenges would require a form of public transportation not presently under planning consideration in Toronto. Nevertheless, the significant investment involved in the creation of such a transportation system should create a legacy of significant lasting benefit to the City of Toronto. The transportation linkage between the two sites should be conceived to be compatible with, supportive of, and an enhancement to established the transportation plans and other city building initiatives.

The City of Toronto, the TTC and the Toronto Waterfront Revitalization Corporation have identified the need for an extended, attractive waterfront public transit system. In recent work, this system has been characterized as an integration of the LRT/streetcar systems spanning the waterfront along Lake Shore Boulevard in Etobicoke, The Queensway around Humber Bay, a new link between Roncesvalles and the Harbourfront LRT north of the Exhibition Place, the Harbourfront LRT along Queen's Quay including an eastward extension to Cherry Street, and a new line along Commissioners Street and Lake Shore Boulevard east to connect with upgraded streetcar service on Kingston Road. This a worthy long range plan.

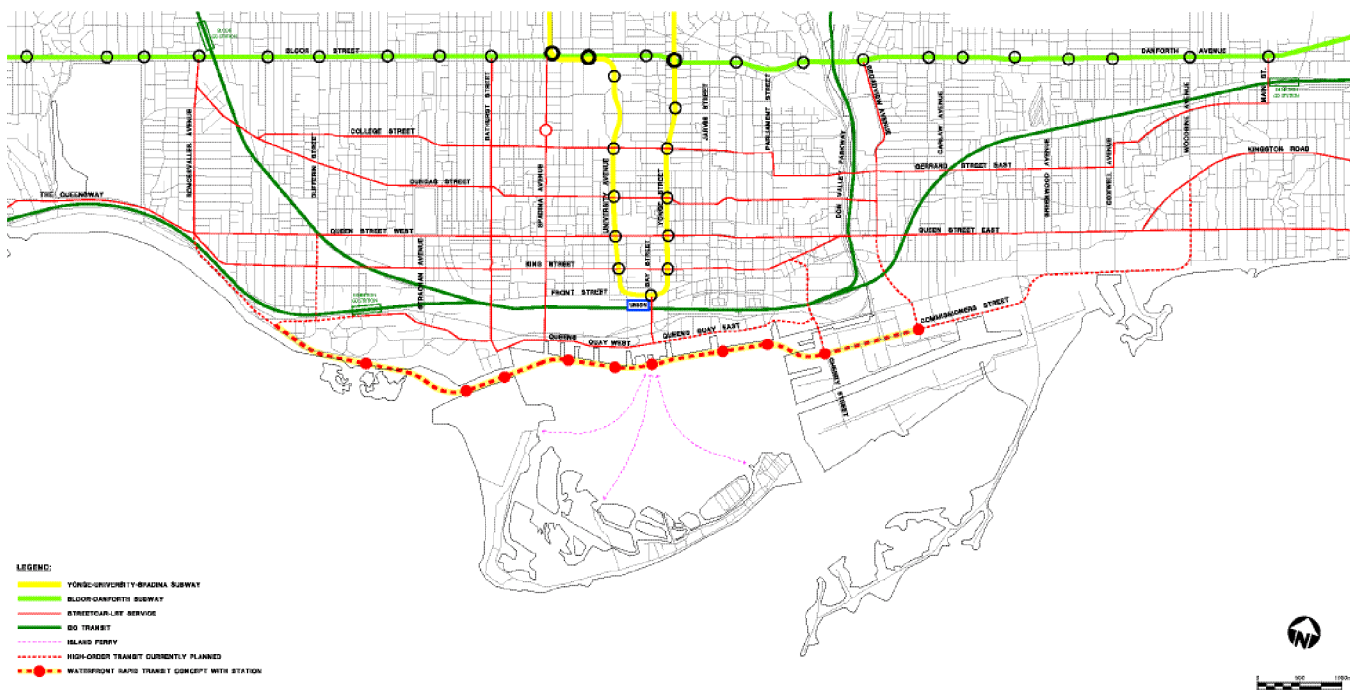


EXHIBIT 4.11 Waterfront Rapid Transit Concept. Refer to Appendix 4.2 for a full-scale version.

It has been observed that achieving the passenger capacity which would eventually be required in the central sections of this waterfront LRT system (particularly to/from the east linking the Port Lands to Union Station) would require a more robust form of operation than currently in place on any LRT /streetcar route within Toronto. Comparisons have been made to the LRT systems in operation in Calgary and Edmonton. The proximity issues which would arise in connection with operating such a robust LRT service in the median of city streets have not yet been fully addressed.

The concept for the inter-linking of the two parts of the Port Lands and Island Airport sites is to create an entirely new exclusive transit right-of-way located in an under-water structure located just south of the seawall in the inner harbour between the two sites. A state-of-the-industry transportation technology compatible with TTC systems could be operated between the two sites within this new tunnel. The facility would pass below grade within the fair site and stations would be located within the gates of the fair where fairgoers could board and alight the system without any need to leave or re-enter the fair.

By the use of designated stations and vehicles during the Fair period, it would be possible to operate the exclusive transit tunnel with two separate parallel systems during the period of the Fair. One system would be closed to all but fairgoers within the gates, and would move people between the east and west part of the site as previously discussed. The other system would transport people between Union Station and the fair sites with stations located external to the gates. This dual mode operation would allow the new system to be used to both enhance public transit access to the site and provide an exclusive Expo 2015 system within the Fair. Importantly, this system could be readily incorporated into understandable wayfinding information which could be used by visitors to Toronto unfamiliar with the existing public transit systems in Toronto.

After the fair, the exclusive transit way developed to address this fair generated need should become a central component of the larger waterfront transit concept. Minor modifications to the concept at the east and west ends would allow service to be developed which would link the central area tunnel with all of the east and west surface operating components. The resulting waterfront transit line would provide a robust high-order system extending from the extensive new residential development areas of the Etobicoke waterfront all to the growing communities of the eastern Beaches and beyond. This waterfront transit line would be configured to

serve all the major waterfront attractions, including: Sunnyside and High Park, Exhibition Place and Ontario Place, Harbourfront, Rogers Centre and the CN Tower, the Toronto Island ferry docks, the foot of Yonge Street, East Bayfront, the Port Lands and Ashbridge's Bay. The system could be designed with an effective north-south link to Union Station and offer a level of passenger carrying capacity commensurate with the needs of the planned and potential future high density re-development of these attractive waterfront precincts.

A ferry system and water taxis would be important adjuncts to the main transitway linking the two parts of the site: they would not have the capacity to carry large numbers of fairgoers between the sites but would add greatly to the whole 'fair' experience. It is expected that demand would exceed capacity and the charges for their use could add to the revenues of the Fair Corporation.

Site Access Plan for the Dual Site

The site access plan for the Port Lands and Island Airport dual site concept required to provide an adequate capacity and level of service to accommodate design day peak period travel demands has been developed and is specified below. It should be noted that the capital costs of transportation facilities which are identified as planned or probable capital improvements outside the mandate of the fair corporation (such as the Queen's Quay LRT) have not been estimated. The large capital cost of the waterfront transitway concept has not been estimated. Study of alignments, transport technology, stations, construction methods and supportive infrastructure would first be required. The capital costs of identified transportation improvements, both at and away from the site, that would not be required except to accommodate the fair have been estimated and included. The operating costs and potential fare and other revenue sources associated with services provided to fairgoers by TTC, GO Transit and other operators have not been estimated.

The fair access plan would have the following components:

- the new Expo 2015 waterfront exclusive transit way would connect both sites with Union Station providing capacity of up to 10,000 passengers per peak hour peak direction; facility would be permanent and have significant post-fair value;
- a temporary rail based shuttle between Union Station and a temporary station to be located on the Don Yards north of the Don River and east of Cherry Street would be operated with a capacity of up to 10,000 passengers per hour in the peak direction but would likely only be required to operate during limited

periods and/or on the heaviest days of attendance; the facility would likely be temporary and removed following the fair; estimated capital cost \$11.5 million;

- the Exhibition Place GO Transit station could accommodate some 3,000 fairgoers per peak hour peak direction travelling on the GO Transit Lakeshore service;
- a temporary bus based shuttle service between three selected stations on the Danforth subway line and a shuttle terminal facility on the south side of Lake Shore Boulevard could be operated with an aggregate capacity of 9,000 passengers per hour in the peak direction, the terminal facility would be temporary and removed following the fair, estimated capital cost \$3.0 million;
- a temporary bus based shuttle service between two selected stations on the Bloor subway line and a shuttle terminal facility on the west side of the Island Airport site could be operated with an aggregate capacity of 6,000 passengers per hour in the peak direction; the terminal facility would be temporary and removed following the fair, estimated capital cost \$3.0 million;
- two suitably located chartered motor coach access facilities accommodating 15,000 fairgoers peak hour peak direction one at each venue; facilities would be temporary and removed after the fair; estimated capital cost \$9.0 million;
- LRT/streetcar facilities existing on Bathurst, Spadina, Queen's Quay west, and planned for Queen's Quay East and Cherry could accommodate up to 15,000 fairgoers peak hour peak direction; minor improvements for stations would be required and would be permanent; capital cost \$1.1 million;
- GO Transit coaches and regular and special TTC routes would operate from terminal facilities at each site and accommodate up to 7,000 fairgoers per peak hour with transport to remote parking lots or other collection points distributed around the GTA; terminal facilities would be temporary and removed after the fair; estimated capital cost \$8.4 million;
- two facilities for pick-up / drop-off by taxi, hotel shuttle, private automobiles, VIP parking, walking or cycling would be located near Cherry Street in the east and near Bathurst Street in the west and would accommodate 8,000 fairgoers peak hour peak direction; facilities would be temporary and removed after the fair; estimated capital cost \$3.3 million;

- temporary parking up to 5,000 spaces would be required near the sites and be connected by way of conventional shuttle vehicles to a gate; facilities would likely be temporary and removed after the fair; estimated capital cost \$13.4 million;
- various roadway improvements would be required to facilitate the bus shuttles, parking access and increase in traffic flow along Lake Shore Boulevard and other routes; the required improvements could be permanent; and have post-fair value; capital cost allowance \$15.0 million;
- road access would be provided to the Island Airport site with a link to Lake Shore Boulevard at Newfoundland Road and via a new tunnel developed in conjunction with the waterfront transitway; the roadway would be permanent and have post-fair value;
- additional capacity would be required at outlying TTC and GO Transit stations to accommodate additional parking and buses; the required improvements could be permanent and have post-fair value; capital cost allowance \$37.0 million.

The system described above would function very well, be easily communicated to fairgoers from out of town, provide adequate capacity, and provide a substantial infrastructure legacy of long term strategic importance to the Toronto waterfront and central area.

4.3 Conclusion

The most attractive and workable site from a site planning perspective is the Port Lands and Island Airport. This site also has the potential for the tremendous legacies of Humanitas (a possible legacy also for the Port Lands alone site), servicing of the Island Airport for future waterfront development and a new waterfront transit system. The greatest challenge for this site is gaining timely approvals for use of the Island Airport and new transit system.

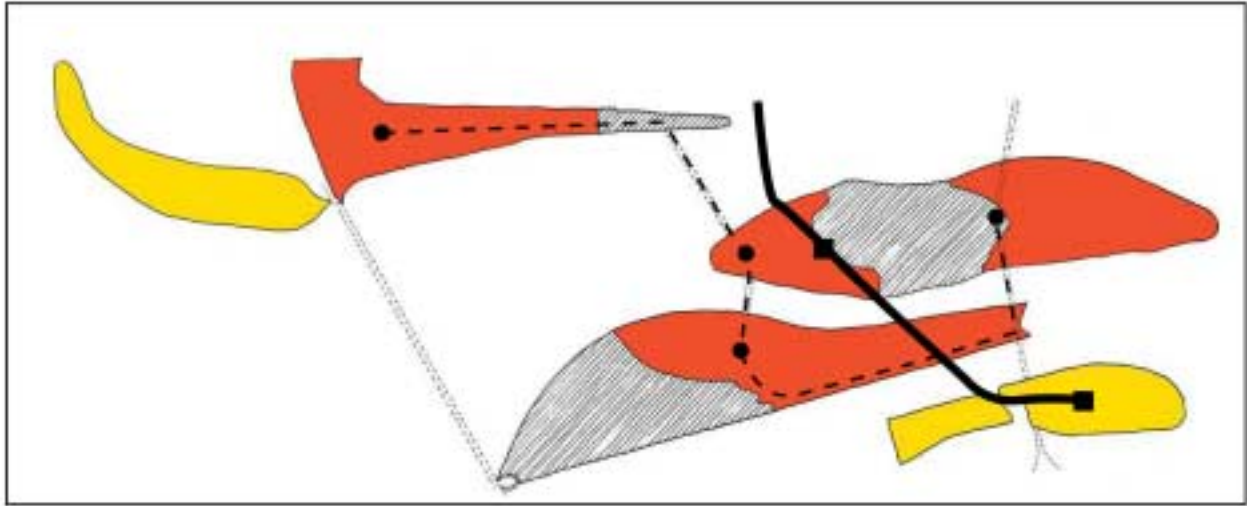
There is clear recognition on the part of the feasibility study team that the central waterfront exclusive transit way which has been identified as an essential element of the dual site concept is a major new previously unplanned piece of public transit infrastructure. No alignment or design studies have been completed. The capital cost of its construction is presently unknown. No detailed transportation demand studies have been undertaken and the implications for TTC operations along the waterfront have only just begun to be identified. It is also recognized that without the onerous

transportation requirements of Expo 2015 as a starting point, it would be very unlikely that such a facility could be considered feasible. However, the prospect of a successful bid for Expo 2015 dramatically changes the financial equations. The financing of the cost of construction of such a facility would have to be the subject of an agreement of three levels of government. This feasibility study has assumed that there would be a \$3.00 per fairgoer surcharge included in the fair admission (which would generate a revenue of in excess of \$200 million) which would be applied to the costs of the creation of the facility and its operation during the Fair.

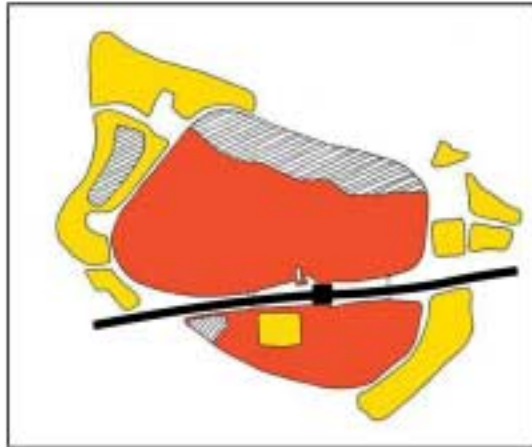
It is possible to imagine a host of significant benefits which would make the exclusive waterfront transit tunnel a valuable legacy of the fair. It would support the travel demand which would arise from the potential post-fair re-development of the Island Airport as a mixed use community. This community would generate new travel demand, not currently considered in any transit demand estimates and not likely to be accommodated by the Queen's Quay LRT service. It could also support higher density forms of redevelopment than have to date been considered for portions of the Port Lands. It would address the proximity issues associated with development of the currently planned higher order transit system through East Bayfront. It would reduce the operational pressures on the Queen and King streetcar line to the east and west of the central area. It could be used in support of marketing the Toronto waterfront and its many attractions. Like the potential removal of the elevated central section of the Gardiner Expressway, the central waterfront transitway could be a signature project of waterfront revitalization.

There are many precedents for world's fair being catalysts for major infrastructure projects in the host city. Some of these are illustrated in the adjacent diagram. In Montreal in 1967, there was a major roadway bridge built across the St. Lawrence River between parts of the Expo 67 site and a new subway line built in a tunnel under the river to the south shore. Both facilities played an essential role in providing access to and within the fair and have been valuable civic assets since. In Vancouver in 1986, there was a new Advanced Light Rapid Transit system constructed a 2.2 kilometre section of which was located underground through the city centre and operated during the fair as a free shuttle between the main fair site at False Creek and the Canadian Pavilion on Burrard Inlet. The Japan fairs have involved major investments in rail transportation and other forms of transportation. The 1992 fair in Seville involved extensive construction of large parts of the national highway system and the construction of high-speed rail between Madrid and Seville. The

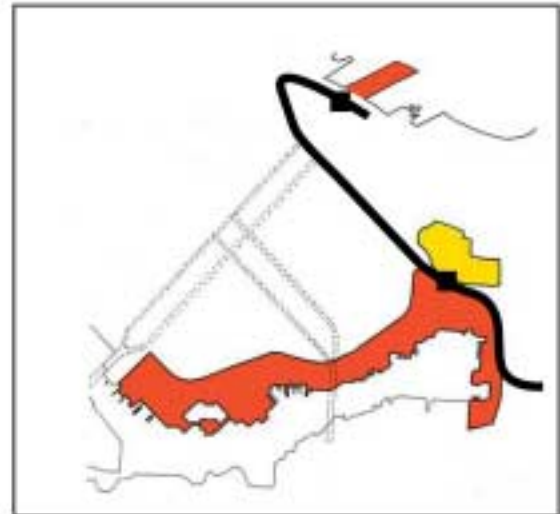
EXHIBIT 4.12
External Transit Access at Past Fairs



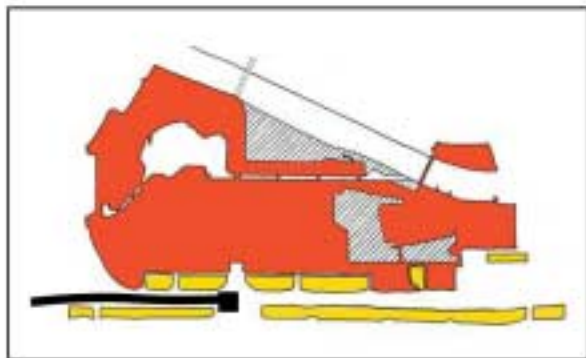
Expo 1967
Montreal, Canada



Expo 1970
Osaka, Japan

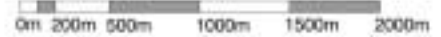


Expo 1986
Vancouver, Canada



Expo 1992
Seville, Spain

- Area Inside Gates
- Area Outside Gates
- Green Space



essential element of strategy is to ensure that such major capital infrastructure projects can be suitably integrated with established plans and operations and have significant post-fair value. It appears that the central waterfront exclusive transitway concept has the potential to not only make the exciting dual site concept feasible but also produce a valuable, lasting benefit.

The Port Lands would be a second choice and a very attractive World's Fair site, but not without issues of accessibility, plan compatibility and land consolidation. Downsvievw is not seen as feasible at this time without the use of all or part of the Bombardier runway; however, stakeholder support is strong for this option, and if adjacent lands do become available, this site could become a contender. Should a bid for Expo 2015 be pursued, the challenges of each site should be investigated further.



Expo 2005 Aichi Site Map

5. THEME

5.1 Development of the Theme

This section looks at how the theme for a Toronto world's fair in 2015 may be developed.

The BIE requires that the theme at each of the two categories of exhibition (major or 'Registered' and minor or 'Recognized') be distinct. At the former it must be broad and all encompassing; at the latter it must be narrower and more specialized. In each case the subject must be especially relevant to the host country and capable of interpretation by other participants at the exhibition.

The theme at a major exhibition, as is proposed for Toronto 2015, should also be capable of subdivision into sub-themes.

During the Feasibility Study

The scope of this feasibility study is limited to describing the themes of some past fairs and what role the theme plays for different constituencies and finally, to suggesting some options. The options put forward have come from the Stakeholder Workshop of February 4th, have been suggested by a number of persons with expertise in themes or experience in world's fairs, and from the knowledge and files of the Study authors.

During Phase 1 of the Bid Process

The Toronto 2015 theme should be further developed in the next phase of work should Toronto City Council decide to proceed with a bid for the 2015 World's Fair. This next phase would inform Council's final decision whether to request the federal government to forward the bid to the BIE. Council's decision is expected about January 2006.

The development of the theme may be carried out in different ways:

- by consultants expert in the field
- by a panel of distinguished persons as was the case for Montreal's Expo 67, and
- by a combination of these two methods.

We recommend the latter method where a consulting group would facilitate the discussions of a panel of persons, assembled for a short and intense workshop, and then report on, and develop the conclusions into a coherent and complete statement.

At the same time theme options should be tested during the public consultations that will be an important task in Phase 1. New options

resulting from the consultation process should be considered. The options should also be tested with the International Expositions Directorate of the federal Department of Canadian Heritage and with Canada's delegate to the BIE. Finally, they should be tested informally with the BIE Secretariat.

The process should result in one well-crafted theme statement that will meet the approval of the BIE.

During Phase 2 of the Bid Process

In the period between January 2006 and December 2007, when the decision will be made on the city to be awarded Expo 2015, the proposed theme must be presented to the BIE Pre-enquiry mission when it visits Toronto. The visit is expected to take place in March or April of 2007.

The Pre-enquiry mission report will provide feedback on the proposed Toronto theme and an opportunity to make final revisions before the final presentation of the Toronto bid in December 2007.

5.2 Themes of Past Fairs

Montreal 1967

'Terre des Hommes - Man and his World'

The theme was sub-divided into three major categories, each in a separate theme pavilion. These were:

- Man in the Community
- Man the Producer, and
- Man the Provider

Osaka 1970

'Progress and Harmony for Mankind'

Osaka's theme, all contained in one pavilion at the center of the fair site, was also divided into three main sub-themes:

- World of Progress
- World of Harmony, and
- World of Mystery

Seville 1992

'The Age of Discoveries', in three separate pavilions and designated as:

- The Navigation Pavilion
- The Discoveries Pavilion, and
- The Pavilion of the Future



Theme: Man in the Community, Habitat

5.3 Importance of the Theme

The theme has different levels of importance, at different times, for the development of a plan for a world's fair and for different interests.

BIE

The theme is important to the BIE as a way to organize a world's fair and particularly the exhibits of the participants. Since BIE world's fairs, as distinct from trade fairs, emphasize education, acceptable themes should, as described in the BIE Convention, "*exhibit the means at man's disposal for meeting the needs of civilization, or demonstrate the progress achieved in one or more branches of endeavour, or show prospects for the future.*" (BIE Convention, Part I, Article I)

The theme must be formally presented to the BIE at its Pre-enquiry mission that, in the case of Expo 2015, will take place in early 2007.

Relevance to the Host City and Country

The theme must have some specific relevance to the past, current or future of the host city and country. A good example is Seville's theme of 'The Age of Discovery' that celebrated Columbus' voyage to the New World five hundred years earlier. He is said to have started that voyage from Seville.

Exhibitors

The principal way in which a theme is illustrated is by the exhibits in the pavilions built by the national and corporate participants. The exhibition corporation at a major world's fair will also usually build special theme pavilions in which various aspects of the theme are exhibited.

In practice, the exhibits may not have much to do with the theme at all; this will depend on the sophistication of the individual participants and the creativity of the designers they commission to conceive and build their exhibits.

Concept Plan

The concept or physical master plan for a world's fair can exemplify the theme. The one modern fair where the planners, to our knowledge, attempted this was at Montreal's Expo 67. The site of the fair, using the sub-theme of 'Man in the Community', was planned as an example of what a downtown might be. The plan was transit-oriented, car free and emphasized the comfort of pedestrians.

Not all themes will lend themselves to this kind of development.

Visitors

The average fairgoer is not much concerned with the details, coherence or sophistication of a theme statement. He or she is more attracted to pavilions that provide an exciting experience by means of sophisticated, interactive exhibit techniques, whatever the message conveyed. This accounts for the fact that at every fair, word of mouth leads to a small number of pavilions gaining the reputation as being the 'must-see' pavilions. There are always long lineups at these pavilions.

The reaction of one veteran observer of world's fairs, E. J. Kahn Jr., to the theme at Expo 70 in Osaka is captured in a New Yorker article of June 6, 1970: "World's fairs usually have visionary themes, and this one's *Progress and Harmony for Mankind*, is acceptably high-flown, but Expo 70's visitors are surely going to remember it, rather, as a spectacle of light and sound ..."

5.4 Theme Options for Expo 2015

One option for Toronto 2015 is based on the diversity of communities that make up Toronto and Canada. Other options were suggested in the course of the Study. These are briefly described below.

Options

Three theme options emerged through the course of the feasibility study:

- Diversity and multi-culturalism
- The environment, broadly defined, and
- Innovation.

Diversity

This was mentioned by several participants in the feasibility study. In this context, diversity referred to multi-cultural Toronto and Canada. Titles mentioned included:

- A Gathering of Nations;
- Gathering Place;
- Global Village;
- Dialogue of Cultures; and
- Living in Harmony.

The concept of diversity applies not only to urban social and cultural diversity but to other 'branches of endeavour' as well. In anthropology research has shown that early humans that had specialized diets became extinct when climate change limited their



Toronto - a multicultural city.

food sources; on the other hand, those that had a varied (diverse) diet were able to survive.

In environmental science it is clear that diverse ecosystems are better able to withstand changes and disease. They are also better able to support more diverse animal and bird species in a richer habitat.

This option is clearly related to Toronto (and Canada's) cultural diversity and therefore meets one of the tests of appropriateness. It is also possible to interpret it in many different ways by the diversity of national and corporate participants at the fair.

There were participants in the process who found diversity itself to be uninteresting and not necessarily unique to Toronto or Canada. The comment was made that in order to illustrate diversity, we need to focus on the ways in which it is made to work in Toronto. In creative hands it may be developed into an interesting statement and exciting exhibits.

The Environment

Broadly defined this can cover all of life and lends itself to interpretation in many ways and by all potential participants at different levels of sophistication. This is one of the requirements of the BIE.

However, it has been the subject of many previous world's fairs, from Osaka 1970's 'Progress and Harmony for Mankind' to Spokane 1974's 'Celebrating Tomorrow's Fresh New Environment', and to New Orleans 1984's 'The World of Rivers: Fresh Water as a Source of Life.' The forthcoming Zaragoza fair in 2008 also has a theme on the subject of water.

The BIE prefers that each world's fair come up with fresh ideas for its theme. An environmentally-focused theme would need to demonstrate this freshness.

Innovation

The suggestions for this option were primarily related to communications technology but could be applied to "all branches of (human) endeavour." It could be broad enough to be interpreted in their own way by all participants at the fair.

Development in the Site Concept

Each of these options could be exemplified in the master plan of the fair.

Besides the obvious one of a large number of nations gathered on the site, the first theme could provide a hierarchy of spaces where

participants and visitors may meet. These could range from a large space suitable for opening ceremonies and the celebration of national days, to small spaces where amateur groups could interpret their distinctive cultures.

The environmental theme would be exemplified by model requirements to be applied to the planning and construction of the fair site and facilities. It must be noted that the site and facilities will have to meet such requirements whatever the theme.

The theme on innovation could integrate the latest communications technology into the site and facilities. It would be a 'wired city' providing visitors the ability to communicate around the world and for persons who cannot visit in person to make a 'virtual' visit.

Opportunities and Legacies

There is an opportunity to provide locations within the Toronto 2015 waterfront site options for current projects looking for a home. One candidate is the 'Humanitas' project that has been the subject of a feasibility study sponsored by the City. The concept for 'Humanitas' appears to fit well with the theme option of cultural diversity.

An iconic building on a prominent site on Toronto's waterfront for this project would be a major legacy of the fair.



Canada Place, legacy of Expo 86, Vancouver

6.0 Culture

The purpose of this section is to outline ways that the World's Fair can stimulate the arts, culture and design sectors for Toronto, Ontario and Canada. The section provides a brief overview of the history of culture at World's Fairs and outlines some strategies to ensure that opportunities to showcase Toronto and Canada's arts and cultural sectors are maximized. It will be important in planning for the World's Fair to involve the arts community, designers and cultural industries in order to showcase Canada's arts and cultural community to the world. The careful planning of cultural events will also be critical to ensure that the cultural objectives associated with the Fair are aligned with the objectives of other cultural and tourism plans in Toronto.

As part of our consultation for this project, we have carried out the following:

- Reviewed background documentation and studies such as the City of Toronto, Tourism Investment Study, by Cameron Hawkins & Associates and the Tourism Company, 2001; the Five Year Tourism Action Plan, Cameron Hawkins & Associates Inc., the Tourism Company and KPMG, 2003 and the City of Toronto's Culture Plan for the Creative City.
- Consulted with key individuals representing the City of Toronto cultural and tourism departments. We have also contacted key individuals representing Tourism Toronto, the Royal Ontario Museum, the Art Gallery of Ontario, the Metropolitan Toronto Zoo, the Ontario Science Centre and Exhibition Place. The Pacific National Exhibition was contacted to determine how its attendance was affected during Vancouver's Expo 86.
- Consulted with approximately 70 individuals at the Stakeholder Workshop, representing a wide range of constituencies in Toronto and Ontario. These individuals were conditionally supportive of the idea of the Fair and identified opportunities to use it to support cultural initiatives in Toronto/Ontario/Canada as well as to provide cultural legacies.

It is important to note that the arts and culture component of a world's fair potentially spans the range from pop to 'high culture'; it could also provide opportunities to feature not only mainstream but also the many diverse segments of Toronto's and Canada's arts community. Further, there will be high potential for cultural legacies associated with the Fair that are addressed separately in Section 10.

6.1 Historical Perspective: Culture & World's Fairs

The role of the arts and culture has always been an integral, vital and central part of a world's fair which at its best can lead to an explosion of the arts, creativity, design and culture. There are many examples from other Fairs over the years. For example:

- In music, several works were composed for a Fair or received high profile at Fairs, for example, Sousa marches, Dvorak's New World Symphony and Scott Joplin's music at Chicago 1893; Erik Satie's *Verset laïque et somptueux* (1900) which was inspired by the composer's exposure to the *gamelan* of South-East Asia while attending the World's Fair held in Paris in 1900; "Meet me in St. Louis, Louis, meet me at the fair" composed for the St. Louis Fair 1904; and pied-piper Bobby Gimby who wrote "Ca-na-da", the wildly successful song celebrating Centennial Year.
- Several fairs were very important in introducing and/or popularizing several important movements in the decorative arts and industrial design: Paris 1900 and Art Nouveau; Paris 1925 and Art Deco (derived from the title of the fair itself: *Exposition Internationale des Arts Decoratif et Industrielles Moderne*); and Chicago 1933 and the 'streamline' movement where the latest in rail locomotives were featured.
- Fairs have always been fertile grounds for innovation in architecture: many established architects are called on to design the pavilions and encouraged to demonstrate new ideas which may - or may not - then become mainstream. Buckminster Fuller's US pavilion dome at Expo 67 - dubbed by Marshall McLuhan as "the world in a nutshell" - is a magnificent example and is still in use today as exhibit space. Also at Expo 67, a young McGill graduate, Moshe Safdie, was given his first commission by the Expo Corporation. The result was Habitat which received extraordinary press around the world, not only ensuring his career but also bringing attention to Canada's architects as a whole.
- The engineer Gustave Eiffel is, of course, renowned for the design of the Eiffel Tower, the symbol of the Paris 1889 fair and soon of Paris itself. It is less well known that he designed the main pavilion for the Paris 1867 fair, extraordinary not only as a structure but for the way in which the exhibits were organized. This concept was important in the development of the master plan for Expo 67.

6.2 Programs at Previous Exhibitions

Culture and the arts have played an important role in world's fairs ever since the first, the Crystal Palace in London in 1851. In the early fairs it was normal to build a pavilion devoted to painting and sculpture; an example is the Palace of Fine Arts at Chicago 1893, a permanent building that is now Chicago's Museum of Science and Industry.

The most recent fairs have shifted emphasis from structures to programs not only on the fair site itself, but also spread throughout the host city. Pop culture is also an important new feature. The example of Canada's two fairs is typical of what is expected of cultural and entertainment programs at modern world's fairs. They are extensive, require considerable organization and have large budgets, offset to some degree by sponsorship.

Montreal 1967

Expo 67 had a complete range of cultural events, both on and off the fair site including painting, sculpture and photography in the visual arts. Paintings and sculpture were housed in a permanent arts museum on the site - now the Museum of Contemporary Art - with a theme based on the theme of Man and His World. Museums from all over the world lent significant artworks for the program. The Expo Corporation commissioned works from Canadian and international artists for sculptures to be placed around the site. Alexander Calder's 'Man' was located in a central position adjacent to one of the theme pavilions and is now a permanent addition to St. Helen's Island Park. The Expo Corporation also budgeted a percentage of the capital cost of all its buildings for artworks to be integrated in their design. An international exhibition of photography was also housed in a temporary pavilion on the site.

All the performing arts, (symphonic, chamber, and choral music, opera, ballet and plays) were part of the cultural program and performed primarily in off-site venues in Montreal. La Scala made its first North American appearance with a performance of Verdi's 'Nabucco.' Ravi Shankar made one of his first North American appearances at Expo 67. Canadian composer Harry Somers was commissioned by the Expo Corporation and wrote 'Louis Riel.' The on-site Expo Theatre housed more popular entertainment such as the Ed Sullivan Show and Carol Channing singing 'Hello Dolly.'

Also on-site there were some 6,000 free concerts by amateur and professional groups.

Arts and other journals in Canada and the US regularly reported on upcoming programs of particular interest to their readers. The New York Times had a regular feature "This week at Expo" and the New Yorker also reported on upcoming events. As a consequence many people came to Expo 67 and Montreal who may not otherwise have visited.

Finally, there was a series of conferences and lectures related to the theme featuring distinguished persons such as John Kenneth Galbraith.

Vancouver 1986

A similar program was organized at Vancouver's Expo 86, although on a smaller scale and with a greater emphasis on popular events. The main part of the program, sponsored by the Royal Bank, featured more than 250 performances of dance, drama and music from Canada and the nations that participated at the fair.

There was an extensive on-site program that featured some 43,000 performances. This included a Folklife area where the many cultures of Canada were celebrated, and a Street Theatre program featuring jugglers, mimes, clowns, musicians and others from around the world. This program was so successful it was enlarged twice by popular demand.

'Theme Weeks' organized around the transportation theme also took place: shows of historic aircraft, ships, trains and vintage cars. Finally, there was a Symposium series of lectures, workshops and conferences organized around subjects related to the theme.



Expo 86, Vancouver

6.3 Expo 2015 Opportunities

There are many ways conceptually that the World's Fair can stimulate the arts, cultural and design sectors in Ontario and Canada. These will have a direct impact in driving admissions to the Fair. In addition, it will provide many opportunities to artists and cultural organizations to showcase themselves at the Fair or to plan events and programming related to the Fair.

The following are some of the many diverse ways that the Expo 2015 can stimulate the arts and cultural sectors.

- Showcase the best of Toronto/Canada's artists - Clearly the World's Fair provides an unparalleled opportunity to showcase the best of Toronto's, Ontario's and Canada's arts and cultural sectors. This would be potentially a very diverse set of artists and arts organizations including the mainstream as well as more diverse and niche oriented art forms.

- Opportunities for young artists - the Fair would provide all types of opportunities for young artists which could be seminal events in terms of kick-starting or developing their careers. There have been many cases historically as outlined above where this has been the case.
- Showcase arts of Toronto's ethnic communities - the Fair would provide a wide range of opportunities to showcase Toronto's diverse ethnic communities through the arts. An example is the recent African Guitar Summit which was held in Toronto. The Fair would provide an excellent opportunity for new events, as well as provide opportunities to raise the profile of existing events.
- Off-site venues - the existence of the Fair would provide opportunities for major shows with large audiences at cultural attractions off-site, such as Roy Thompson Hall, the Air Canada Centre as well as Toronto's other cultural attractions. There would be opportunities for cross-promotion of these events by marketing these institutions to regular audiences as well as to the Fair visitors.
- On-site venues - the Fair can be designed to encourage a range or hierarchy of spaces to promote different types of arts. This hierarchy of spaces would potentially range from large spaces for formal, major events to smaller spaces to encourage more informal or niche type events. For example the latter could be used, e.g., for story telling, small music groups, amateur groups from Toronto and across Canada.
- Opportunity for theming - There are many annual cultural events in Toronto which may wish to choose cultural themes related to the Fair which would provide opportunities for them to expand their own attendance and audiences. For example, the Toronto Film Festival and Harbourfront Reading Series may offer programming related to the theme of the Fair.
- Invest in the arts and designers - The Fair would provide an exceptional opportunity to profile Canadian artists and designers by incorporating their works in the design, architecture, interior spaces or venues associated with the Fair. For example, the Expo Corp could hold a design competition to use the best designers and architects to build the Canadian pavilion or components of the Expo site (e.g., buildings, bridges, transportation equipment, etc.) This can provide these artists and designers with opportunities to showcase their work in front of a world stage. A

related idea would be to dedicate a certain percentage of the capital budget to the arts, similar to public investment in the arts programs. Expo 67 in Montreal promoted arts and sculpture in public spaces with a similar mechanism.

It will be critically important that arts and cultural organizations as well as cultural industries are involved in planning for the Fair, both leading up to the Fair itself, as well as for the period following the Fair. These groups should be involved in helping to plan the theme associated with the Fair. The main groups of artists and arts organizations that need to be included is diverse and includes:

- Visual arts and media arts
- Literary arts and publishing
- Film, broadcasting and television
- Performing arts
- Music and sound recording
- Arts, cultural and heritage organizations
- Architecture, graphic arts and industrial design

This is to ensure that Toronto's, as well as Ontario's and Canada's artists, arts organizations and cultural attractions are able to capitalize on the Fair, its themes, and plan for the Fair, meeting a number of objectives in order to:

1. Ensure that artists throughout Canada are given opportunities to showcase their art at the Fair, directly through participation in events as well as through any TV or broadband communications channels to wider audiences.
2. Ensure that communications of arts related activities are communicated and marketed effectively during the Fair.
3. Ensure that artists and arts and cultural organizations from all parts of Canada are represented at the Fair.
4. Ensure that Toronto's artists are given ample exposure both during the Fair directly on site as well as through participating in ancillary activities leading up to and during the Fair.
5. Ensure that Toronto's and Ontario's cultural attractions are able to maximize their attendance during the Fair; or conversely that these cultural attractions are able to minimize any possible deterioration in their attendance levels that could result from the Fair. These organizations will need ample time to build exhibits and events that have links with the Fair and its themes in order to maximize attendance.

6. Ensure that arts and cultural organizations are given opportunities to build on events being hosted in Toronto leading up to the Fair.

An important component of the Fair will be to ensure that Toronto's largest attractions and cultural organizations are able to maximize their attendance during the Fair. In this regard, we have interviewed key individuals from the Pacific National Exhibition (PNE) to determine the impact of Expo 86 on that organization. We have also had preliminary discussions with representatives of the Art Gallery of Ontario, the Metro Toronto Zoo, the Ontario Science Centre, the Royal Ontario Museum and Tourism Toronto to obtain their reaction to the idea of Toronto hosting a World's Fair in 2015 and to determine their initial views in terms of how they could capitalize on the Fair in Toronto. Discussions with the PNE indicate that they had a good year during 1986 with over one million visitors since they had adequate time to prepare themselves. Initial reactions from Toronto's cultural attractions are that given enough lead time to plan programming and marketing, the existence of the Fair in Toronto would likely enhance attendance levels and raise the profiles of these institutions in a very valuable way, that could contribute to higher levels of attendance, particularly from tourists on a sustained basis. These attractions would likely develop exhibitions and programming that capitalized on the theme of the World's Fair and would market to visitors in Toronto who may not want to spend all their time within the Fair site itself.

An additional important element of the Fair will include TV rights associated with the Fair. It is possible that there could be dedicated television channels broadcasting various cultural dimensions of the Fair. Clearly, this exposure would provide an unparalleled opportunity to showcase Canada's, Ontario's and Toronto's culture to a huge potential audience.

Specific Linkage to the Culture Plan for the Creative City

In June of 2003, Toronto City Council adopted the *Culture Plan for the Creative City*, an integrated strategy designed to guide the City's cultural development over the next 10 years. Consisting of 63 recommendations covering a broad spectrum of activities, this plan is now acting as a guide for the City's investment in and support of a number of arts and culture initiatives. Many of the directives of the plan are consistent with the preparations that would be appropriate for the Fair, and in this section we outline these and comment upon the synergies involved.

First, the plan outlines three key themes for future advocacy efforts. These are:

1. encouraging a *cultural renaissance*, by investing in new cultural facilities (e.g. a new home for the COC) and re-investing in our great existing facilities (such as the ROM and the AGO);
2. *integrating diversity*; by capitalizing upon our extremely multiculturally diverse population, and by harnessing the energies and enthusiasm of these people, Toronto can build additional cultural capacity for new artists, volunteers and audiences; and
3. *attracting youth*, by actively involving the half-million young people under the age of 20 living in Toronto, and who have exciting new visions for the arts. This idea could be extended to involve youth from across Canada in the Fair's activities.

Clearly, a World's Fair in Toronto in the year 2015 would give considerable impetus to these areas of advocacy. First, in terms of cultural renaissance of facilities, it is expected that one of the legacies of the Fair (at least on a waterfront location) could be a facility that becomes Humanitas, the City's museum and story centre. This would be a major addition to the cultural facilities landscape in the City. Second, the emphasis upon integrating diversity and involving youth are a clear message to Council in term of how we plan for and design the Fair, ensuring that there are ample opportunities for the involvement of these constituencies in the Bid Corporation, the Expo Corporation, and the various Advisory Committees, as well as in terms of commissions and other opportunities given to individual artists.

Other directives contained in the Culture Plan for the Creative City that are particularly supportive of a World's Fair include:

- increased support of public art: The World's Fair will be a prime venue for the display of public art (some commissioned by the City of Toronto, some by other governments and sponsors) much of which can be relocated and repositioned after the Fair. Much of this could be the work of Toronto-area or Canadian artists (for example, Canadian artists with Italian roots might be commissioned to create works of art for the Italian pavilion). The City could encourage this type of initiative, resulting in World's Fair public art legacies long after the Fair.
- promoting Toronto's history through its museums: Another initiative in the Culture Plan is to encourage exploration of

Toronto's network of museums that tell the story of the growth and development of the City. Some of the visitors to the Fair will be interested in this aspect of what the City has to offer (beyond the Fair itself) and thus represent a potential new audience for Toronto's museums. In preparing for this additional visitor load, Toronto's museums can improve and upgrade their facilities and programs, which clearly will have benefits lasting beyond the Fair itself.

- promoting Toronto's heritage: The Culture Plan also has a strong thrust of encouraging preservation of Toronto's built heritage. Each of the potential sites for the Fair offers some potential for the preservation of built structures that have some significance to the history of the City and region. Accordingly, one potential legacy of the Fair is the rehabilitation and preservation of these structures.

Clearly, the World's Fair provides a very real opportunity to realize the principles of the *Culture Plan for the Creative City*. In planning for the Fair, it will be critical to engage the cultural community in Ontario and Toronto to determine the best way they can capitalize on the Fair and its theme.



Stakeholder Consultation Workshop

7. Stakeholder Consultation Findings

Why consult? The people of Toronto know and expect it, particularly when it comes to decisions regarding significant public policies and plans. Whether the issue is waterfront revitalization, developing a come-back strategy from SARS, or managing traffic, the City has a strong track record of delivering meaningful public processes that give individuals and groups a voice that is heard by decision makers.

Hosting Expo 2015 is a major project that would dramatically shape our city. As a result, an important part of this Feasibility Study involved seeking the perspectives and advice of stakeholders.

Consultation during the Feasibility Study has necessarily focused on stakeholders in Toronto. Should the City decide to proceed to the next steps in a bid for Expo 2105, the consultation process should be broadened to include stakeholders from the rest of Ontario and Canada.

This section of our team's report is dedicated to presenting the results of the consultation, which implemented the Consultation Approach developed in early January, 2005 (attached as Appendix 7.1). The consultation deliberately focused on obtaining stakeholder feedback to the concept of hosting a world's fair in Toronto in 2015, and not on the issues and/or challenges associated with hosting the fair on any particular site. These more detailed discussions would be an essential component of any future work.

7.1 Consultation Approach

The Feasibility Study consultation was guided by the following objectives:

- implement a consultation process that maximizes use of the time and resources available to engage a targeted group of individuals and organizations representing a broad and balanced range of interests and perspectives;
- identify key issues, opportunities and concerns of targeted stakeholders;
- identify and assess ways to address concerns, manage key issues, and take advantage of opportunities;
- identify ways for the Expo 2015 bid to support other initiatives (private, public, local, provincial, federal, other);
- gain an early understanding of those constituencies supportive

of the bid, and those constituencies with significant concerns regarding the bid; and

- seek advice regarding opportunities to ensure a comprehensive and meaningful consultation process is implemented should Toronto's 2015 World's Fair bid move forward beyond the feasibility study phase.

To achieve these objectives, different consultation mechanisms were used. The primary focus was on bringing a core group of stakeholders together for a half-day workshop. There were a number of reasons supporting the workshop approach, including:

- the need to engage a broad range of stakeholders in a compressed timeframe;
- the need to share information with stakeholders to inform the discussion (which happened through an overview presentation at the start of the meeting);
- the ability for the Steering Committee, consultant team, and stakeholders to hear and exchange ideas in a face-to-face environment;
- the ability for stakeholders to exchange different perspectives, opinions and advice with each other and the project team; and
- the opportunity to distill priorities from a range of feedback received.

This workshop was held on February 4, 2005 which provided potential participants with two weeks notice of the event, and sufficient time to incorporate the results into the Feasibility Study following the workshop.

A three page 'project brief' was developed and distributed to stakeholders as part of the workshop invitation package (included in the Consultation Approach). The questions posed at the workshop included:

- What are the big issues or challenges that need to be considered when deciding whether to bid for Expo 2015? What advice do you have regarding how to address the big issues and/or overcome the challenges, so that pursuing the World's Fair opportunity would be a positive and desirable initiative for Toronto?
- What are the big opportunities that need to be considered when deciding whether to bid for Expo 2015? What advice do you have regarding how to take advantage of those opportunities?
- Review the Draft Principles Guiding the Feasibility Study. Do you have any suggested edits and/or changes?



Stakeholder Consultation
Workshop

- Review the issues and opportunities identified in Questions 1 and 2. What are the most important issues and/or opportunities to address when assessing the feasibility of hosting Expo 2015 in Toronto? Why?

Discussion of these questions happened at small tables of six to eight participants each, as well as in plenary session. Each participant also had a workbook to collect written comments. The results of the workshop have been documented in a Workshop Report, attached as Appendix 7.2. Feedback from the workshop, interviews, and written submissions have been integrated here.

For stakeholders unable to attend on February 4th (either because they reside outside Toronto, and in some cases outside Canada) or for any other reason, a number of follow-up interview were also conducted. Some of these took place by phone, and others were conducted in person. In a few cases, stakeholders forwarded their feedback via written submissions.

7.2 Who Did We Talk To?

Over 100 individuals representing over 80 organizations were invited to participate in the consultation, representing a range of interests and sectors - including organizations with economic, cultural, First Nations, environmental, development, labour, tourism, and community interests, as well as individuals with experience bidding for, participating in, and/or delivering previous world's fairs. Over 70 individuals participated, representing over 50 different organizations. See Appendix 7.3 for the Participant List.

7.3 What Did They Say?

There were a number of important messages and pieces of advice coming forward from the consultation. These messages reflect the priorities and advice of local stakeholders, as well as the feedback received from a number of international experts regarding what it will take for a Toronto bid to host Expo 2015 to be successful. The key messages from local stakeholders are presented first, followed by the key messages from national experts.

Key Messages from Local Stakeholders

Overall, the people participating in this process were supportive of the concept of pursuing a bid to host Expo 2015 in Toronto. Some expressed considerable support and see it as a wonderful opportunity to be pursued vigorously - "very challenging to get

right, and well worth the effort". Many expressed more conditional support, and were very specific in articulating the conditions they believe need to be met in order for a Toronto bid to make sense. These, along with other key messages, are reflected below.

The key messages coming forward from the local consultation process included:

- i. Expo 2015 needs to be good for Toronto - win or lose. This was the underlying theme of much of the feedback received. Pursuing the bid needs to be good for Toronto - during the bidding process, and (if Toronto wins the bid) during and following Expo 2015. It is important to bring the public along with this approach and earn community support, while at the same time managing expectations around winning. Any bid effort needs to do everything possible to avoid adding to the level of cynicism in the city. Win or lose - at the end of the day, the results need to be returned to the public.
- ii. Don't dampen the momentum of existing initiatives. It is critical that the bid not dampen the momentum of the many initiatives already underway in the City. Toronto can't stop what it's doing and wait three years until a host city is selected - if that happens, we lose traction and opportunities. Instead, the Expo 2015 bid needs to advance and accelerate existing plans - it can and should act as an important and effective catalyst to make things happen.
- iii. Need a 'big table' approach. The bid planning process needs to be led by a 'big table' that is inclusive of the range of interests and expertise in the city that reflect all aspects of our progressive, tolerant society. To make this work, we need social, cultural, economic, First Nations, community, environment, youth, media and other interests working together.
- iv. Need meaningful local dialogue to identify and address issues. It is essential that as part of the Expo 2015 bidding process, local communities and stakeholders be engaged in a meaningful discussion regarding social issues. There needs to be a real willingness to understand and address issues, and this can't be just a public relations exercise. Strategies need to be developed to ensure people are accommodated, and not displaced. And care needs to be taken to ensure that this local discussion is not overwhelmed by the international marketing and public relations effort associated with the bid. At the end of the day, any transformation that happens to Toronto should be a transformation that Torontonians want.

- v. Have pride in the process, create excitement. Toronto needs to have a bid that really stands out - a big 'wow' factor that really draws people to Toronto and Canada. For example, courage about design and architecture. It may mean that Toronto needs to 'push the envelope' at the BIE and lead the way with a bid that is bold, focused, and best meets Toronto's needs.
- vi. Figure out the financing, soon. There needs to be a commitment of financial support from all three levels of government and the private sector. Funding the Expo 2015 bid and delivery should not remove resources from existing activities and priorities. It should result in a net gain - that sees more resources coming to the City than would otherwise be available. At the end of the day, the short term disruption needs to be offset by long term gains that meet Toronto's needs.
- vii. The theme is important. The Expo 2015 theme needs to be compelling and focused - it is the theme that creates an intellectually defensible *raison d'etre* that excites attention and guides action by participants. The theme could relate to Toronto's cultural diversity, creativity, social tolerance, or sustainability. It could focus on living in harmony, particularly environmental harmony with water, air and land use as it ties to the site, the use of space, technologies and Expo 2015 legacies. Toronto is the world capital of 'local/global' - we have figured out how to make our 'gathering place' work, and that is a story that could be profiled to the world.
- viii. Need to avoid gridlock. Traffic congestion, especially on the waterfront, needs to be avoided. An important legacy of Expo 2015 would be an improved public transit system.
- ix. Mixed feedback on sites. The prospect of a waterfront site was enthusiastically supported by a number of participants, particularly the Port Lands option. A dual site involving the Port Lands and the Island Airport raised red flags with some people, however others expressed excitement with the possibilities the option presents. Downsview was seen as a more suitable site to some, with many references to the long-standing inter-jurisdictional roadblocks that make waterfront revitalization in Toronto a major challenge.
- x. Put politics aside. Everyone has to be on the same team if this bid is going to work. There need to be several champions at the most senior levels of all three levels of government, in the private sector and the community.

- xi. Don't do it if we can't win. Toronto shouldn't bother pursuing the bid unless we think we can win it. We need to recognize what is required during the bidding process to be selected as a host city, and be prepared to 'do what it takes' to put Toronto on the world stage. Toronto's diversity is an important asset. There are people here that come from all over the world, and who have strong relationships around the world. We need to draw on these relationships during the bid process.
- xii. Public health and safety. Issues of public health (e.g. SARS) and potential terrorism threats were raised by a number of participants - not to discourage a bid, but as factors outside our control that could dramatically influence the whole Expo 2015 experience.

Key Messages from National Experts

- i. Federal leadership from the PM and key senior federal ministers is vital. Political will from the federal government is paramount to successful international campaign selling the merits of Toronto. Subsequently, provincial leadership by the Premier and key ministers is required to join hands with the municipal leaders.
- ii. Need a strong Toronto champion. Toronto must have a clear champion of the bid with strong governmental and private sector international connections. Suggestions included combining a business 'blue-chip' co-chair with a high profile arts/cultural leader that will attract a new constituency and advance Canada's bid.
- iii. International lobbying needs to be effective. International lobbying must driven by the federal government using all its power to convince BIE member states to support Canada. Business leaders/private sector need to be plugged in to this initiative.
- iv. The Bid Organization needs to be strong. It should have strong working relationship with federal, provincial and city governments and especially strong ties with department of Foreign Affairs, International Trade, Canada 's missions abroad in BIE countries, and the Canadian Embassy in Paris (where contacts with Paris-based BIE delegates is a regular activity). The Bid organization must be plugged into Toronto's Consular Corps, Ottawa's Diplomatic community, and Toronto's diverse multi-cultural communities who can influence their home countries to support Toronto's candidacy.

- v. Involve the private sector to seek support from foreign business interests. Private sector and business leaders need to be involved in the international campaign using Canada's business interests abroad to influence foreign colleagues to influence their respective governments.
- vi. Need strategy to support return to Americas. Canada needs to present strategic reasons why the World's Fair should return to the Americas in 2015. One argument is that rotation is fair and equitable and it has been over 38 years since a major world's fair has occurred in North America.
- vii. Use Canada's status to win support. Canada must use its status in world to trade votes, use international arm-twisting to ensure international support.
- viii. Multi-party/bi-partisan requirement is key to an apolitical drive to win support.

7.4 Guiding Principles

At the Stakeholder Workshop a draft set of principles to guide the feasibility study were presented for feedback. A number of suggested edits came forward, resulting in the following revised set of principles:

- i. Maximize the benefits to Toronto, Ontario, and Canada - before, during and after Expo 2015
- ii. Create lasting social, cultural, environmental, and physical legacies that benefit and meet existing needs of the broad Toronto community
- iii. Make the bid process a positive experience that fosters Toronto's pride, even if it is not successful
- iv. Make a visit to Expo 2015 a fun and wonderful experience for visitors - from Toronto and around the world
- v. Celebrate Toronto's unique cultural mix and what makes our city 'work'
- vi. Enable and enhance existing and proposed plans and initiatives, as opposed to working at cross purposes
- vii. Be conservatively realistic with financial and economic analyses and assumptions

- viii. Maximize the likelihood of meeting BIE selection criteria and winning the bid
- ix. Make the process as open, transparent, inclusive, and broad-based as possible

7.5 A Strategy for Future Consultations

Based on the feedback received during the feasibility study, it is clear that consultation needs to continue to be an important part of any ongoing Expo 2015-bid related activities. Drawing on the advice of participants in this consultation, as well as extensive experience with similar large scale, potentially controversial, complex, city-building initiatives in Toronto, this section lays out a public consultation strategy should Council choose to continue pursuit of the Expo 2015 opportunity beyond the feasibility study stage.

Essential elements of the consultation strategy include:

- Establish strong advisory committees. Strong local advisory committees need to be created to help guide development of the Expo 2015 Bid. This would include establishing separate committees responsible for providing advice to the Bid Steering Committee and/or the Bid Organization regarding social equity, environmental, cultural and tourism issues. Invitations to participate should be extended to individuals and organizations with a range of interests, expertise, and experience that need to be addressed through the Expo 2015 bidding and delivery process. There needs to be representation on these committees from the social, environmental, business, tourism, labour, arts, and cultural sectors - as well as strong participation from youth and the many different ethnic cultures in Toronto. The committees should be established as soon as possible after the City of Toronto chooses to continue exploring the feasibility of hosting Expo 2015 and/or chooses to pursue the Expo 2015 Bid. Committees need to develop principles to guide their work and a workplan that reflects key activities and deliverables. These committees need to have access to resources to do their work, particularly to support research and facilitation activities. There may also be other Advisory Teams that make sense to establish, and these can be identified through ongoing stakeholder discussions.
- Conduct a broad public consultation process. Working with the local advisory body and the issue-specific teams, a consultation needs to take place with the broad Toronto public regarding their

thoughts on the issues and opportunities presented by a 2015 World's Fair in Toronto. There will be a number of elements to Toronto's Bid that remain to be resolved in 2005. Given the compressed timeframe, this consultation needs to be carefully coordinated with the technical work program to ensure the public has an opportunity to inform the Bid. A minimum of one, and most likely two rounds of meetings are recommended in 2005, covering the north, south, east, and west parts of the city.

- Conduct a more focused consultation with local communities living adjacent to potential bid sites. In addition to a large public process, a focused consultation needs to take place with those communities living adjacent to the sites being considered for locating Expo 2015. These would take the form of neighbourhood meetings, and would work with local residents to identify and resolve issues related to locating a world's fair site in their community. There likely needs to be at least three meetings/workshops in each site community - first to introduce the project and process and identify issues; next to report back with strategies to address issues and seek feedback on them; and finally to present and seek feedback on the final draft plan for addressing local issues and priorities.
- Create and implement a strong communications and education campaign that supports the consultation strategy. Many participants in the consultation identified the need to distinguish the difference between an Olympics and a world's fair for the public. There also needs to be very thoughtful and careful messaging crafted to manage public expectation regarding the Bid - to address several of the key messages from the consultation. To be successful, the communications surrounding the Bid process need to provide the information required to support a strong, meaningful debate about issues that are important to Torontonians - it needs to be consultation focused. At the same time, the communications need to demonstrate to the public that this is not an 'all or nothing' process - it is an important effort and Toronto will do everything possible to succeed, but if we don't, we will have done everything possible to ensure we maintain and continue to build the momentum behind important existing and future local initiatives.
- Identify and engage stakeholders at the provincial and federal levels. There are constituencies in Ontario and across the country that have an important contribution to make to the development and advocacy of Toronto's world fair bid. Initiating a meaningful

dialogue with this broader stakeholder group will enable the Toronto bid to understand and address issues from across Canada - in addition to the effort invested in addressing issues raised in Toronto's own backyard. This expanded engagement process needs to have a strong communications component to let others know that Toronto is bidding, and also to demonstrate Toronto's interest and commitment to listening and responding to the perspectives and advice stakeholders across the country have regarding the bid.

8. Economic Impact

In this section of the Report we discuss the economic impact of the World's Fair in 2015 upon the Toronto region and the province of Ontario. First, section 8.1 discusses the methodology of the economic impact model used. The next three sections discuss the three inputs to the economic impact assessment: visitor expenditures (section 8.2, with the full details being presented in Appendix 8); the operations of the Fair Corporation and the various other participants at the Fair (section 8.3); and the capital costs associated with the preparation of the site, the construction of the buildings, and the tear down afterwards (section 8.4). At this level of analysis, only the capital costs differ from site to site; we assume the same levels of expenditures on the part of the Expo Corporation and the various participants, as well as the same levels of attendance (and thus of visitor expenditure to Toronto and Ontario). Finally, section 8.5 presents the estimates of economic impact, and discusses the 'return on investment' associated with hosting the Fair.

8.1 Methodology

We used the well-accepted and often used Tourism Economic Assessment Model (TEAM) model to assess the economic impacts of the World's Fair in 2015 in Toronto. TEAM is a computer-based model designed to assess the impacts of tourism-related activities on local and provincial economies. The model was developed by the Canadian Tourism Research Institute (CTRI), a subsidiary of The Conference Board of Canada. The version of the model used in this assessment was calibrated by CTRI to reflect the unique structure of the Toronto area economy. TEAM uses detailed input-output tables to show how a dollar spent (input) in one sector of the economy influences the output of all other sectors of the economy. The model uses input/output methodology and econometric modeling techniques specific to the Toronto region. TEAM also uses the most recent available Ontario tax structures and input/output matrices from Statistics Canada to ensure reliable, conservative analysis and reporting.

Tourism Toronto is a licensed user of the TEAM model, and has run the model numerous times to assess the economic impact of a variety of events (e.g. Barnes Exhibition, Breeder's Cup). We worked closely with both Tourism Toronto and CTRI in developing the inputs and in running the model.

The model is designed to calculate the economic impacts of both the demand and supply sides of a tourism event or attraction. The

demand side uses detailed input-output tables to show how a dollar spent (input) by tourists in one sector of the economy impacts the output of all other sectors of the economy. Input relating to a specific event or attraction can include spending on accommodation, food and beverage, transportation, retail and recreation/attraction. The supply side of the model measures the economic impacts relating to the business or operating expenses of a tourism business. TEAM also has the ability to estimate the economic impacts resulting from the construction phase (supply side) of a tourism business.

Each of the economic impacts is measured in terms of direct, indirect and induced impacts. The economic impacts include Gross Domestic Product (GDP), employment, salaries and wages, tax support revenue, Industry Output (IO) and imports.

As mentioned, the three key inputs to the model are: 1) the expenditures of visitors to Toronto who attend the Fair; 2) the expenditures of the Fair itself and the various other participants (e.g. other nations, etc.); and 3) the capital costs associated with construction, operation and tear-down of the Fair. A key focus in developing these input estimates was incrementality: that is, upon measuring only those expenditures that otherwise would not take place in the Toronto area. Specifically, this translates to the following

- regarding visitor expenditures: We assume (rather obviously) that if the World's Fair were not held, then the huge influx of tourists expected to come to Toronto to visit the Fair would not occur, and hence the expenditure associated with those tourists would not take place - thus the tourist expenditure is truly incremental. In keeping with the principle of incrementality, we have estimated the number of new destination visitors coming to Toronto as a result of the Fair (all of their expenditure can be considered incremental, as they would otherwise not be in Toronto) as well as estimated the extent to which other tourists who would be here anyway, would extend their stay to take advantage of the Fair (only the additional expenditure associated with the extended stay is included);
- regarding Expo Corporation and other participant expenditures: Obviously if the Fair were not to be held, then an Expo Corporation would not be formed, and it would not spend money in the Toronto area upon the operation of the Fair. However insofar as the Expo Corporation would be funded by various levels of government, we must assume that whatever the amount that these governments would have spent on the Corporation would otherwise *not have been spent in the Toronto*

area.¹ As far as other participants in the Fair are concerned (e.g. other nations, various corporations), clearly their expenditure will be incremental - that is, if there is no Fair, there would be no expenditure.

- regarding capital expenditures: Here again we must assume that if the Fair were not to be held, then the expenditures on improving the site and constructing the buildings would not occur. As far as the capital costs incurred by other participating nations and corporations are concerned, this is a fairly straightforward assumption. For Fair-related capital costs incurred by the federal government and the province, we assume that similarly they would not take place in the City of Toronto were the Fair not to occur. In other words, rather than fund the Expo Corporation, the federal government might spend that money on a project in Atlantic Canada, and the province upon some project in northern Ontario. Under this simplifying assumption, then, all the capital expenditure of the Expo Corporation can also be considered to be incremental. We have excluded any infrastructure costs if these would have occurred anyway as a result of other plans (not Expo-related) in Toronto and the GTA.

We now turn to consideration of each of the three sources of additional expenditure (that, as mentioned, are inputs to the model).

8.2 Tourism Expenditure Estimates

In Appendix 8 of this Report we have estimated the total expenditures associated with the visitors to the Fair (some of which accrues to the Expo Corporation, some to other Expo participants, for example, concessionaires). The table on the following page shows the visitor expenditures that are inputs to the model, after the on-site expenditures have been removed.

¹ This may not strictly be true for whatever portion of the cost is borne by the City of Toronto, as the City would likely spend these monies on some other municipal project sooner or later. Only if the City's share of the Expo Corporation was financed through some mechanism other than the regular means of municipal finance (e.g. through a special debenture, a special purpose tax, or a grant obtained from some other level of government) could this expenditure be considered as 'incremental'. However, as neither the City's share of the Expo Corporation's costs nor its means of payment has been determined at present, we assume incrementality as a simplifying assumption.

EXHIBIT 8.1

Economic Impact: Summary of Tourist Expenditure (\$ millions, \$2004 Can)

Total Incremental Expenditure of Tourists (\$ millions)	\$6,753.5
<i>Expenditure to Expo Corporation (\$ millions)</i>	\$1,851.7
<i>Other On-Site Expenditure (\$ millions)</i>	\$744.4
Residual Expenditure in GTA and Ontario (\$ millions)	\$4,157.4

8.3 Expo Participant Operating Expenditure Assumptions

There are two categories of operating costs to consider in examining the operating costs of participants at the Fair. The first and largest is of course the operating expenditures of the Expo Corporation, the organization mandated with the development of the site, the operation of the Fair, and the cleanup afterwards. The second is the operating expenditure in Canada of the many other participants at the Fair - other nations, corporations and the various concessionaires and other on-site suppliers. While the expenditures of the Expo Corporation can be calculated in some detail (see Section 9 of this Report), those of these various other participants can only be estimated approximately (at this point the number of participating nations or corporations is unknown). For this second category we must use a rule of thumb based upon the ratio of expenditures of other participants to those of the Expo Corporation from other World's Fairs. This ratio has approximated 50% (that is, operating expenditures of all other participants has been approximately 50% of the expenditures of the Expo Corporation).

- operating expenditure of the Expo Corporation: Section 9 of this Report has estimated the operating expenditure of the Expo Corporation. This was estimated to be \$1,605 million, over the 2012 to 2016 period (i.e. three years in advance of the Fair for preparations, the Fair year, and one year afterwards for teardown, cleanup, etc. We assume while that most of this will be spent in Ontario (and thus will be an input to the model), there will be some small leakage outside. (This will be the purchase of specialized services that might be sourced outside the province - for example, professional services.) Accordingly, we assume that 95% of the operating budget of the Expo Corporation will be

spent inside the province, and thus is an input to the model. Even though these expenditures will occur over several years (i.e. the few years in advance of the Fair, the year of the Fair, and the following year) for simplicity, these expenditures will be treated as occurring all in one year.²

- operating expenditure of other Fair participants: The expenditures of other participants in the Fair, while difficult to estimate with any precision, nevertheless need to be taken into account. We have estimated the expenditures in Ontario of these organizations at 50% of the total operating budget of the Expo Corporation.³ As distinct from the Expo Corporation, which will have operating expenditures that will span several years before the Expo itself, and one year after, all operating expenditures of other Fair participants are assumed to occur in the year of the Fair.

The operation of these assumptions leads to the following inputs to the model:

EXHIBIT 8.2
Economic Impact: Summary of Total Participant Expenditures
(*\$ millions, \$2004 Can*)

Operating Expenditures of the Expo Corporation	\$1,605.6
Operating Expenditures of Other Fair Participants	\$803.0
Total Operating Costs as input to the Model	\$2,408.6

² Technically, these amounts should be standardized in each year to ensure that they are comparable and additive. However, because a relatively short time period is involved, and because the entire scale of the analysis is fairly 'broad brush' at this stage, we have not done this. This will not materially affect the outcome of the analysis.

³ Note that the some of the expenditures of other nations will be spent in the home country (e.g. the wages of nationals employed in the Fair) and some will be spent in Canada (e.g. Canadians employed in that nation's pavilion).

8.4 Capital Costs

The third major input to the model is the capital costs associated with the development of the site and the construction and tear-down of the structures.

Detailed capital costs associated with each of the three sites being considered have been developed by Hanscomb, and are contained in Appendix 4. These costs are summarized in the table below:

EXHIBIT 8.3
Economic Impact: Summary of Total Capital Expenditures
(*\$ millions, \$2004 Can*)

	Downsview			Port Lands			Combined Site		
	<i>Expo Corp.</i>	<i>Others</i>	<i>Total</i>	<i>Expo Corp.</i>	<i>Others</i>	<i>Total</i>	<i>Expo Corp.</i>	<i>Others</i>	<i>Total</i>
Buildings & Renovations	\$1,130.4	\$ 904.0	\$2,034.4	\$1,048.6	\$ 865.5	\$1,914.1	\$1,114.8	\$ 922.1	\$2,036.9
Machinery & Equipment	\$ 63.8	-	\$ 63.8	\$ 63.8	-	\$ 63.8	\$ 63.8	-	\$ 63.8
Furniture & Fixtures	\$ 455.3	\$1,427.1	\$1,882.4	\$ 455.3	\$1,427.1	\$1,882.4	\$ 455.3	\$1,427.1	\$1,882.4
Transportation Equipment	\$ 231.0	-	\$ 231.0	\$ 231.0	-	\$ 231.0	-	-	-
Other Services	\$ 470.1	\$582.8	\$1,052.9	\$449.7	\$573.1	\$1,022.8	\$ 408.4	\$587.3	\$995.7
TOTAL	\$2,350.6	\$2,913.8	\$5,264.4	\$2,248.3	\$2,865.7	\$5,114.0	\$2,042.2	\$2,936.5	\$4,978.7

Note that these cost estimates do not include the cost of transportation and infrastructure costs that would be incurred in any event (as they are 'on the books' to be undertaken in the province). As well, note that that the capital cost for the 'Combined Site' option does *not* include the cost of the transportation link between the eastern and western portions of the site.

8.5 Economic Impacts and 'Return on Investment'

Summary of Inputs

Exhibit 8.4 summarizes the inputs to the TEAM model (in terms of \$2004). As previously mentioned, stream A (visitor spending) and B (participant expenditures) are the same regardless of which potential site is being considered, Stream C (capital expenditures) differs according to the site, as described in section 8.4.

EXHIBIT 8.4

Economic Impact: Summary of Inputs to the Model (\$ millions, \$2004 Can)

Input Category	Component	Component Amount (\$ millions)	Category Amount (\$ millions)	Total Amount (\$ millions)
(A) Visitor Spending – in 2015, during the Fair <i>(see section 8.2)</i>			\$4,157	\$11,545 - 11,830
(B) Operations of Fair Participants - before, during and after the Fair <i>(see section 8.3)</i>	From Expo Corporation	\$1,606	\$2,409	
	From Other Participants	\$803		
(C) Capital Costs of Fair Participants - before, during and after the Fair <i>(see section 8.4)</i>	From Expo Corporation	\$2,042 - \$2351	\$4,979- \$5,264	
	From Other Participants	\$2,866 - \$2,937		

Summary of Outputs

The outputs of the model are measured in terms of value added (i.e. the total of additional expenditures made in the Ontario economy that stay in the province and are re-circulated to create economic benefit, the income associated with this additional expenditure, jobs associated with this income, and the taxes (federal, provincial & municipal) associated with all of the foregoing.

The results of the model are shown in the Exhibit 8.5 on the following page:

EXHIBIT 8.5
Economic Impact: Summary of Outputs for Each Fair Site (\$2004 Can)

	Downsview	Port Lands	Combined Site
Value Added (\$ billions)	\$12.8	\$12.7	\$12.6
Income (\$ billions)	\$7.9	\$7.9	\$7.7
Jobs (FTEs)	193,280	192,053	191,037
Total Taxes (\$ billions)	\$5.7	\$5.7	\$5.6
Federal Taxes (\$ billions)	\$2.7	\$2.7	\$2.7
Provincial Taxes (\$ billions)	\$2.3	\$2.3	\$2.3
Municipal Taxes (\$ millions)	\$692	\$688	\$685
Estimated GTA Municipal Taxes (\$ millions)	\$559	\$556	\$555
Estimated City of Toronto Municipal Taxes (\$ millions)	\$280	\$278	\$277

The estimate of municipal taxes in Exhibit 8.5 does not rest on an assumption that the Expo Corporation or any other Fair participant would pay municipal property taxes; they are assumed to come from the following sources:

- additional property tax revenues from private sector businesses that are started up or that are enabled to continue as a result of the Fair
- additional property tax revenues from households whose jobs are directly or indirectly tied to the Fair
- any additional municipal fees, permit or license revenue that is paid by Expo-related businesses in the course of their business

The TEAM model makes the assumption that the 'incrementality' comes from new businesses that are started up, and existing marginal businesses that are enabled to keep going (whereas otherwise they may fail if not for the Fair). The same thing applies for households. Thus the municipal taxes are considered to be incremental because, if the Fair is not held, they *may not come about*.

Note that the TEAM model does not directly estimate the amount of municipal taxes accruing directly to the City of Toronto; this has been

estimated by assuming that half of the total taxes generated in the GTA would accrue to the City. This may well be a conservative estimate - while the City does account for approximately half of the population base of the GTA, it probably has more than half of the property tax assessment base. However, 50% is a reasonable and conservative estimate.

Return on Investment

The table below shows the total tax benefits relative to the loss incurred by the Expo Corporation. The logic here is that, on the one hand, governments collectively fund the Expo Corporation in order to be able to host the Fair. There is clearly a cost to doing this, as Exhibit 9.6 of this Report has shown. On the other hand, the tremendous amount of additional expenditure generated by the Fair (from visitors, from fair participants, from governments, from the Expo Corporation itself) generates significant tax revenues that collectively more than offset the cost of the Fair. As the table at on the facing page shows, the net return to all levels of government ranges from \$4.8 to \$5.0 billion. This would be enough to cover additional costs associated with the Fair depending on the site selected. Further, the 'return on investment' is in the order of \$6 dollars or more to all levels of government for each dollar of the Fair Corporation's deficit.

The extent to which any one government will benefit is a function of the extent to which they fund the Expo Corporation relative to the anticipated tax benefits, as calculated above.

EXHIBIT 8.6
Economic Impact: Return on Investment (\$2004 Can)

	Downsview	Port Lands	Combined Site
A) Total Tax Benefits, all levels of Government \$ billion	\$5.7	\$5.7	\$5.6
B) Operating Loss of the Fair \$ billion	\$0.9	\$0.9	\$0.6
C) Net Return to Governments \$ billion	\$4.8	\$4.8	\$5.0
D) 'Return on Investment' (A/B)	\$6.33	\$6.33	\$9.33



Hanover 2000

9. Financial Analysis

In this section we discuss the capital and operating costs of the World's Fair *from the perspective of the Expo Corporation*, the entity that is created to build, operate and tear down the Fair. This is structured into five sub-sections:

- 9.1 discusses the capital costs of building the Fair;
- 9.2 discusses operating costs in detail, by each major cost category;
- 9.3 discusses operating revenues, again by each category;
- 9.4 summarizes the capital, operating costs and operating revenues, and presents the net situation; and
- 9.5 presents the results of a sensitivity analysis and risk assessment, examining several alternative scenarios which vary the assumptions made in the 'base case' model.

A number of assumptions and cautions should be borne on mind when reviewing the projections contained herein. These are:

- the estimates of both revenues and expenditures are made on the basis of comparisons and analogies with other World's Fairs, and updating various expenditure figures to 2005 dollars - they are not based upon primary survey data
- moreover, the figures used here are relatively conservatively estimated
- GST is not taken into account in the expenditure assumptions contained in this analysis (either in terms of the revenues realized by the Expo Corporation, or in the expenditures made by the Corporation)

9.1 Capital Costs

The capital costs incurred by the Expo Corporation are estimated to be as follows (see Appendix 4 for a detailed breakdown of these costs). Note that these estimates apply *only* to the costs incurred by the Expo Corporation; other participants as well incur costs (which, in total are more than the costs incurred by the Expo organization). In the economic impact analysis (Section 8), these total capital costs are considered; at the moment, however, for the purposes of this financial analysis, we focus only upon the costs to the Expo Corporation.

As well, it should be recognized that these costs will be incurred over some period of time - before, during and after the Expo year. (A

reasonable range is a 5-year period - three years before the Expo year, the Fair year, and a year afterwards.) The capital costs for each of the site options considered are:

EXHIBIT 9.1
Expo Corporation: Summary of Capital Costs for Each Site Option
(*\$ millions, \$2004 Can*)

Cost Category	Downsview	Port Lands	Dual Site: Island Airport / Port Lands
Buildings and Renovations	\$1,130.4	\$1,048.6	\$1,114.8
Machinery & Equipment	\$63.8	\$63.8	\$63.8
Furniture & Fixtures (including exhibits)	\$455.3	\$455.3	\$455.3
Transportation Equipment	\$231.0	\$231.0	\$0.0
Other Services	\$470.1	\$449.7	\$408.4
Total	\$2,350.6	\$2,248.3	\$2,042.2

A related item when considering capital costs is the residual value of the items to the Expo Corporation. The underlying assumption here is that the Expo Corporation will, after the Fair, be able to sell off certain items that were used in staging the Fair, as well as obtain various concessions and payments from the site owners for the value of improvements made upon the site. While (obviously) difficult to estimate with precision (because the value set on many of the residual assets will be subject to negotiation, political agreements, etc.) we have nonetheless recognized that there will be a residual value, and have attempted to estimate its order of magnitude through the following assumptions:

- the Expo Corporation will be able to realize 5% of the value of building construction through salvaged building components (for temporary structures that it builds);
- 80% of the value of permanent buildings and on-site improvements (i.e. intended for re-use) will be recoverable;
- 50% the costs spent on refurbishing existing buildings will be recoverable;
- 0% of the costs of landscaping would be recoverable; and
- 25% of the value of other items (e.g. furniture and fixtures) will be recoverable.

Transportation costs are not considered here (as they will, by and large, not be borne by the Expo Corporation).

The operation of these assumptions yields the following estimates of the residual value of the Expo Corporation's assets after the conclusion of the Fair:

Exhibit 9.2
Expo Corporation: Estimated Residual Value of Fair Assets
(\$ millions, \$2004 Can)

Cost Category	Downsview	Port Lands	Dual Site: Island Airport / Port Lands
Temporary Buildings	\$45.0	\$45.0	\$45.0
Permanent Buildings	\$94.3	\$94.3	\$94.3
Site Improvements	\$20.4	\$34.7	\$82.3
Refurbishing Existing Buildings	\$52.5	\$12.5	\$12.5
Furniture & Fixtures (including exhibits)	\$129.8	\$129.8	\$129.8
Total Value of Residual Items	\$342.0	\$316.3	\$363.9

9.2 Operating Costs

The general approach to estimating operating costs adopted here is to examine standardized costs incurred at other Fairs (in most cases, on a per visitor basis) and apply these to the estimates of attendance to the World's Fair in Toronto. Each cost area is discussed in detail in Appendix 9; the table below summarizes the operating cost estimates for each site. (At this level of the analysis, each of the three site options is assumed to draw 72 million visits and thus cost the same amount to operate.)

EXHIBIT 9.3
Expo Corporation: Summary of Operating Costs for the Three Site Options
(\$ millions, \$2004 Can)

Senior Management Team	\$4.0
Middle Management Team	\$74.4
Seasonal Staff	\$626.4
Talent & Performers	\$110.1
Rentals	\$104.4
Outside Services	\$180.0
Professional Services	\$82.8
Office Expenses	\$43.9
Supplies	\$24.5
Utilities	\$23.0
Cost of Goods Sold - Food & Beverage	\$172.8
Cost of Goods Sold - Merchandise	\$90.7
Travel	\$23.0
Insurance	\$36.0
Vehicle Expense	\$9.4
Total Expenses	\$1,605.6

Comparison with Previous Fairs

The total operating budget for the Fair Corporation resulting from the assumptions articulated above is \$1,605 million. With an estimated attendance of 72 million, this works out to an operating budget for the Expo Corporation of approximately \$22.30 per visitor.

It is useful to compare this with the per visitor operating costs at other fairs. The table below shows this comparison (note that all costs have been updated to \$2005 (*E&Y, Expo '98 Feasibility Study, p.65*):

EXHIBIT 9.4
Per Visitor Cost Comparison (\$ millions, \$2004 Can)

Fair	Per Visitor Cost
Seattle (1962)	\$9.20
New York (1964)	\$13.09
Knoxville (1984)	\$13.94
Vancouver (1986)	\$16.71
Toronto (1998) - <i>projected</i>	\$16.66
Montreal (1967)	\$18.71
Toronto 2015 - <i>projected</i>	\$22.30
New Orleans (1984)	\$27.60

Note that these standardized costs (i.e. on a per visitor basis) are somewhat higher than per visitor costs at other fairs in large part as a result of higher security and insurance costs (than was the case in previous, pre 9/11, fairs).

9.3 Operating Revenues

Here we discuss the sources of revenue for the Expo Corporation. As with the estimation of costs, the revenues are based upon comparisons with norms and standards at other world's fairs. First we discuss revenues from visitors to the Fair (the largest generator of revenues), then turn to revenues from other sources. Also, it should be noted that while many of the estimated revenues are independent of the site (because, as was mentioned above, we assume that each of the sites will attract 72 million visits, and many of the revenues are generated by visits), some revenues (e.g. parking) will differ from site to site because of the different availability of parking spaces.

EXHIBIT 9.5

Expo Corporation: Summary of Operating Revenues (\$ millions, \$2004 Can)

	Downsview	Port Lands	Dual Site
<i>From Visitors</i>			
Admissions	\$1,368.0	\$1,368.0	\$1,368.0
Food & Beverage	\$216.0	\$216.0	\$216.0
Merchandise	\$113.4	\$113.4	\$113.4
Rides & Amusements	\$21.6	\$21.6	\$21.6
Shows & Entertainments	\$85.5	\$85.5	\$85.5
Parking	\$46.2	\$25.6	\$21.1
Other Visitor Revenues	\$21.6	\$21.6	\$21.6
<i>From Participants</i>	\$187.2	\$185.1	\$184.7
<i>From Sponsors</i>	\$200.6	\$198.4	\$197.9
<i>From Official Suppliers</i>	\$200.6	\$198.4	\$197.9
<i>From Other Sources</i>	\$214.0	\$211.6	\$211.1
Total Revenues	\$2,674.8	\$2,645.2	\$2,638.8

9.4 Summary of Costs and Revenues

Exhibit 9.6 on the following page shows the summary of costs and revenues to the Expo Corporation for the three scenarios under consideration. All costs are in \$2005.

This summary excludes an estimated \$216 million raised through the transportation surcharge in the Combined Site Option, which would be put in a special purpose account and applied against the cost of the transportation linkage joining the two sites (this cost is not estimated in the present study).

EXHIBIT 9.6
Expo Corporation: Summary of Costs and Revenues
(\$ millions, \$2004 Can)

	Downsview	Port Lands	Dual Site
A) Operating Revenues , 2015 <i>(\$ millions)</i>	\$2,674.8	\$2,645.2	\$2,638.8
B) Offsetting Value of Residual Items <i>(\$ millions)</i>	\$342.0	\$316.3	\$363.9
C) Total Revenues and Residual Items Value <i>(\$ millions)</i>	\$3,016.8	\$2,961.5	\$3,002.7
D) Total Capital Costs over 2012 to 2016 period <i>(\$ millions)</i>	\$2,350.6	\$2,248.3	\$2,042.2
E) Total Operating Costs over 2012 to 2016 period <i>(\$ millions)</i>	\$1,605.6	\$1,605.6	\$1,605.6
F) Total Capital & Operating Costs over 2012 to 2016 period <i>(\$ millions)</i>	\$3,956.2	\$3,853.9	\$3,647.8
G) Fair Corporation Surplus (Deficit) – i.e. C - F <i>(\$ millions)</i>	(\$939.4)	(\$892.4)	(\$645.1)

9.5 Sensitivity Analyses

The foregoing has outlined the 'base case', or most likely, scenario for costs and revenues associated with each of the three sites. Here we examine the implications of various alternatives to this situation. The specific scenarios examined, for each of the three site options, are:

- a) variations in attendance: specifically we examine the implications of attendance being 20% lower and 10% higher, than the forecast level of 72 million visits (on the high end, 10% is used as any increase beyond this would clearly stretch the capacity of the supply base beyond its limit at that point in time);
- b) variations in costs: specifically we examine the implications of all costs (capital and operating) being 10% lower and 10% higher;
- c) variations in operating revenues: these scenarios examine the implications of all revenues being 10% lower and 10% higher; and

- d) 'best' and 'worst' case scenarios: where the 'best case' scenario assumes attendance 10% higher than forecast, operating revenues 10% higher, and operating costs 10% lower, and the 'worst case', attendance 20% lower than forecast and operating revenues 10% lower and operating costs 10% higher

This assessment just shows the 'bottom line' for each of these scenarios (i.e. the total surplus or deficit accruing to the Expo Corporation after all capital and operating costs and revenues (including the value of the residual items associated with the Fair) have been taken into account. It also shows, for each set of assumptions, how the end result compares to the 'base case' previously outlined. Finally, 'worst' and 'best' cases are developed.

EXHIBIT 9.7
Expo Corporation: Sensitivity Analyses (\$ millions, \$2004 Can)

Scenario		Fair Corporation Surplus (Deficit)		
		Downsview	Port Lands	Dual Site
Attendance	Attendance 20% lower (\$ millions)	(\$1,155.6)	(\$1,108.6)	(\$861.3)
	Base Case (\$ millions)	(\$939.4)	(\$892.4)	(\$645.1)
	Attendance 10% higher (\$ millions)	(\$831.2)	(\$784.2)	(\$536.9)
Costs	Costs 10% lower (\$ millions)	(\$543.8)	(\$507.0)	(\$280.2)
	Base Case (\$ millions)	(\$939.4)	(\$892.4)	(\$645.1)
	Costs 10% higher (\$ millions)	(\$1,335.0)	(\$1,277.8)	(\$1,009.8)
Revenues	Revenues 10% lower (\$ millions)	(\$1,206.9)	(\$1,156.9)	(\$908.9)
	Base Case (\$ millions)	(\$939.4)	(\$892.4)	(\$645.1)
	Revenues 10% higher (\$ millions)	(\$671.9)	(\$627.9)	(\$381.1)
Worst Case Scenario (\$ millions)		(\$1,736.0)	(\$1,675.8)	(\$1,407.2)
Best Case Scenario (\$ millions)		(\$126.7)	(\$92.9)	\$133.1

The foregoing shows that in most reasonable scenarios, the Expo Corporation is expected to incur a net deficit (the typical case with a world's fair). The range of possibilities appears to be from some deficit (\$1.7 billion in the worst case examined here) to a surplus of over \$100 million in the best case scenario. Given, however, the likelihood of deficit, the real test of feasibility lies in the economic impact of these types of events, discussed in Section 8.



False Creek Seawall, Vancouver



Cartuja Bridge, legacy of Seville 92

10. Legacies

During the course of our study we have met with those principally responsible for the planning of the three site options identified. These are Parc Downsview Park (PDP) and the Toronto Waterfront Revitalization Corporation (TWRC). We have also met with other agencies with special responsibilities related to these sites. The demonstration plans developed have generally received a favourable response, some site options more than others.

A world's fair has the potential to provide lasting benefits and legacies to the City of Toronto and its people, as well as to Ontario and the rest of Canada. The anticipated legacies that are addressed in this section include physical site and city-building assets such as infrastructure, transportation improvements and permanent buildings; cultural legacies; economic and tourism legacies; and other legacies such as putting Toronto 'on the map'. Social legacies are also very important, and they are to be addressed in the next stages of the bid process, should it proceed.

10.1 Site-related Legacies

Advancing Current Plans

One of the key messages from stakeholders (Section 7) is that it is important for the Expo 2015 bid to advance and accelerate existing plans - it can and should act as an effective catalyst to making things happen. In order to achieve these advances, it would be important to harmonize the planning process for Expo 2015 with existing plans as soon as possible. Even if a bid for Expo 2015 were unsuccessful, the advancement of current plans by the bid would be of great value.

Downsview

- Expo 2015 could kick-start some of the green areas of Parc Downsview Park (PDP) as well as site preparation for future residential land use areas, but may result in deferral of the majority of the park, as well as the national sports training facility.
- If the runway and other aerospace facilities became available for a world's fair site, then this option would be very supportive of PDP plans. The park area to the west of the GO rail line could then be developed as an adjunct of the Fair, and planned residential development could be built and used by World's Fair staff before and during the Fair.

Port Lands

- At the Port Lands, an Expo 2015 bid may advance site

remediation, depending on environmental requirements for uses during and after the Fair.

- It would advance site servicing of areas to be used after the Fair.
- It would require bridge building across the Ship Channel and street upgrades to Cherry Street, Leslie Street and Unwin Avenue. The Ship Channel bridges connecting the north and south sides of the Ship Channel could become icons for the Fair and for the Port Lands after the Fair.
- It could also help to break jurisdictional logjams for waterfront development, and bring certain development sites on stream in advance of current plans.
- An area of housing could be built in a location according with TWRC plans and close to the fair site that would serve staff, primarily of foreign pavilions, before and during the Fair.

The needs of a world's fair, although supportive in the main, do not match exactly the current plans and timelines for future land uses. TWRC would like see a "location selected to accelerate development of infrastructure in areas that would not normally be developed as quickly and not select sites that will be developed before 2015." (TWRC, Letter dated February 2, 2005)

In practice this would require a more detailed review of the larger Port Lands site than was possible in our study, beyond the Turning Basin, because almost every part is planned for something. This includes interim industrial uses such as the Concrete Campus. Using this study's demonstration plans as a starting point, the exact boundaries of the Fair can be refined in the next phase.

Port Lands - Island Airport Dual Site

- The potential for Expo 2015 to advance current plans at the Port Lands is greater for this site than for the Port Lands stand-alone site, because less area of the Port Lands would be required, opening the door for incremental development more in keeping with current plans. Housing is one such use proposed in TWRC and the City's Secondary Plan for the area.
- The residuals of site remediation and servicing could still be realized, but on a smaller scale.
- There is greater potential at this site to bring momentum to waterfront development, because a greater area of the waterfront would be affected.
- There are no known plans for development at the island airport for this scheme to advance. Nevertheless, opening up and servicing this land for development would be a tremendous legacy for future uses such as housing or mixed uses.



Hanover 2000



Parque das Nações, Lisbon
Photo courtesy of Parque Expo98, SA/Abilio Leitao, July 1998



Habitat, built for Expo 67, Montreal



Sydney Opera House

Urban Design and Structuring

- The design of streets, blocks and landscapes for a world's fair would be built in such a way that they would provide the city grid and structure for mixed-use development after the fair. Streets, street trees and lighting that are built for the World's Fair would already be in place for future development of the area following the Fair.
- For the Port Lands site and the dual site, this structuring would be designed to fit with future development.
- For the Downsview site, this pattern of streets and blocks may not generally be of value except in the parts of the site that are proposed to have residential development.

Open Space, Parks and Recreation

- Open space and parkland built as part of the Port Lands site, Downsview site, or the dual site would have great value to the greater Toronto community. The parkland would include open space along the Ship Channel and water's edge, together with parts of Commissioners Park and the Don Greenway, and part of Parc Downsview Park. (Note that Lake Ontario Park would be outside of the Fair gates.)
- For the Island Airport half of the dual site, new parkland could be developed at the perimeter and within the Fair gates. After the Fair it would provide continuous public access to the water's edge, a general principle adopted for the development of the waterfront. Although this parkland is not part of current plans, it would help to structure future development at this site.

Permanent Buildings

- Both Waterfront sites, and especially the dual site option, would provide extraordinary locations on the water's edge, facing the Harbour and downtown Toronto, for major new cultural and entertainment facilities. Such opportunities are seldom presented to a city. If seized, they can result in the construction of iconic buildings such as the Sydney Opera House, recognized around the world as a symbol of that city.
- One such possibility is the Humanitas project, a proposed new cultural attraction that could be built as part of the World's Fair. This attraction would take on its own life after the Fair as a major waterfront icon and cultural amenity.
- It is not necessary that all possibilities be identified at this time or even that they should be built as part of the Fair. The preparation of the site and access to it would in itself be a valuable legacy.
- Each site contains a number of existing buildings to be refurbished as part of Expo 2015, such as the large warehouse at

Downsview, or the Hearn facility at the Port Lands. They also, with the creativity and imagination associated with world's fairs, could remain as important parts of Toronto's entertainment and cultural facilities.

Sustainable Development

- Any city-building initiative of the scale and prominence of Expo 2015 would be expected to showcase the latest in environmentally sustainable technology and planning practices, and this would in turn become an important part of the World's Fair's legacy. While not specifically addressed in the site options, this opportunity would be implicit in every aspect of design, including everything from storm water management to building construction to transportation options.
- The demonstration of the latest environmentally sustainable practices at Expo 2015 could have great value for Canadian research and skill development.



Stormwater management ponds integrated into gardens at Expo 2000 site, Hanover

10.2 Transportation

The World's Fair would undoubtedly contribute to the creation of a transportation infrastructure legacy, some site options having more potential in this regard than others. The legacy could significantly contribute to an awareness of the importance of a 'transit first' strategy and the implementation of sustainability priorities in the planning and funding of new transportation infrastructure and the implementation of transportation demand management practices and priorities.

Each of the candidate sites would involve the implementation of transit system elements which would contribute to the legacy of the World's Fair.

- In the case of Downsview Park the transportation legacies would primarily relate to the potential early implementation of the potential extension of the Spadina subway line and the creation of a new station to support future re-development of the Downsview Park site and other sites in the corridor.
- In the case of the Port Lands, the legacy would include the early implementation of elements of the LRT/streetcar system unidentified in the waterfront secondary plan.
- In the case of the dual Port Lands and Island Airport site the legacy could be a major new previously unplanned element of the waterfront transit system supportive of substantially greater than previously thought possible re-development potential of the central waterfront.

The legacies of each site are described below in greater detail.

Downsview

- The extension of the Spadina subway line north from Downsview station to York University is under active consideration, and the World's Fair could result in an earlier than otherwise planned implementation.
- The subway station potentially located at Sheppard and the Bradford GO Transit line could have value as a mode change point and would provide significant impetus and support for future development of the residential lands in the northwest sector of Downsview Park.
- The grade separations under the north south CN line required to create a suitable site plan could have significant value to a post Fair use of the Downsview Park site either as roadway or pedestrian / cycle crossings. In particular the grade separation located on the axis between the intersections of Sheppard with Dufferin in the east and Keele in the west could contribute to achievement of a straightening of the alignment of Sheppard in the long term.
- Pedestrian bridges across Allen Road between Downsview Station and Downsview Park could contribute to the quality and safety of public access.

Port Lands

- The Queen's Quay LRT east from Union Station to Cherry and the Cherry Street LRT to King Street , which would contribute to access to the world's fair site on the Port Lands, are facilities that are required to serve residential development planned in the East Bayfront and West Don Lands. They are likely to be implemented within the timeframe before the Fair. If they are delayed then the Fair would ensure their implementation.
- The southward extension of the Broadview streetcar line as identified in the Waterfront Secondary Plan would be a useful component of the Port Lands transportation for serving the Fair. It has a number of constraints to its implementation, which if they were to be overcome and the facility constructed before the Fair would be a useful transportation facility to service post Fair development.
- The need to bridge the Ship Channel at a number of locations with both pedestrian and vehicular bridges in order to produce a suitable site plan creates significant potential for the implementation of a number of unique and functional crossings which may not otherwise be achieved. These bridges could be significant legacy of the Fair for the Port Lands.



Bridge built for Expo 67,
Montreal

Port Lands and Island Airport Dual Site

- The transportation legacies for the Port Lands portion of the site would be similar to those related to the stand-alone Port Lands site. These would include the advancing of the timing of the implementation of the southward extension of the Broadview street car line and the creation of pedestrian and vehicular bridges across the Ship Channel.
- With respect to the Island Airport portion of the site, there are a variety of possible legacies including the creation of a new roadway connection between the site and Lake Shore Boulevard opposite Newfoundland Road and the potential for public transit service to the Island Airport site.
- The most dramatic transportation infrastructure legacy with potential for significant positive transformative city building impacts would be the exclusive waterfront transit corridor, which would be implemented to connect the two sites during the Fair. After the Fair, this corridor would serve as the route for major high-order transit service along the waterfront which could be integrated with existing and planned TTC transit services both to the east and the west of the central area. The resulting waterfront transit line would connect all major waterfront venues from Etobicoke to Scarborough, including Ontario Place and Exhibition Place, and provide a robust high capacity service in the central section without causing an undesirable proximity impact on any existing or future central area residential precincts.

It is possible to imagine a host of significant benefits that would make the exclusive waterfront transit tunnel a valuable legacy of the Fair.

- It would support the travel demand, which would arise from the potential post-Fair re-development of the Island Airport as a mixed-use community. This community would generate new travel demand, not currently considered in any transit demand estimates and not likely to be accommodated by the Queen's Quay LRT service.
- It could also support higher density forms of redevelopment than have to date been considered for portions of the Port Lands.
- It would address the proximity issues associated with development of the currently planned higher order transit system through East Bayfront.
- It would reduce the operational pressures on the Queen and King streetcar line to the east and west of the central area.
- It could be used in support of marketing the Toronto waterfront and its many attractions. Like the potential removal of the

elevated central section of the Gardiner Expressway, the central waterfront transitway could be a signature project of waterfront revitalization.

Some Precedents for Large-Scale Transportation Investment

There are many precedents for world's fairs being catalysts for major transportation infrastructure projects in the host city.

- In Montreal in 1967 a major roadway bridge was built across the St. Lawrence River to serve movement within the fair site. The cost of the bridge and the principal internal transit system using it represented approximately 20% of the total fair corporation's capital cost. A surcharge on entry tickets of just under 15% helped to offset these costs.
- Also in Montreal, a new subway line was built in a tunnel under the river to the south shore to provide high capacity access to the fair. Both facilities have been valuable civic assets since.
- In Vancouver in 1986, a new Advanced Light Rapid Transit system was constructed, 2.2 kilometres of which was located underground through the city centre and operated during the fair as a free shuttle between the main fair site at False Creek and the Canadian Pavilion on Burrard Inlet.
- The Japanese fairs have all involved major investments in rail transportation and new expressways.
- The 1992 fair in Seville involved extensive construction of large parts of the national highway system and the construction of high-speed rail between Madrid and Seville.
- The 2010 Shanghai fair, to be built on both sides of a river, requires tunnel connections for movement between the two parts. There are also discussions for the extension of a newly opened Maglev train line to serve the suburban site at high cost.



Vancouver Skytrain



New transit station, legacy of Seville 92

The essential element of strategy is to ensure that such major capital infrastructure projects can be suitably integrated with established plans and operations and have significant post-fair value. The central waterfront exclusive transitway concept has the potential to not only make the exciting dual site concept feasible but also produce a lasting legacy of benefit to the Toronto transit network.

We believe that the dual site would be so attractive for fairgoers that more could be charged for entry tickets than for the Downsview and Port Lands options without prejudice to attendance at the Fair. A surcharge, again of 15%, would result in additional revenues of over \$200 million which would help pay for the capital and operating costs of the proposed tunnel transit line.

10.3 Cultural Legacies

The role of culture is central to any world's fair. Cultural legacies associated with world's fairs have spanned the gamut from high culture to pop culture. At its best, a world's fair creates an explosion of creativity and innovation that affects all sectors of society including artists, arts and cultural organizations, designers, corporations, government and citizens. As is shown in the example below, many cultural legacies of world's fairs are still with us and have created significant economic impacts.



Restored Monastery of Santa Maria de las Cuevas, legacy of Seville 92

For example, the Columbian Exposition World's Fair¹, held in 1893 was nominally positioned to celebrate Columbus's voyages of 400 year's previously. However, the Fair was positioned in such a way that all dimensions of American society and culture were celebrated in a way that culture and entertainment impacts were pervasive.

Focusing on culture, music played a central role. John Philip Sousa's music was played regularly. Dvorak composed the 'New World Symphony' for the Fair and Scott Joplin was working on his music at the Fair.

The idea of the Midway and ethnic 'villages' was first introduced at this Fair, which was subsequently introduced at Coney Island on a permanent basis. The Midway then developed into the permanent theme park concept now spread across the world.

A major physical legacy on the City's waterfront is now Chicago's Museum of Science and Industry in what was the Fair's Palace of Fine Arts. The waterfront itself is a legacy of plans for the Fair site, developed by planner Daniel Burnham and landscape architect Frederick Law Olmsted. Although already well established, the careers of these two men flourished after the close of the Fair. Olmsted in particular designed parks all over North America, including New York's Central Park and Mount Royal in Montreal.

The economic impact of these legacies is clearly substantial.

Canada's participation in fairs has encouraged the growth of significant trade and investment particularly in audio-visual, multi-media exhibits and film productions. For example, the forerunner of

¹ Material in this paragraph based on <http://xroads.virginia.edu/~MA96/WCE/title.html> a web site devoted to the Columbus World's Fair.

IMAX technology was first introduced at Expo 67 in Montreal. IMAX is now a significant corporation with theatres in many different countries. Innovitech of Montreal was awarded a significant multimedia contract with the Portuguese government which proved to be one of the most popular exhibits of Expo 98 in Lisbon. Canadian designers, architects and engineers have used their skills in designing pavilions and exhibits to help promote the role of Canadian designers on an international scale. For example, Bing Thom who designed the Canadian pavilion for Expo 92 in Seville had his pavilion selected as the one that should survive the Fair by the Spanish government on a permanent basis.

In terms of Expo 2015, the potential exists to make arts and culture a pervasive and integral part of the Fair experience with the objective of providing Canada with outstanding cultural legacies affecting not just the arts, but also all sectors of society. In terms of arts and culture, the Fair will create several positive legacies affecting not just Toronto, but the broader arts community and public in Ontario and Canada.

- First, there will be physical facilities devoted to artistic and cultural expression that will remain after the Fair (e.g. Humanitas), that both residents and visitors will visit and use.
- Second, there will be a wide range of new works of art commissioned or inspired by the Fair and its participants; these will be Canadian visual works such as sculptures and paintings as well as performing arts works such as music and dance.
- A third legacy relates to the careers of artists and those involved in cultural pursuits, where the catalyst for those careers was the Fair. This encompasses visual artists, sculptors, musicians, writers, dancers, architects, arts administrators, etc., as well as all forms of ethnocultural expression. The same logic may hold for the stimulation of new arts organizations (e.g. a string quartet, a dance or theatre company, etc.).
- A fourth arts and culture legacy may relate to new technologies that are used in arts and cultural industries that are showcased at the Fair - the example of Expo '67's launching of the now-pervasive IMAX technology being a case in point.
- Finally, the Fair will act as a catalyst for an enhanced dialogue (meaning communication and cooperation) within the arts community in Toronto that can be sustainable beyond the period of the Fair itself.

10.4 Tourism Legacies

An Enhanced and Sustained Level of Tourism Industry Performance is the Legacy of the Fair

During the World's Fair, Toronto will experience a very large increase in the number of visitors coming to the City, as well as the economic benefits that significantly increased tourism brings (an influx of additional expenditure, jobs, tax benefits to governments, etc.). This will create a critical mass in the industry as well as momentum that, with careful and coordinated strategic planning and preparation, can raise the level of performance of the tourism industry after the Fair². Thus *an enhanced and sustainable level of tourism industry performance* (compared to the period prior to the Fair) is the key legacy of the Fair in the tourism sector. With the involvement of all those involved in the tourism industry, these benefits will accrue not just to Toronto, but also to Ontario and Canada as a whole.



Crowds at Granville Island, Vancouver

The chart below shows how improved and sustainable tourism performance results from improved competitive positioning of Toronto, Ontario and Canada as a tourism destination in the international marketplace and, in turn, how this generates economic and social benefits.

EXHIBIT 10.1
Tourism Performance Diagram



Enhanced and sustained tourism industry performance will result directly from a number of interconnected factors:

- improved competitive positioning of Toronto, and to a lesser extent, Ontario and Canada as tourism destinations, which will be created through a number of interrelated improvements such as an enhanced brand identity of Toronto and Ontario (e.g. image, reputation, cachet) and an earned reputation as a City that is capable of putting on a world-class event - this will be augmented by millions of satisfied visitors returning to their

² The critical importance of increasing Toronto's significant mass in the tourism industry was noted in the *Tourism Investment Study* prepared for the City by Cameron Hawkins & Associates [December 2001] - see p.44.

homes after the Fair with an intention to return to Toronto at some point in the future and meantime tell their friends and relatives all about what a wonderful destination Canada is (and, in particular, Toronto and Ontario).

- new and improved attractions, such as Humanitas, and upgraded facilities at existing facilities such as ROM and AGO (which will invest in their programs and facilities prior to the Expo year in order to capitalize on the influx of visitors to Toronto) which will draw new visitors;
- improved transportation infrastructure (roads, transit, etc.) which enables tourists to get around more easily and efficiently; and
- increased support facilities (e.g. hotels and restaurants whose development was caused or accelerated by the Fair); and a new legacy of cooperation among existing attractions in the GTA.

The benefits to Torontonians (and indeed Ontario and Canada) in terms of increased GDP, job creation and taxes generated from a significant increase in tourism visits and expenditures in the post-Fair period will be considerable. A rough guess of the value of this might be made by analogy with the Balance of Payments on the Travel account in Canada before and after Expo years (in 1967 and 1986 respectively). In each case, the level of tourism receipts (in terms of standardized dollars) was approximately 10% higher than levels prior to the Fair. If this general rule of thumb were to apply to Toronto as well, then we might see on the order of 1 - 2 million additional tourists per year coming to the City. The major tourism legacy of increased and sustained performance of the tourism industry will be an immediate and continuing benefit from the Fair. We expect that, after the huge 'spike' in tourism visits to the Fair itself in 2015, that in the following year (2016) and beyond the levels of tourism levels will settle to a new higher plateau, roughly 10% higher than pre-Fair levels. This will create sustained economic benefits, year after year, that are roughly 10% higher than what we see at present - which is equivalent to approximately \$1 billion in additional economic benefit and 8,000 full-time job equivalents.³ We expect that this new norm would continue indefinitely, influenced (of course) by the usual sorts of events and situations that affect tourism from one year to the next (exchange rates, weather, unforeseen events, etc.).

³ Based upon Tourism Toronto estimates of the economic impact of tourism to the Toronto economy.

Strategies to Ensure Tourism Legacies

In order to take advantage of these opportunities and to ensure that the legacy of sustained higher levels of performance in the tourism industry is realized, all stakeholders in the tourism industry must adopt a number of strategies. The key to developing successful tourism strategies is for *all* involved in the tourist industry (federal, provincial, municipal, destination marketing organizations and private sector participants) to cooperate before, during and after the Fair to devise and put in place coordinated initiatives:

- a) to ensure that the world knows about the Fair and Toronto, Ontario and Canada (the hosts) before it opens,
- b) to provide information on tickets, accommodation, related off-site events and attractions etc. during the Fair, and
- c) to capitalize on the large number of *new* tourists who attend the Fair and ensure that a good number of them return after the event.

Development and implementation of cooperative strategies among the tourism stakeholders and partners will be key to ensuring success in each of the above. Further, these strategies should be integrated with other Ontario tourism marketing partnership initiatives. A component of the tourism strategy during the Fair will be to ensure that Toronto/Ontario's existing cultural attractions are able to capitalize on the high levels of tourism in Toronto during the Fair. In this respect, we have conducted a number of preliminary interviews with key representatives of Toronto attractions such as the Art Gallery of Ontario, the Royal Ontario Museum, the Metro Toronto Zoo and the Ontario Science Centre. All believe that with adequate planning, that they would be able to take advantage of the high levels of tourism in Toronto and would likely wish to develop special programs related to the Fair theme.

The following are a number of strategies, initiatives and actions to ensure the major tourism objectives are achieved.

Objective before the fair opens- ensure high tourist attendance at Expo 2015, especially foreign visitors

Strategies

- Identify key markets for Expo 2015.
- Make the Fair known through a variety of communication channels to key target markets.
- Ensure that all tourism stakeholders (federal, provincial, municipal and private sector) are involved in planning for tourism development; marketing must be targeted to the key

regional markets identified in the attendance projections.

- Work with tourism industry partners to ensure all participants are able to maximize attendance including development of collaborative marketing strategies.
- Consider offering tourist operators financial incentives to encourage them to invest and upgrade their tourism facilities, products and attractions before the Fair.
- Include the travel trade in planning for and marketing related to the Fair.
- Work with local cultural communities to maximize these groups attendance at the Fair, particularly from friends and relatives in other countries.
- Develop an integrated Internet marketing strategy to publicize, promote and sell tickets to the Fair and its events.

Objective during the fair - get tourists to spend more time in Toronto/Ontario/Canada (beyond the time they spend at the Fair itself)

Strategies

- Market other attractions off-site, e.g. information booths on site.
- Package Expo 2015 tickets with other attractions.
- Marketing strategies and programs need to be coordinated with Ontario's marketing partnership initiatives.
- Marketing strategies should be developed separately for each of the following areas beyond the Fair: a) Toronto; b) Communities within an hour's drive; c) Gateways and communities en route to Toronto; d) Established tourist areas in Ontario (e.g. Huronia, Muskoka); and e) Rural and remote parts of Ontario.
- Expose visitors to information and special displays on and off-site to information on other tourist destinations in Ontario.
- Organize and market high quality special events during (and after) the Fair.
- Provide tourist operators with financial incentives to allow them to invest and upgrade their tourism facilities, products and attractions before the Fair.
- Work with Toronto and Ontario's key cultural attractions to ensure that they are able to capitalize on the high levels of tourism during the Fair.

Objective after the fair - to get tourists to come back to Toronto within 5 years

Strategies

- Gather data on the foreign fairgoers during the Fair - origins, demographics, lifestyle.

- Follow up with targeted marketing and attractive tourism products and experiences.
- The Expo Corporation should work with its tourism partners to ensure that activities are undertaken during the Fair that will help capitalize on post Fair tourism. This would include ensuring that tourism partners have good databases of visitors to the Fair and good information on the sorts of activities and tourism product that will be available in the period following the Fair.
- Build on marketing themes and branding that has been developed for the Fair. For example, marketing themes could be continued and incorporated into provincial marketing programs. It will be important that marketing budgets remain high.
- Working with tourism partners, Ontario should continue its product development activities that leverage the Fair based on experienced based marketing programs. For example, packages, products and promotions should be created and offered to visitors that combine highlight and visits to the Fair with other Toronto area attractions, accommodations and activities. These packages should be well priced and communicated clearly such that they could be easily purchased through normal channels as well as the Internet.
- The commercial sector could be encouraged to work with partners to offer specials, coupons, pricing strategies, etc. to its Fair visitors in order to entice them to revisit in years following the Fair. These strategies would need to be integrated with other provincial marketing and product development strategies in order to achieve the maximum impact.
- The travel trade should be incorporated in planning for post Fair activities to ensure that its needs are met and that inbound visits remain high. This ideally would build on relationships and marketing that had taken place prior to and during the Fair.
- Programming should also consider capitalizing on 2017, which would be Canada's sesquicentennial. This would represent a substantial opportunity to create product and events specifically for that year that would help keep Toronto profile high in both Canada's and the international marketplace.
- Communities surrounding Toronto and their tourism products should be included in provincial marketing initiatives undertaken following the Fair. Any Fair related events organized by the communities should be encouraged to become ongoing events if feasible.

10.5 Civic Engagement Legacies

Choosing to consult with stakeholders and the public through the World's Fair planning and bidding process contributes to the culture of civic engagement that is an important part of governance in Toronto. This type of collaborative, consultative approach adds to the legacy of civic engagement that previous major city-building initiatives have created.

The value of this legacy was identified by a number of stakeholders consulted through this process - for example, many people referred to the inclusive approach taken by the Toronto 2008 Olympic Bid. They spoke highly of the effectiveness of that process, and particularly about its usefulness in helping to identify and address issues of priority to a broad range of individuals and groups with different interests and perspectives. By continuing to share information and consult with communities through the World's Fair planning process, the process itself is contributing to a legacy of civic engagement that has proven important to Torontonians.

10.6 Putting Toronto and Canada on the Map

A major world's fair in Toronto has the potential to put the City on the world's radar screens and Canada back on the map. This was the case with Montreal's Expo 67 and that city is by all accounts still the best known outside the country of all Canadian cities.

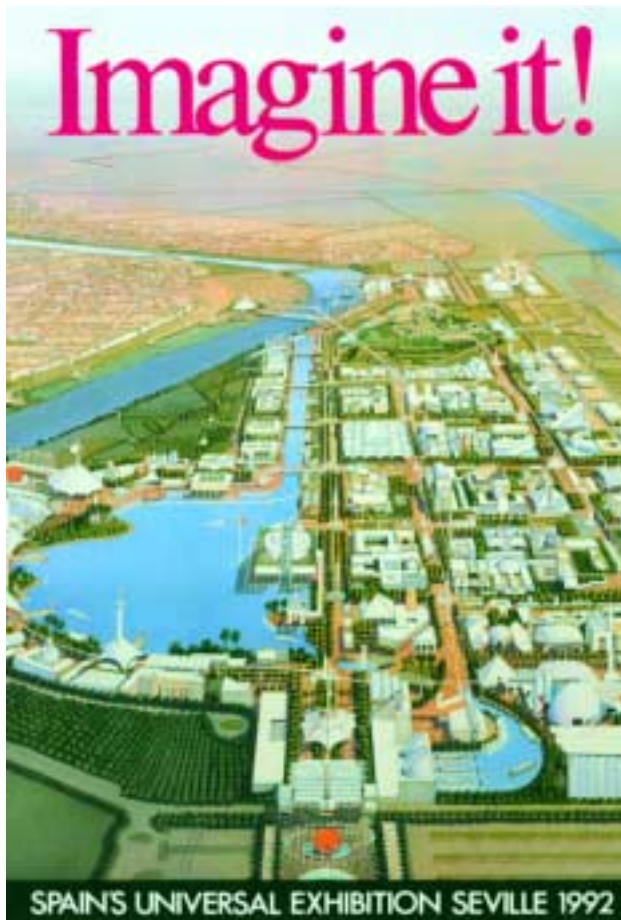
The number of citations about Expo 67 in foreign and Canadian newspapers and popular magazines, in professional and scholarly journals and in books, numbers in the hundreds in our World's Fair Database alone. This far outstrips any other fair for which we have records.

How can Toronto take advantage of the opportunity to replicate this result? If Toronto wins the bid to host Expo 2015 it must:

- Choose a bold, memorable and accessible location for the Fair; and
- Plan, build and operate it with imagination, using the best minds and creative talent in the country.

Of the three site options analyzed, the dual waterfront site best presents the opportunity to fulfill these requirements. The result would be over half of all visitors coming from outside Canada, and going home to talk up the Fair, Toronto and Canada. The foreign media would also be expected to file complimentary reports.

Perhaps we can see again an eight-column *Globe and Mail* headline such as: IMPACT OF EXPO; EVERYONE IN PARIS IS TALKING ABOUT IT; and in the *Ottawa Citizen*: EXPO - IT'S A SOLID HIT IN THE U.K.



Expo '92 Seville promotional brochure

11. The Next Steps

The next steps in the process of pursuing a bid for a World's Fair in Toronto in 2015 are divided into two principal phases. The first phase takes the process from the completion of the Feasibility Study up to the decision of Toronto City Council to proceed - or not - with the Bid. If City Council approves, the second phase then continues the process. This ends with the vote by BIE member states on the city and country to be awarded the date of 2015 for a 'registered' or major international exhibition.

Assuming that Toronto City Council approves going to the next step, Phase 1 will take place from April 2005 until approximately January or February 2006; the period for Phase 2 will be from the beginning of 2006 until December 2007. There may be some overlap between the two phases.

Immediately after the City Council decision to proceed, the task of the existing Expo 2015 Steering Committee will be to negotiate the speedy establishment of a Phase 1 Bid Organization. It is critical that a Bid Organization be established quickly: the further studies needed are extensive and will require sufficient time to complete for preparation of a Bid Book to place before City Council. Consideration should be given to flowing the commission of some essential studies through other agencies if the Bid Organization cannot be established quickly.

Phase 1- Bid Organization

A principal objective of the Organization will be to obtain local, municipal, provincial, federal and private sector support for the bid. It must also start to make known Toronto's interest in a bid for Expo 2015 at the BIE and international level. The main functions of the Organization are listed below.

Functions of the Organization

- Staffing and budgeting
- Public Consultation and Civic Engagement
- Stakeholder Consultation
- Land Assembly and Ownership Negotiations
- Communication Activities
- Establish a Volunteer organization, especially from ethnic communities
- Follow-on studies in preparation of Bid Book for Federal Government evaluation

- Fundraising and sponsorship
- Preliminary and unofficial lobbying activities
- International intelligence gathering and fact finding

Follow-on Studies

Further detailed analysis will be required to substantiate Toronto's bid for Expo 2015. These may be undertaken in-house or commissioned from outside firms. All of the work of the Feasibility Study must be revisited in greater detail and additional work not in the Study's scope of work also undertaken. A principal task will be to narrow down the site options to one.

The studies may include:

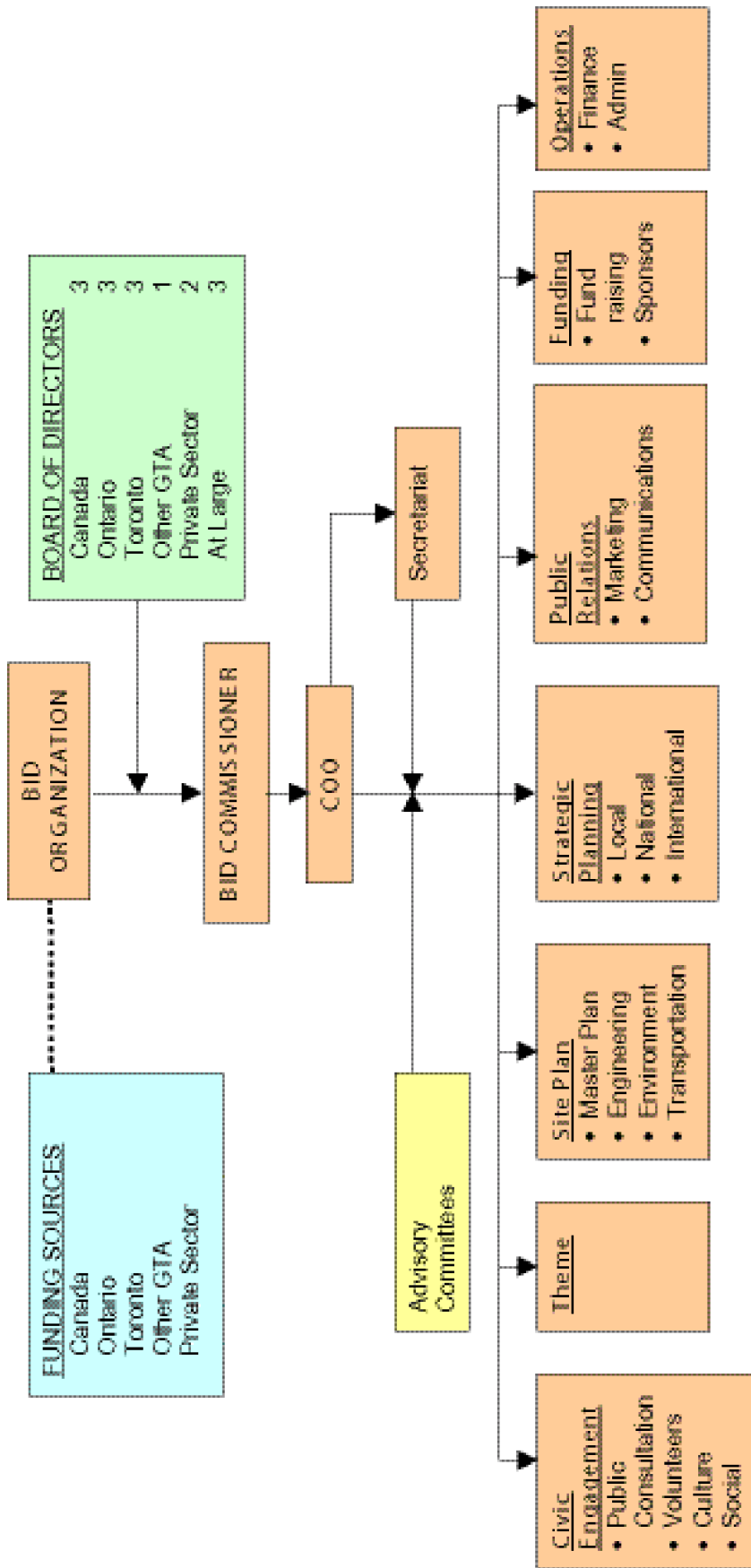
- Detailed site planning, including facilities programming, urban design concepts, landscaping, and integration with current plans
- Environmental analysis and assessment
- Engineering consulting for infrastructure, structural (bridges), and marine works
- Detailed transportation analysis (most extensive for the dual Port Lands/Island Airport site)
- Cost estimating
- Public Consultation on issues related to hosting a world's fair
- Social and cultural impact studies
- Arts / cultural development and investment
- Theme development
- Rerunning Financial and Economic impact models to take account of revised information
- Tourism development and investment strategy
- Economic development and investment strategy
- Organizational development
- Fundraising plan, including guidelines, approach, estimated take
- Development of financial and social accountability reporting system

These follow-on studies may need to be budgeted at a preliminary estimate of \$1,200,000. Documents submitted to the federal government should be bilingual.

Structure

Immediately after the decision by Toronto City Council to proceed to the next steps the current Expo 2015 Steering Committee should evolve into a National Steering Committee (NSC). It should have new membership to reflect changes in responsibilities in this phase. The NSC would need to be supported by a corporation or agency with the capacity to enter into contracts for the studies that must be undertaken. A newly formed or existing body could provide such support.

EXHIBIT 11.1
Phase 1 Bid Organization



Notes:

1. At Large Board members should have special expertise appropriate to the bid process or have world's fair experience. Their number should grow in Phase 2 to reflect a more national and international orientation of the bid.
2. The Advisory Committees should be independent and act as advisors to the Directors of the line departments.
3. The Phase 2 Bid Organization should evolve out of the Phase 1 organization. There would be much greater emphasis on international lobbying and less on site planning, with its related consulting studies. The numbers of staff would grow.

Our recommendation is that the NSC be an interim body before the formation of a formal bid organization. However, we recognize that it may not be possible to negotiate and establish such an organization within the timeframe of Phase 1 of the Bid Process. In that case, the NSC should continue to direct this stage of the process until its completion.

Our preferred recommendation is that a not-for-profit corporation be established as the Phase 1 Bid Organization. Such an organization would carry more weight in its dealings with the federal government and especially with the BIE and foreign governments that will be part of its responsibilities in Phase 1. Its main partners would be Ontario and Toronto. Other partners should include the federal government, possibly other Greater Toronto Area governments, and the private sector. The structure of the recommended Corporation is illustrated in Exhibit 11.1.

Whatever the structure, the Organization must work closely with the existing body or bodies with the responsibility for planning and servicing the site eventually chosen for Expo 2015. The form of the relationship should be a consideration in the establishment and structure of the Phase 1 Bid Organization. This recommendation speaks to the principles of the Feasibility Study: to maximize the integration of plans for Expo 2015 with the plans of other stakeholders and to be open and inclusive.

Role of Ontario

The BIE requires that the finances of the Fair organization that is established to build and operate a fair be guaranteed by the central government of the host city. The central government may pass this responsibility on to another level of government such as a province. However, in the event of financial difficulties of the Fair organization, the BIE will call on the central government to take the final responsibility.

In Canada the federal government requires that a provincial government act as the guarantor of the Fair organization's finances. In the case of a Toronto Expo 2015 the province must play a key role that should be reflected in the structure of the Bid Organization and in decisions on all aspects of the Fair.

Leadership

The leader of the Bid Organization must take on the role of Toronto's 'champion' - the face of Toronto Expo 2015. He/she must be influential, charismatic, and with guaranteed access to the Prime Minister, the Premier and the Mayor. The leader must have good

access internationally at a high level. Language ability (English, French, Spanish) will be a definite asset. A sitting or former Canadian diplomat, or former federal cabinet minister has the kind of qualifications ideal for this post.

It is proposed that the post be designated the Commissioner of the Toronto 2015 bid. This is similar to the name used for the head of all world's fair operating organizations approved by the BIE - Commissioner-General.

A Chief Operating Officer (COO) who manages the day-to-day affairs of the organization in a business-like manner should support the Commissioner.

Phase 1 Board

The recommended composition of the Board of Directors is as follows:

- Bid Commissioner *ex officio*
- Canada - 3
- Ontario - 3
- Toronto - 3
- Other GTA - 1
- Private Sector - 2
- At Large - 3

The Board should be relatively small with members having backgrounds according to functions of the bid organization: e.g. finance, fundraising, etc. They should be actively engaged in the affairs of the Organization.

Members should represent the diversity of Toronto communities; some may be drawn from outside Toronto and Ontario; some should have experience with world's fairs.

Staff

The size of the staff required in Phase 1 is estimated at 15 to 20. Approximately two thirds of these would be seconded staff based on the experience of the Expo 98 and Expo 2000 bids.

The core contracted staff, including the Commissioner, would either be senior persons whose expertise is not available through secondment, or lower level Secretariat staff. The seconded staff in Phase 1 would come primarily from Ontario and Toronto ministries and departments. Some persons with specialized skills could be seconded from the private sector.

Costs

The total requirement for staff salaries in Phase 1 of the bid is estimated at \$2 million, of which approximately 75% to 80% would be for seconded staff, thus 'saving' the Bid Organization some \$1.5 million. Other costs are based on the Expo 98 and 2000 bids.

EXHIBIT 11.2
Estimated Bid Corporation Costs - 2005

Category	% of Total	Expenditure (000's)
Staff	19.0	\$400
Travel	4.8	\$100
Consulting	57.1	\$1,200
Presentation materials	4.8	\$100
Office and Misc.	4.8	\$100
Contingency	9.5	\$200
TOTAL	100.0	\$2,100

Note: These costs exclude salaries of seconded staff

Sources of Funds

The sources of funds shown in the Table below are allowances only and will be the subject of negotiations between the partners of the Bid Organization. The private sector share would be in the form of cash and in-kind contributions of goods and services. The amount contributed by the private sector will depend on a successful fundraising campaign by the Bid Organization's other partners.

EXHIBIT 11.3
Sources of Funds - 2005

Source	% of Total	Amount (000's)
Canada	0	0
Ontario	40	\$840
Toronto	35	\$735
Other GTA Govts.	5	\$105
Private Sector	20	\$420
TOTAL	100	\$2,100

Note: The amounts do not include the salaries of staff seconded by governments.

Advisory Committees

A number of Advisory Committees should be established roughly paralleling and reporting to the directors of the line departments of the Bid Organization. These committees may include:

- Culture
- Social Issues
- Youth
- Theme
- Tourism

- Environment
- Site Concept
- Public Relations
- Volunteers, and
- Sponsorship

The committees should be independent and elect the chairperson from among their members. The chairperson should be a high profile representative with qualifications appropriate to the mandate of the respective committees.

Role of the Private Sector

Private sector involvement must be actively called upon during Phase 1. It will be important to tap into the creativity, energy and resources that can be provided by this sector. While it will be critical that the private sector is involved in Phase 1 of the bid, it must be clearly seen that governments are leading the initiative.

There are several ways that the private sector may become involved in Phase 1:

- Setting up a volunteer private sector organization with the goal of raising funds to support the Phase 1 Bid Organization.
- Setting the parameters and terms of reference for private sector involvement as a partner with the governments.
- Encouraging private sector leaders to actively support the initiative in their meetings with national and international governments and business leaders.
- Sponsorship through cash donations and the provision of in-kind goods and services.

EXHIBIT 11.4
Phase 1 Time Line

2005	Events and Activities
March 22	Consultant submits Expo 2015 Feasibility Study
March - May	Expo 2015 Steering Committee continues until formation of Phase 1 Bid Organization
March 22 – April 4	Economic Development, Culture & Tourism staff prepare report
April 4	Economic Development & Parks Committee reviews report and makes recommendations to Toronto City Council
April 12 – 14	City Council decides whether to proceed to final feasibility analysis
May – June	Provincial government review and Management Board and Cabinet decisions
May – June	Phase 1 Bid Organization negotiated and established
May/June - November	Follow-on studies commissioned and completed
June	Toronto attends BIE General Assembly as observer
July	Status report sent to PCH
December	Toronto 2015 first Bid Book printed
December	Toronto attends BIE General Assembly as observer
December	Negotiations start for Final Bid Organization
2006	
January	Chairperson of PCH Evaluation Committee chosen pending final decision to proceed with a bid
January - February	Final bid report submitted to Toronto City Council for decision

Timelines are subject to change

Phase 2

Once it appears that a favourable decision will be reached by the federal government to support a bid by Toronto for the 2015 date, the Phase 1 Bid Organization should begin negotiations on the structure and composition of the organization that will take the bid to December 2007.

Bid Organization

The bid organization for Phase 2 will likely evolve out of the Phase 1 organization with changes in emphasis to respond to new objectives. For the BIE and countries that must be lobbied, the bid must be seen as a national rather than purely Toronto bid.

Objectives

- To negotiate the strongest possible participation of all partners in the organization, especially that of the federal government, necessary to put forward a winning bid.
- To enter into a high-level lobbying campaign of BIE member

countries at senior political, government and business levels.

- To continue to foster local, municipal, provincial and federal support for the bid.

Functions of the Organization

- Staffing and budgeting
- Continued public consultation
- Fundraising and sponsorship
- Finalize Master Plan for the exhibition site
- Communication activities
- Hosting BIE and other delegations in Toronto and abroad
- International intelligence gathering and fact finding
- Mobilizing volunteer organizations, especially from ethnic communities, in support of the international lobbying campaign
- Intensive international lobbying activities
- Preparation of final Bid Book for presentation to the BIE

Leadership

The leadership of the Bid will preferably continue from Phase 1.

Structure

The bid organization should continue from Phase 1 with expanded and new responsibilities. The federal government should assume a greater role in financial support of the Bid Organization and in its policies, plans and strategies. It will play a major role in the international lobbying campaign; it should commit to providing the full resources of government departments, Canadian embassies and international trade officers in intelligence gathering and lobbying.

Board

The numbers and composition should change to meet the new and expanded responsibilities of the Bid Organization. The federal government should have an increased presence on the Board with senior staff drawn from the appropriate department(s).

Members should also be added to represent other parts of Canada and who have world's fair experience, particularly in international lobbying and dealings with the BIE.

Staff

The size of the staff is estimated to increase to 30 to 35 positions, including seconded staff and those core staff on contract, primarily because of the increased emphasis on international lobbying activities.

The budget requirement (on an annual basis) for core staff of the Bid Organization is estimated at \$540,000 for a total of approximately \$1,000,000 in 2006 and 2007.

Costs

The Table below provides an order of magnitude estimate of the Phase 2 Bid Organization's annual budget requirements for all its activities. The total budget required, assuming a duration of two years for Phase 2, is estimated at \$4.4 million, not \$4.5 million since the BIE fee is only to be paid once.

EXHIBIT 11.5
Estimated Annual Bid Corporation Costs - 2006 and 2007

Category	% of Total	Expenditure (000's)
Staff	24.0	\$540
Travel	22.2	\$500
Hosting costs	6.7	\$150
Consulting	17.8	\$400
Presentation materials	8.9	\$200
Office and Misc.	6.7	\$150
BIE Fee (<i>one time fee</i>)	5.0	\$113
Contingency	8.9	\$200
TOTAL	100.0	\$2,253

Note: These costs exclude salaries of seconded staff

Sources of Funds

The sources of funds for Phase 2 are shown in the Table below. The main change from Phase 1 is the greater contribution assumed of the federal government due to its increased role in the bid process. Again, this distribution is an estimate only and will be the subject of negotiations between the partners of the organization.

EXHIBIT 11.6
Sources of Funds - 2006 and 2007

Source	% of Total	Amount (000's)
Canada	33	\$743
Ontario	33	\$743
Toronto	15	\$338
Other GTA Govts.	4	\$90
Private Sector	15	\$338
TOTAL	100	\$2,253

Note: The amounts do not include the salaries of staff seconded by governments.

For comparison purposes the actual expenditures of Toronto's Expo 98 and Expo 2000 bid organizations is shown in the Table at right (Exhibit 11.7). Note that the amount for the Expo 2000 bid was expended over three and a half years.

The higher annual costs for Expo 2015 than the two previous bids, shown in 1990 and 1991 dollars in the Exhibit 11.7 (facing page), is a consequence of the great increase in the number of nations that are

now members of the BIE and that will have to be lobbied. Since the Expo 98 and Expo 2000 bids the number has grown from 42 to over 90.

EXHIBIT 11.7
Budgets of Expo 98 and Expo 2000 Bids (\$ 2004)

Source of funds	Expo 98		Expo 2000	
	(\$000's)	%	(\$000's)	%
Canada	507.6	25.5	472.7	8.2
Ontario	507.6	25.5	472.7	8.2
Metro Toronto	507.6	25.5	334.4	5.8
Toronto	89.6	4.5	–	–
Private Sector	378.2	19.0	4,484.9	77.8
TOTAL	1,990.6	100.0	5,764.7	100.0
Note: Annual cost	1,990.6		1,650.0	

EXHIBIT 11.8
Phase 2 Time Line

2006	Events and Activities
February	Informal lobbying continues
February	Federal government requested to evaluate the Bid
February	PCH confirms appointment of Chair of federal review committee. The committee receives and reviews Toronto's bid.
March	The review committee reports to PCH. PCH staff reports and the Minister of Canadian Heritage seeks Cabinet approval for funding and participation in the Phase 2 Bid Organization
March - April	Phase 2 Bid Organization established and responsibilities of partners agreed
April - October	Earliest and latest dates for submission of Bid by the PM to the BIE. Competing city likely to submit bid to BIE in April
April	Start of Bid promotion and international lobbying
May - November	Start/finish dates for Enquiry Mission documentation
June	Toronto delegation attends BIE General Assembly – lobbying of national delegates continues
July	Prime Minister submits Bid to the BIE
December	Toronto delegation attends BIE General Assembly – lobbying of national delegates in high gear
December	Start of preparations, with federal government, for Pre-Enquiry Mission
2007	
February/March	BIE conducts on-site Pre-Enquiry Mission
May	BIE Executive Committee evaluates Mission report and prepares recommendations
June	BIE General Assembly decides on bids to be retained. Toronto delegation attends and continues lobbying
December	BIE General Assembly selects Expo 2015 host city by secret vote

Timelines are subject to change



Crowds at Expo 67

12. Will a Toronto Bid for a World's Fair Succeed?

This Section draws on Toronto's experience in bidding for two BIE exhibitions - Expo 98 and Expo 2000. Persons, experienced in the bidding process and in the regulation and operation of world's fairs, have also been interviewed and valuable insight gained in what it takes to make a successful bid. The results of these interviews are summarized in Section 7 of this report.

BIE Evaluation Criteria

The principal questions that the organizer will be called on to answer by the BIE are listed below. The wording shown is that which is contained in the document that the BIE issues to organizers, describing in detail what is expected from them.

- The local, national or international *reasons that have prompted the proposal* to mount the exposition, and the noteworthy results that might be anticipated.
- The *local political, economic and social environment* in terms of the attitude of special interest groups as well as citizens at large to the holding of the exposition.
- The *theme and objectives* of the exposition, in sufficient depth to permit an assessment of its viability for presentation in that medium.
- The *legislative, organizational, operational and financial measures* already taken or proposed to ensure the *administrative good order of the exposition* and its conformity to the requirements of the BIE.
- The broad *publicity strategy* to promote the exposition, and the creative material available.
- The *general location and its merits*, and the site or sites proposed for the exposition, and the plans for development and for after-use, the relationship of the sites to local and international transportation and the movement and physical welfare of visitors.
- The *nature of the exhibitors* anticipated and possible solutions in the allocation of sites, pavilions, other types of cover and open space to both international and domestic exhibitors, thematic presentations, conventions, seminars and related events, concessionaires, cultural and recreational activities.

- The *maximum and minimum space* likely to be permitted to foreign nations, and any architectural planning control, or modular plan on which pavilions for such participants might be based.
- The *number of visitors* anticipated and the types of visitor likely to attend the exposition.

The two previous Toronto bids had no difficulty in answering these questions to the satisfaction of the BIE. Moreover, the success of Canada's two fairs, Montreal 1967 and Vancouver 1986, has given the BIE the assurance that a future Canadian fair would likely be very successful judged against many measures.

The organizer of a Toronto 2015 fair will need to undertake a number of detailed studies to answer these questions, including more definitive attendance, site planning and design studies, elaboration of the theme concept, and financial planning analyses, among others.

At this time a committee of the BIE is reviewing the Pre-Enquiry procedures and it is understood that the report of the committee will be considered at the June 2005 General Assembly. The result of the report may change the BIE criteria used to evaluate any bid for Expo 2015.

We conclude that a bid put forward by Toronto would be favourably received by the BIE and would advance to a short list of contenders vying for the opportunity to host Expo 2015.

The deciding factors will be the strengths and weaknesses of other cities against those of Toronto, and the level of support provided by their respective national governments. Most of all, whatever the technical merits of each of the bids, it will be geo-politics at the time of the vote in 2007 which will be decisive.

Competition for the 2015 World's Fair

Canada

There are no other Canadian cities that are competing with Toronto for the right to represent Canada in the competition for Expo 2015. The Mayor of Toronto has written to ten of the country's major cities and received replies from a number offering some measure of support for the city's bid.

International

We are assured that there will be other cities that will come forward to compete for the Expo 2015 date. However, at this time there are no known cities that have made a formal commitment to present a bid.

According to knowledgeable sources contacted during our study, cities that are said to be considering a bid include Moscow, Buenos Aires, Sao Paulo, Alexandria, Casablanca, Tehran, and perhaps a city in South Africa. Other sources cite, in addition, interest by San Francisco, Istanbul, Turin, Dubai (United Arab Emirates) and Pueblo (Mexico).

Moscow

Moscow was among the bidders for Expo 2010, won by Shanghai. It had counted on substantial support from Europe and former Soviet bloc countries but only gained some six or eight votes out of a total of approximately ninety. Reportedly the weak showing was due to the evident instability in the country (with, at the time, the Moscow theater hostage taking and insurgency in Chechnya) and questions on its human rights record.

Moscow (and not St. Petersburg) appears ready to make another bid: its strength is that it is a major world city and capital, with great name recognition, in one of the premier world powers; its weakness remains a degree of instability in a nation that still has human rights issues.

Buenos Aires and Sao Paulo

We have little information on the potential bids by these two South American cities except the fact that they may enter bids and have similar strengths and weaknesses. Their obvious strengths are that they are large, vibrant world cities that would likely be attractive destinations for potential visitors.

Their individual weaknesses are, in the case of Buenos Aires, that there may be some national economic instability and in the case of Sao Paulo that it is solely a private sector initiative with no government backing. In both cases, the costs and distances required to travel to them is problematic for the large populations of North America and Europe. They are also distant from the increasingly travel-hungry populations of Asia.

Casablanca and Alexandria

The strength of these two North African cities is a certain exoticism, and that they are situated in a continent that has never been awarded a world's fair (or an Olympic Games). There is some support for the rotation of world's fairs between continents.

Tehran

It is not believed that Tehran is a serious contender for the 2015 date. It is said to be considering 'testing the waters' for a later bid.

Southern Africa

The strength of a southern African city, as for Casablanca and Alexandria, is that the continent has not yet hosted a world's fair. Its main weakness would be the distance foreign visitors would have to travel to attend the fair.

The Changing Face of the BIE

At the time of Toronto's bids for Expo 2000 and Expo 98 in the early 90's there were 42 member nations of the BIE. There are currently 98 member nations. The breakdown of the new members is shown below:

- Europe 8
- Middle East 9
- Africa 9
- Asia 9
- Caribbean 9
- Central America 2
- South America 4
- Old USSR 4
- Oceania 2

Analysis of the possible voting pattern of these new member nations appears to favour a Canadian bid in competition with all the potential competing. This conclusion is based on the current geopolitical position of Canada.

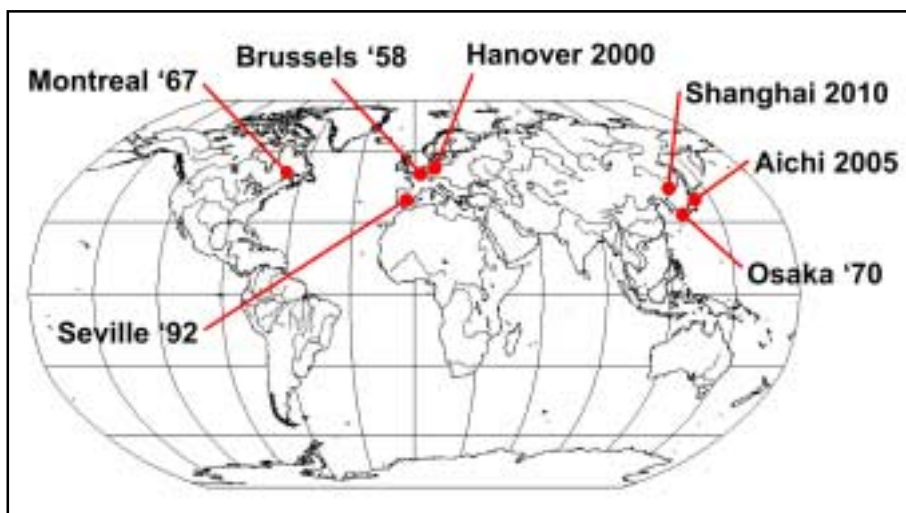


EXHIBIT 12.1 Past and Future Major World's Fairs

Since Toronto lost the bid for Expo 2000 - a major or Registered category fair - by only one vote to a European city, the basic conditions for a winning Toronto bid appear to be in place.

Location of Recent and Future Registered Fairs

The map in Exhibit 12.1 shows the location of modern-day or post World War II major fairs. First, it is evident that all have been, or will have been by 2010, in the northern hemisphere. Europe has had three (Brussels 58, Seville 92 and Hanover 2000), Asia will also have had three (Osaka 70, Aichi 2005 and Shanghai 2010), and North America has had only one (Montreal 67) forty years ago at the time of the BIE vote in 2007.

There is some desire on the part of the BIE to 'rotate' major fairs between continents. If this were indeed a consideration for voting members, then African and South American cities would have an advantage in the bid for Expo 2015. It is more probable that cities in these continents would be awarded a smaller recognized fair as a test of their ability to successfully host such an event. Accordingly, it is possible that the known records of North American, European and Asian cities would favour such locations again.

Lessons from the Two Toronto Bids

In June 1990 Toronto lost its bid for a 'Registered' exhibition, proposed for the year 2000, to the City of Hanover, Germany by a vote of 21 to 20. And on June 23, 1992 Toronto also lost its bid for a 1998 'Recognized' exhibition to Portugal's capital, Lisbon, by a vote of 23 to 18. Various reasons for these losses have been put forward. Below we discuss some of the reasons for the losses.

Perceived Weak Senior Government Support

Neither bid had the appearance of enthusiastic and fully committed support from the provincial and federal governments. Exhibitions in other countries are often seen as instruments of national policy and consequently their bids have received massive support at the highest political levels. Both bids seem to have been perceived as local, Toronto projects.

One specific instance of relatively weak support occurred with the Expo 2000 bid. Toronto was also bidding at the time for the 1996 Summer Olympics and this fact resulted in a dilution of the Ontario government's efforts. There was a perception that the provincial government favoured the Olympics over a world's fair. This may

have been the crucial factor in the loss of the bid, particularly since the province was the main actor in the bid.

A related factor was that neither bid was led by a person with the international profile and influence that permitted immediate access to foreign decision makers.

The bid for Expo 98 - a smaller 'Recognized' fair - perhaps did not have a realistic chance of success from the start. This category of fair is primarily intended for cities in the smaller and less developed nations and not for a wealthy, developed country such as Canada.

Private Sector Involvement

A private sector group, the Expo 2000 Consortium (which subsequently became the Expo 98 Consortium) was a key player in both Toronto bids. The Consortium was successful at marshalling the necessary resources and support to get the projects started and to maintain their momentum. However, when it came time to lobby foreign governments, it may have been difficult for the Consortium to gain the necessary access to key political and official decision-makers.

The view of people interviewed as part of this feasibility study, a majority from Western European countries, is that an exhibition should be a national project and that any negotiations should proceed on a government-to-government basis.

An Ineffective Lobbying Program

To the extent that the senior governments were lukewarm towards the two bids, so the lobbying efforts on their behalf were weakened. Lobbying the decision-makers of the foreign governments is the crucial activity in the bid process and is based on political and commercial rather than technical considerations. The technical merits of a particular bid is much less important in the final BIE vote than the geo-political relations between the host country and the countries from which it seeks support.

The lobbying efforts may also have been ineffective because they were not aggressive enough. An example of an aggressive lobbying tactic is the one employed by the Spanish government in support of its Expo 92 bid. Spain was very effective in encouraging Spanish-speaking countries to join the BIE prior to the vote to choose the host city for the 1992 World's Fair. A successful lobbying program will need to tread the fine line between being overly aggressive, thus evoking a backlash, and being too timid.

Toronto's Strengths and Weaknesses

Strengths

- Toronto, the largest city and principle economic center in Canada, has the technical and creative ability to host an outstanding and successful world's fair. It is also close to a very large population in Canada and the United States and is in a position to draw a high number of visitors, a large percentage of whom would be from the United States and other foreign countries. This meets one objective of the BIE that is to expose as many persons as possible from outside the host country to the message of the fair.
- There is also some sentiment that it is now 'Canada's turn' to host an exhibition after the loss of two consecutive ones.
- Canadians have an excellent track record in hosting very successful exhibitions that have fulfilled the BIE's requirements. The BIE would be able to count on a successful Toronto 2015 World's Fair. Canada always has had and continues to have considerable influence within the BIE: our delegate is one of four Vice Presidents and the Chair of the Executive Committee. The Toronto 2015 Bid Organization can and should use this situation to its advantage.
- Canada is seen as a stable country and its cities as clean and safe places to visit. This was the case in 1986 when many Americans changed their travel plans and attended Expo 86 in Vancouver rather than visit Europe. The change in plans was a consequence of terrorism scares when a number of plane hijackings occurred in Europe.
- With its free trade agreement with the US and the expansion of the free trade area to include Mexico and, later, to other South American countries, Canada can be considered as an entry point into a very large market. An exhibition in Toronto could become a valuable window into that market.
- Finally, Canada is a middle power with few enemies and many friends that may be persuaded to vote for a bid from Toronto.

Weaknesses

- The main weakness of a Toronto bid is the difficulty that may be encountered in gaining the complete and unified support of the three levels of government. This support is critically necessary to the success of the bid in terms of financial guarantees and diplomatic resources for intelligence gathering and assistance in the lobbying campaign. Most of all it needs the political will to use all of Canada's geo-political influence to 'twist arms'.

- The difficulty in gaining the necessary support may be so time-consuming that it will shorten the time needed to mount an effective and successful bid. The window for the submission of a Toronto bid to the BIE is between April and October 2006: it is an advantage for a bidder to be the first to submit their bid. At this time it does not appear that Toronto will be able to meet the early date because of the many steps still to be taken. This is shown in Section 11.
- And finally, Canada as a middle power does not have the economic or political clout that other bidding nations may have. Such influence is of great importance in the lobbying campaign and outweighs any considerations of 'fairness' or the merits of the respective proposals.

Risk Assessment

A number of potential risks are listed on the facing page. These risks affect either the success of the bid process or the success of the fair itself in terms of ability to host, level of attendance and anticipated economic impact. The Bid Organization and the Expo Corporation (when and if it is established subsequent to Toronto winning the bid) will not have control over some of these risks. The probability of their occurrence is unknown at this time.

Our assessment of the severity of the risk, action to mitigate it and some description of possible consequences are also indicated.

EXHIBIT 12.2
Risk Assessment

	<i>Managing a Successful Bid</i>	<i>Managing a Successful Fair</i>
<i>Risks</i>	<i>Risk Assessment</i>	<i>Risk Assessment</i>
Pandemic		major and uncontrollable risk - probability of occurrence unknown
Terrorist Threat		moderate and uncontrollable risk - may dampen travel intentions but may also benefit Canada
Recession / Depression		minor risk - would need to be severe to significantly influence travel intentions - opposite (economic boom) could occur, which would positively affect Fair
Governmental Change	moderate risk - all parties must be shown benefits of Fair and thus continue support	
Weak Political Support	major risk - all levels of government must be shown benefits of Fair and determine to treat it as a priority	
Stakeholder/ Community Opposition	moderate but manageable risk - may affect BIE support	
Escalation of Costs		moderate and controllable risk - contingencies can be put in place
Budgetary Constraints		moderate risk - could affect attractiveness of the fair, attendance and revenues
Time Constraints	high risk - time for approvals will require unprecedented levels of cooperation in limited time period	minor risk - Fair schedule would be known well in advance, ample time to prepare
Competing International Bids	moderate but manageable risk - will need to put Canada's case forward convincingly	

An Evaluation

With no confirmation of the potential competing cities and nations, it is not possible to make an accurate evaluation of how Toronto's strengths - and weaknesses - compare. Nevertheless, we have undertaken an exercise in which we assume the main competitors would be a European and a South American city. We conclude that Toronto's bid would win on the second ballot. (Appendix 12.1)

This preliminary evaluation gives some indication that Toronto is in a favourable position against the cities known to be considering a bid. However, there is little doubt that competition will be fierce.

The key to winning a bid is the absolute commitment of Canada's leaders at the earliest possible time. The commitment must be to provide not only the necessary financial guarantees but more importantly, the diplomatic and other resources of governments. Most important of all is for the Prime Minister and his Cabinet to say to all their foreign counterparts, early and often that "Canada wants this fair."

The Prime Minister can only be persuaded to make such a commitment if the Mayor, the Premier and business leaders make strong arguments that a Toronto world's fair in 2015 will result in considerable economic and political rewards as was the case at Expo 67 in Montreal. For a moment in time Canada was, and Montreal still is seen as sexy: "Expo 67 isn't just a world's fair, it has glitter, sex appeal, and it's given impact and meaning to a word that had neither: Canadian." (*The Observer, London*)

Project Team

This Study was initiated by The City of Toronto's Economic Development, Culture and Tourism Department and guided by the Toronto 2015 World Expo Steering Committee.

Consortium 2015

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