

June 11, 2007

TO: Executive Committee

FROM: Mayor David Miller

SUBJECT: **TEDCO Governance Review**

The Executive Committee has before it a report from the Deputy City Manager concerning the transfer of certain TEDCO lands in East Bayfront to the City to facilitate waterfront revitalization. The Financial Impact Statement states:

“TEDCO control over its remaining Waterfront lands will continue to decline over time, as will its opportunities to generate revenues from these lands, as the Revitalization Initiative led by Waterfront Toronto continues to move through its implementation phase. TEDCO’s long-term self-sustainability will necessitate a change in its business direction.”

Staff have highlighted a concern and the City Manager has undertaken a review to address it.

In July 2006, the City Manager recommended changes to legislation to amend TEDCO’s mandate and remove existing limitations. The Provincial Legislature did not include the requested changes in the new City of Toronto Act that would have permitted the City to change TEDCO’s mandate and tools available to it. In the meantime, a number of other initiatives have been undertaken that warrant a broader approach.

The Prosperity Agenda is soon to be considered that will outline a comprehensive strategy for ensuring Toronto continues to be economically competitive and inclusive in the local, national, and international arenas. A program review is also underway that will identify the role that the Economic Development Culture and Tourism Division should play within that strategy and the organization that will support that role. While Waterfront renewal is critical in this plan, the City also needs to take a more broadly proactive role in development activities city-wide and to strategically manage its enormous land holdings to the City’s economic advantage. This is an opportune time to rethink what role the City needs a development corporation to play in this regard.

The City Manager’s governance review includes:

- 1) the role the City needs a development corporation to play within the Prosperity Agenda;
- 2) assessment of all opportunities within the new legislative framework;
- 3) how the corporation relates to EDCT and other City divisions and agencies; and
- 4) assessment of TEDCO’s structure, mandate, tools, authorities, and revenue sources.

The City Manager assures me that all interested Councillors will have an opportunity to provide input into the review and that all stakeholders including TEDCO’s board and staff, relevant City divisions and agencies, as well as external stakeholders will all be consulted. The City Manager expects to report very early in the new year.

Mayor David Miller