

EX18.7 Appendix C

EXPO 2025 FEASIBILITY STUDY PEER REVIEW

Prepared for the City of Toronto

October 2016

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EXECUTIVE SUMMARY

In the Summer of 2016, the World Expo Canada Bid Corporation (“WECBC”) commissioned a team of consultants (the “Consultants”) to assess the feasibility of hosting a world’s fair/exposition (or “Expo”). The City of Toronto was identified as the initial recipient of the WECBC-funded study (the “Study”) although the approval process would eventually require involvement of all three orders of government.

To ensure the feasibility study met the expectations of the City, City staff prepared an “Expectations for Feasibility Study” document (Appendix 1). Further, the City engaged HLT Advisory Inc. (“HLT”) to conduct a peer review of the consultant’s approach and methodology.

The City requirements are detailed and comprehensive. The Study addresses most requirements to some extent however, the analysis (and conclusions drawn) vary. Variances result, in large part, from the Consultants consciously choosing not to address specific requirements citing the preliminary nature of the bid.

As a starting point of the peer review, HLT reviewed the checklist contained in the Mayor’s Advisory Panel on International Hosting Opportunities. HLT considered this checklist, together with the Expectations for Feasibility Study document as a guidepost in assessing the Study.

1. Start from a Position of Strength	Limited detail provided citing preliminary nature of bid.
2. Optimize Toronto as a host City and Region	Rated “Medium” to “Strong” across all requirements.
3. Advance Key City Building Priorities	Rated “Strong” across all requirements.
4. Responsibly Manage Hosting Costs, Resources & Risks	Not addressed
5. Will the event generate broadly shared benefits and ...leave a meaningful legacy for local communities..?	Rated “Medium”; more detail required.

EXECUTIVE SUMMARY

Highlights of the six key elements of the Study (as tied to the Expectations for Feasibility Study document) are referenced below:

- **Financial Factors**—the Study identifies costs of \$10 to \$15 million to prepare a bid and total capital costs of \$3.641 billion to stage the bid (including \$1.06 billion to advance the timetable of planned infrastructure improvements). The Consultants acknowledge that the Study "...provides a less detailed assessment of certain areas for which only the public sector could provide accurate analysis. These areas were touched upon, but a detailed assessment could only take place during the later stages of the project when the public sector is fully engaged."
- **City Planning & Infrastructure**—similar to the Consultant's comments regarding sources of capital funding being indeterminable, given the early stages of the bid, the Study reasonably identifies key planning and infrastructure needs (e.g., land acquisition, transportation) but does not provide the detail requested in the Expectations for Feasibility Study document. The consultation process used to gather input from land owners would have benefited from input from users (i.e., tenants) not just land owners.
- **Health Safety & Environmental**—the Study contains specialist studies, each focused on specific health and related issues generated from an event of this size. The Study however, is focused on on-site needs only and does not address potential issues/needs created elsewhere in the City through the event operating period.
- **Governance & Engagement**—The Study speaks to a fairly "standard" overall structure of a federal/provincial/ municipal governing body responsible for planning, building and operating the Expo. However, as with capital and City infrastructure needs, the Consultants believe it premature to address key elements such as a community engagement strategy and determination of theme (which is a key issue given the reliance on ticket revenue and the need to assess ticket sales/interest).
- **Social Factors**—the Study addressed a broad range of social issues at a reasonably high level given the stage of the bid. Detail on potential legacies, how an Expo would celebrate Toronto diversity (given the lack of an identified theme) and specifics around services (e.g., fire, EMS) is expectantly premature.
- **Economic Impact**—The Study estimates that Expo 2025 will generated 9 million unique visitors to Toronto, 30 million Expo visits, 50,775 full-time-equivalent jobs and \$1.268 million of government revenue (all three orders). The approach to estimating attendance—as well as the economic impacts associated with the operation of and visitation to an Expo—are generally reasonable.

For the most part, HLT found the methodology employed by the Consultants to be reasonable. The most significant gaps between the Study and the Expectations for Feasibility Study document are those areas where the Consultants consciously didn't address an issue citing the need for future/further study.

INTRODUCTION

In early 2016, a group of interested citizens and corporate entities came together to explore the potential of hosting a world Expo in Toronto in 2025 (a “Registered” Exposition as defined by the Bureau of International Exhibitions). The group, operating as the World Expo Canada Bid Corporation (“WECBC”), is led by President Ken Tanenbaum as well as Directors Cynthia Wilkey and Claire Hopkinson.

An initial focus of the WECBC was to assemble a team of consultants to investigate the feasibility of hosting the event and to prepare a report summarizing the findings. The WECBC retained a team of consultants, each responsible for various aspects of the project, including:

- **Arup**—site analysis, masterplan, transport, and infrastructure assessment;
- **Hanscomb, PCL, RLB** and **John Baker** served as sub-consultants to Arup;
- **PricewaterhouseCoopers LLCP (“PwC”)**—projected attendance, operating budgets and potential economic impacts;
- **Lord Cultural Resources (“Lord”)**—social and cultural legacy opportunities;
- **Brad Taylor**—security needs assessment;
- **Terry Wright**—potential governance framework for Expo 2025;
- **Steve Urszenyi**—health and medical system preparedness;
- **The Wellesly Institute**—health and health equity impact assessment;
- **Toronto Fire Service**—input on fire protection services; and
- **EKS**—input into the visioning and legacy proposition.

The WECBC consulted with City staff regarding the contents of and scope of the study. The City of Toronto (“City”) provided WECBC with an “Expectations for Feasibility Study” document (contained in Appendix 1) to ensure the feasibility study met the expectations of the City.

Funding for the Study was raised through private donations.

SCOPE OF WORK

Concurrent with the engagement of the consulting team by the WECBC, the City engaged HLT Advisory (“HLT”) to conduct a peer review of the approach taken by the consultants to address the City’s expectations. HLT did not undertake separate analyses of any aspect of Expo 2025 feasibility. Instead, the HLT report comments on the methodology used by the above consultants, and the extent to which the Study addresses the requirements laid out in the City’s “Expectations for Feasibility Study” document contained in Appendix 1.

WECBC submitted the draft Study on September 16, 2016. After reviewing the initial submission HLT met with the consultants and tabled a series of questions. In response to these questions HLT received:

- Additional detail on methodology and related background information, referred to herein as the “Responses” and included verbatim in Appendix 2.
- A marketing-oriented package entitled “The Opportunity: Canada Welcomes the World”, containing the benefits of hosting Expo 2025 to Toronto. This document is referred to as the Marketing Report.
- Clarification that some requirements in the City’s “Expectations for Feasibility Study” were intentionally not addressed in the Study given, in part, due to the preliminary nature of the Expo proposal, specifically:
 - The identification of funding sources for Expo 2025 incremental costs
 - Clear direction on land disposition strategies
 - Determination of what (if any) City infrastructure projects might be delayed
 - Affordability of the Expo project from the City’s perspective.
 - Cost breakdowns between various orders of government
 - Responsibility for providing the financial guarantee to the Bureau of International Exhibitions

The City’s “Expectations for Feasibility Study” document is detailed and comprehensive. While the Study addresses most of the expectations to some extent, the degree of analysis (and conclusions drawn) vary, not expectantly, given the preliminary nature of the Study and the bid process.

TIMETABLE

The timeline to conduct the peer review was as follows:

Work Step	Date
Received hard and soft copies of the Study (in draft)	September 16, 2016
Project start-up meeting with the City	September 21, 2016
Submitted questions to WECBC consultant team	September 26, 2016
Met with WECBC consultant team to discuss questions; received copy of Marketing Report	September 28, 2016
Received responses from WECBC consultant team (“Responses”) contained in Appendix 2.	October 7, 2016
Provided copy of peer review report to consultants for comment	October 11, 2016
Final version of the Study submitted to the City	October 14, 2016
Consultants comments received on HLT peer review report	October 14, 2016
Final peer review report prepared	October 17, 2016

BIDDING & HOSTING CHECKLIST (MAYOR'S ADVISORY PANEL)

The Mayor's Advisory Panel on International Hosting Opportunities prepared a checklist of nine topic areas, across five groupings, designed to assist the City in the evaluation of event bid opportunities. HLT considered this checklist, together with the Expectations for Feasibility Study, as a guidepost in assessing the Study.

1. Start from a Position of Strength	Rating	Comments
Does the event have the necessary support of government partners?	Not Provided	The Study identifies required financial support but provides no funding commitments, an assumed prequalification of the Advisory Panel.
Does the event have the necessary support and commitments from Toronto's corporate community?	Medium	The Study contains endorsements and quasi-endorsements from selected corporate entities (e.g., Ports Toronto, MLSE, and Kilmer).
Does the event engage the local community in a meaningful way and respond to their interests and concerns?	Partly Addressed	While many areas for community engagement are identified (as well as some positive insights) the Study does not provide a thorough review.
Is there a high degree of confidence in the success of a bid?	Weak/Not Addressed	The Study notes several of Toronto's positive attributes but no analysis was provided on the likelihood of success in a competitive bid.
2. Optimize Toronto as a host City and Region	Rating	Comments
Do the investments in both bid and hosting concept have public value?	Strong	Investments include the advancement of planned infrastructure an potential legacy projects that would benefit the public.
Is the event build on (i) existing capacity, (ii) strong/diverse leadership and (iii) a regionally-coordinated approach?	Medium	The Study identifies common community building objectives of Waterfront Toronto and Expo 2025.

BIDDING & HOSTING CHECKLIST (MAYOR'S ADVISORY PANEL)

3. Advance Key City Building Priorities	Rating	Comments
Will the event advance key city building priorities such as transportation infrastructure, community development and/or affordable housing?	Strong (if funded)	The Study details the <u>need</u> to advance/fund several planned infrastructure improvements including flood protection, Gardiner/DVP improvements and ferry terminal works in order to host the event. However, the lack of funding commitments (even for planned infrastructure) provides no assurance that these projects will occur

4. Responsibly Manage Hosting Costs, Resources and Risks	Rating	Comments
Do the City and its partners have confidence that they can manage costs/resources and avoid or mitigate for risks associated with hosting the event?	Not Addressed	The preliminary nature of the Study and associated funding responsibility limits the consultant's assessment of this factor.

5. Generate Benefits and Legacies for all Torontonians	Rating	Comments
Will the event generate broadly shared benefits and will it leave a meaningful legacy for local communities after the event has ended?	Medium	The Study identifies a number of legacy uses for Expo buildings including an Aboriginal Museum and Park, a community cultural hub, a passenger marine terminal, and a number of other initiatives. Longer-term governance and funding is not addressed.

FINANCIAL FACTORS

FINANCIAL FACTORS – OVERVIEW

In general, the financial factors related to Expo 2025 were summarized in the PwC section of the Study with input from other consultants on costing. The methodology used by major section was as follows:

- **Capital Cost** - Arup in conjunction with Hanscomb identified associated site and building requirements and quantified the costs of such improvements. Arup identified a portion of this cost as “planned infrastructure” based on long-term plans of Waterfront Toronto and/or other orders of government. These “planned infrastructure” costs are assumed to happen regardless of Expo 2025 taking place and, with the exception of interest charges associated with project advancement, were not included as incremental costs for hosting Expo 2025.
- **Attendance** – Attendance was projected by PwC by conducting penetration and trend analysis of past expos and other large events (e.g., Pan Am Games). Benchmarks such as Visitation per Local Population, Visitation per National Population, and Visitation per 75km Radius Population were all used when arriving at attendance estimates.
- **Operating Revenue** – Operating revenues were projected by PwC using past Expo revenues and Pan-Am Games revenues as benchmarks. Ticket prices were also compared to local attractions for reasonableness.
- **Operating Costs** – Operating costs were projected by PwC using past Expo expenses and Pan-Am Games expenses as benchmarks. Analysis was also completed by independent consultants on Security costs (Brad Taylor), Health and Medical costs (Steve Urszenyi) and Fire Protection Services (Toronto Fire Service).

The red, italicized text at the beginning of each section of pages 12 through 40 is taken verbatim from the City staff-prepared “Expectations for Feasibility Study” document (provided in Appendix 1).

FINANCIAL FACTORS – GOVERNMENT SUPPORT

"The cost of hosting Expo 2025 is estimated between \$1-3 billion on a net basis, depending on capital requirements. This level of expense necessitates the backing of the other orders of government. The city therefore requires a firm understanding as to what the Federal and Provincial governments should provide to support the hosting of an Expo (e.g., areas of funding, operational support) as well as levels of funding required. Furthermore, clarity is needed as to what the municipality will be expected to contribute in terms of financial support and staff resources, along with deliverables and timelines involved."

What Was Provided							HLT Comments
Capital Cost Summary (\$2016 millions)							<ul style="list-style-type: none"> • Total estimated capital cost of \$3.641 billion. No comparables are provided for other Expos. • In addition the Study does not: <ul style="list-style-type: none"> ○ allocate source of capital for some planned infrastructure (18%); ○ allocate anticipated capital costs by order of government. Expo 2025 is assumed to operate on a break-even basis; operational subsidies are not assumed; or ○ outline the financial or staffing expectations of the City of Toronto (nor provide timelines/deliverables). • In follow-up discussions, Arup estimated a range of +/-25% for capital costs (a very preliminary/potentially unreliable estimate). • Interest costs associated with advancing planned infrastructure in readiness for Expo 2025 is estimated at \$106 million (assumed interest carrying cost of 10%).
	City	Prov.	Fed.	C/P/F	Other	Total	
Planned infrastructure	\$777	\$0	\$94	\$189	\$0	\$1,060	
Incremental financing	\$78	\$0	\$9	\$19	\$0	\$106	
Subtotal	\$855	\$0	\$103	\$208	\$0	\$1,166	
Incremental Expo Costs	\$22	\$23	\$93	\$1,665	\$672	\$2,475	
Total	\$877	\$23	\$196	\$1,873	\$672	\$3,641	
<i>Prepared by Hanscomb for Arup</i>							

FINANCIAL FACTORS - BUDGET

"The City requires a detailed budget that costs out the bidding process, event operations (e.g., security costs, etc.) and the related associated infrastructure requirements. This budget will need to identify and quantify all significant capital and operating expenditures and all related revenue streams, including any need for cash flow financing. This, in conjunction with an updated project schedule, is critical for evaluating the feasibility of moving forward with the initiative."

What Was Provided	HLT Comments
<ul style="list-style-type: none"> • Budgeted cost to bid identified as \$10-\$15 million (no break down provided) • Detailed revenue projections based on past Expos, Pan-Am Games, and local market characteristics, for: <ul style="list-style-type: none"> • Ticket Sales • Sponsorships • Other Event Revenue • Detailed cost projections, based on past Expos and Pan Am games, for: <ul style="list-style-type: none"> • Staffing Costs • Venue/Ground Maintenance • Expo Programming • Marketing/Communications • Administrative • Security • Other Expenses 	<ul style="list-style-type: none"> • Budgeted costs to bid, while not detailed, are in line with 2013 Ernst & Young report estimates. • The Study would benefit from an overarching discussion on applicability of examples used (i.e., Canadian are expos more that 30 years old and Pan Am Games time span was less than one sixth an Expo run) however: <ul style="list-style-type: none"> • The approach taken to estimating ticket revenues (i.e., relying on past Expo prices and Pan-Am Games ticket prices) is not unreasonable given Expo performance trends. However, no ticket pricing sensitivity (e.g., family rates, discounted rates, peak/off peak times to ensure accessibility) was included. • The approach taken to estimating sponsorship revenue (i.e., relying on past Expo and Pan-Am Games sponsorships) is not unreasonable. However, projected sponsorship revenue (\$205-\$230 million) is significantly higher than Pan-Am Games sponsorship revenue (\$132 million) with no rationale given for the difference. • The approach taken to estimating operating expenses (i.e., relying on past Expo and Pan-Am Games operating expenses) is not unreasonable but may underestimate certain costs (e.g., Security). • Security outside of the Expo 2025 site has not been addressed. • No cash flow estimates, and finance costs, were provided.

FINANCIAL FACTORS – BIE GUARANTEE

"To limit its financial exposure and risk, the Bureau of International Exhibitions requires a financial guarantee from the host country for the operations of the Expo. The feasibility report should indicate how this guarantee can be effected (e.g., will the Government of Canada provide such a guarantee or will the Province or other entity do so?)."

What Was Provided	HLT Comments
<ul style="list-style-type: none">• The Bureau of International Exhibitions financial guarantee was not considered as part of the feasibility study.• The Responses indicated that discussions must be had amongst the different orders of government to determine which government will backstop the financing. No such discussions have happened to this point.	<ul style="list-style-type: none">• BIE operating procedures require a guarantee from the federal government, regardless of the financial relationships between subordinate orders of government.

FINANCIAL FACTORS – CITY AFFORDABILITY

"The report must recognize that any city contribution will need to be informed by its affordability and debt targets/guidelines."

What Was Provided	HLT Comments
<ul style="list-style-type: none"> • The Study identifies \$1.06 billion in planned City infrastructure/building to be advanced. • City contribution identified as \$777 million in planned infrastructure, and \$100 million of incremental cost (although large portion of capital unallocated). 	<ul style="list-style-type: none"> • Status of funding (i.e., are funding amounts approved/likely) for planned infrastructure projects is not made clear in the Study. • No plan was provided to detail how planned infrastructure costs could be advanced in time for Expo 2025.

"There will be a cost to the City of hosting the Expo. By undertaking such a mega event, the proposed budget will need to demonstrate the funding will not come at the expense of, or be re-directed from, other City-building priorities (e.g., Poverty Reduction Strategy, etc.)"

What Was Provided	HLT Comments
<ul style="list-style-type: none"> • The Study does not comment on the sources of City funding. • The Responses indicated that the consultant team had discussions with the City's Major Capital Infrastructure Coordination Office but impact on specific projects could not be determined. 	<ul style="list-style-type: none"> • The Study provides insufficient detail to determine, or even speculate, if Expo 2025 funding will come at the expense of other City-building priorities.

FINANCIAL FACTORS – LEGACY CAPITAL PROJECTS

"The feasibility report will need to confirm that, in advance of any bid, a plan will be developed for the legacy capital projects including consideration given to their ongoing community use, ownership, operations and maintenance. It is imperative that the Expo not produce redundant or unnecessary infrastructure, or put at risk any required infrastructure funding, particularly with regards to planning and the implementation of flood protection and the revitalization of the Port Lands."

What Was Provided	HLT Comments
<ul style="list-style-type: none">• The Study identified the following possible legacy projects:<ul style="list-style-type: none">• Connectivity and Broadcast Hubs• Aboriginal Museum and Park• Hearn Generating Station: Community Cultural Hub• Passenger Marine Terminal• The Corridor – Pilot Projects• Don River Valley Park• Bike Share Toronto	<ul style="list-style-type: none">• The legacy projects identified have limited capital allocation data (some information is provided with respect to capital costs to improve heritage structures) and detail on post-Expo 2025 operating costs.• The Study assumes that the \$2.475 billion in incremental capital cost (excluding planned infrastructure costs) is to construct temporary buildings and facilities for Expo 2025. Few, if any, of these facilities will be retained, post Expo.

CITY PLANNING & INFRASTRUCTURE

CITY PLANNING & INFRASTRUCTURE – OVERVIEW

HLT's comments on the City Planning & Infrastructure components of the Study are limited. City staff (from all affected departments) will provide separate commentary however, in conducting the peer review we noted the following:

- **Timing**—The several large projects planned for the area are reasonably well described (flood protection, transit, Gardiner and Lake Shore Boulevard reconfiguration) but anticipated project timetables and associated costs could be summarized in more detail.
- **No contingency plans**—Several parts of the Planning & Infrastructure section are contingent on these key infrastructure assumptions however, the Study contains neither a prioritization of key projects (and impacts if projects are not completed) nor any contingency/sensitivity analyses should these plans not occur.
- **Consultation with City**—The Study is not clear regarding the involvement, if any, of key City departments (Transportation, Planning) in assessing potential opportunities and/or impacts of an Expo 2025 bid.
- **Site conditions**—Given the industrial uses historically and currently operating in the Port Lands, some further discussion of environmental issues/approvals/remediation would be beneficial (if from no other perspective than impact on timing).

One could argue, that the preliminary nature of the feasibility analysis limits the level of detail that can reasonably be expected at this point. However, given the absolute need to complete several of these projects in order to stage Expo 2025 any further analysis will be required with some expediency.

CITY PLANNING & INFRASTRUCTURE – AVAILABILITY OF LANDS

"The report should review what lands are or could be available and how these lands are currently owned and how/whether they could be made available, and how this compares with what is needed. While the consulting report is not being asked to do a detailed site plan for an Expo site, it should have enough specifics on land requirements for the various major components of an Expo site to make the land availability analysis complete. This should also include an analysis of future revenues that can accrue to the City from the disposition and use of lands after Expo and how the event could advance future plans."

What Was Provided	HLT Comments
<ul style="list-style-type: none">• The Study includes a land availability analysis completed by Arup that identifies ownership of all land parcels on the Port Lands site.• The Arup section of the Study indicates consultation took place with the following key parties in relation to site planning:<ul style="list-style-type: none">• Waterfront Toronto• First Gulf• Toronto Port Lands Company• Pinewood Studios• Ontario Power Generation	<ul style="list-style-type: none">• The land availability analysis effectively identifies <u>ownership</u> of all land on the Expo site but does not address those entities using the land under leasehold arrangements.• The Study does not indicate what (if any) existing land users on the site will be forced to relocate as a result of Expo 2025.• While the Study does include a number of potential legacy uses for Expo 2025 buildings, a more thorough use-by-use analysis is required to determine if the proposed uses are feasible.

CITY PLANNING & INFRASTRUCTURE – STAKEHOLDER CONSULTATION

"This lands analysis should include consultation with major current 'users' of land in or near the Port Lands, especially the film and related sector users, port-dependant users, and any other land owners or lease holders in the area. The report should describe the potential impact of an Expo (opportunities, possible dislocation, operations disruption, etc.) on the various media companies (film, television, digital, etc.) and other industries which operate in close proximity to the proposed site."

What Was Provided	HLT Comments
<ul style="list-style-type: none">• The Study provides information on consultation with the following stakeholder/tenant groups:<ul style="list-style-type: none">• Harbour and Ship Channel (Ports Toronto)• LaFarge• Transportation (TTC, MetroLinx, & City of Toronto Transportation staff)• The film sector/Pinewood Studios/City of Toronto Film, Television and Digital Media Film Board	<ul style="list-style-type: none">• Limited detail on the consultation process and approach was provided (e.g., selection process for interviewees).• The consultation appears to have focused on land owners not tenants; the Study does not indicate how many tenants would need to be moved, how this might occur to accommodate Expo 2025. The cost to move tenants is also not considered.• More detail on individual stakeholder views (e.g., film sector/Pinewood Studios, City of Toronto Film, Television and Digital Media Film Board) would provide more context.• No conclusions were provided from the consultation with stakeholder/tenant groups.

CITY PLANNING & INFRASTRUCTURE – TRANSPORTATION REQUIREMENTS

"The report should describe transportation requirements for an Expo, based on BIE standards, operational requirements and realistic expectations of attendance. If additional transit service of other capital requirements are identified, these should be evaluated for alignment with existing or proposed projects within the Port Lands and surrounding area, as per the emerging Port Lands and South of Eastern Transportation and Servicing Master Plan."

What Was Provided	HLT Comments
<ul style="list-style-type: none">• The Study outlines the following anticipated transportation mix to the site:<ul style="list-style-type: none">• Transit - 63%-70%• Private vehicle trips - 12%-21%• Active transportation (e.g., walking, biking) - 16%-18%	<ul style="list-style-type: none">• Limited rationale is provided for the modal mix.• The projected peak day arrivals from pedestrians are significant (34,000-38,000). Given that the Port Lands are the site, the Study could better outline the source of this magnitude of pedestrians.• The approach to determining peak arrival numbers (pedestrians and vehicles) at the main entrances is not well explained.• The transit demand is significant (168,000-187,000 peak day visitors) and as a result, the Expo plan is heavily contingent on transit infrastructure.

HEALTH, SAFETY & ENVIRONMENTAL FACTORS

HEALTH, SAFETY & ENVIRONMENTAL FACTORS – PUBLIC HEALTH PRECAUTIONS

"Due to the continuous flow and concentration of a large number of visitors, one of the concerns of hosting an Expo is the threat of a pandemic. This, the report should, upon consulting relevant bodies like the World Health Organization, identify what public health precautions need to be taken, including the work and costs involved, to prevent/mitigate this risk."

What Was Provided	HLT Comments
<ul style="list-style-type: none">• The Study includes a consultant review from a member of the World Health Organization detailing specific precautions and cost requirements of hosting Expo 2025.• The Study identifies \$3.15 million in anticipated health and medical service costs which includes:<ul style="list-style-type: none">• Toronto Public Health - \$0.84 million• Onsite Medical Services - \$0.92 million• Onsite EMS Stand-by - \$0.92 million• World Expo Corporation Medical Planners - \$0.47 million	<ul style="list-style-type: none">• The Study does not appear to consider any health and safety needs (e.g., EMS, hospital use) outside the Expo site itself.• A comparison of health and safety precautions implemented for the Pan-Am Games against planned Expo 2025 needs (recognizing the significant difference in length of event) should be provided as a basis for estimating cost.

GOVERNANCE & ENGAGEMENT

GOVERNANCE & ENGAGEMENT – COMMUNITY SUPPORT/ENGAGEMENT

"The level of overall community support for the Expo needs to be assessed and documented in the report."

What Was Provided	HLT Comments
<ul style="list-style-type: none"> • The Study included a summary of a community and stakeholder consultation that solicited input on themes, values, and lasting outcomes of hosting Expo 2025 in Toronto. • As part of the community and stakeholder consultation, the Study reached out to 1,090 persons organizations, companies, and groups resulting in 566 meetings regarding Expo 2025 since 2013. 	<ul style="list-style-type: none"> • The Study contains no discussion of conclusions drawn from the community consultation regarding support of Expo 2025. • The Responses indicated the responses from the community and stakeholder consultation were "predominantly supportive".
<p><i>"Toronto's various communities/stakeholders (including cultural, social, indigenous peoples, environmental, labour and other groups) need to be engaged and presented with the opportunity to be appropriately involved in the planning, development and hosting of the Expo. The report must outline an engagement strategy and process; one that is as open, transparent, inclusive and broad-based as possible."</i></p>	
What Was Provided	HLT Comments
<ul style="list-style-type: none"> • The Study does not outline a clear engagement strategy to be used going forward. 	<ul style="list-style-type: none"> • This requirement may be too early in the process to properly satisfy.

GOVERNANCE & ENGAGEMENT – GOVERNANCE MODEL

"A governance model will need to be established including an appropriate organizational structure and the necessary inter-governmental committees. The model proposed in the report should make clear whether different or the same organization will drive the bidding process, the site preparation construction and adjacent infrastructure construction, the Expo site construction (pavilions, etc.) and the operations of the 6-month fair including pre and post operational aspects.

What Was Provided	HLT Comments
<ul style="list-style-type: none"> The Study suggests the formation of a "World Exposition Corporation" with oversight from members of the federal, provincial, and municipal government. 	<ul style="list-style-type: none"> The Study indicates the entity will oversee the planning, facility preparation and operations. This approach meets the City's requirements.

"The report should address how the City's funds and resources will be effectively controlled, accounted for and reported."

What Was Provided	HLT Comments
<ul style="list-style-type: none"> The Study does not specifically speak to control, accounting and reporting of City funds. The Responses indicated appropriate government controls will be given to the governing body. 	<ul style="list-style-type: none"> Given the suggested structure with the City having partial oversight of the main entity, the requirement relating to City funds should be met.

GOVERNANCE & ENGAGEMENT – THEME

"The Theme is a very key element of an Expo. What themes would make the most sense for Toronto to consider, taking into account what would be attractive to pavilion hosts, visitors and would build on Toronto's strengths and aspirations? This should include an assessment of recent themes for other expos, both held, committed and the unsuccessful bidders."

What Was Provided	HLT Comments
<ul style="list-style-type: none">• The Study discusses the themes of past expos.• The Study contains some suggested themes from survey results.• The Study does not include an analysis of which themes would make the most sense for Toronto's Expo 2025 bid.	<ul style="list-style-type: none">• Given the importance of theme (cited throughout the Study as a driver of attendance, sponsorship, etc.) a greater analysis of potential themes would be to the benefit of the City.• Identification of a theme would also help to gauge interest in Expo 2025 (and the associated visitation and revenue projections).

GOVERNANCE & ENGAGEMENT – BID SUCCESS

"One aspect of deciding to bid is an evaluation of whether a bid could be successful. The consultant should assess Toronto's chances, how best to undertake a bid and what costs can be expected to be incurred in the bid process and where the funds could be sourced to cover these costs."

What Was Provided	HLT Comments
<ul style="list-style-type: none">• The Study identifies the following potential bidders:<ul style="list-style-type: none">• Manchester (Great Britain)• A suburb of Paris (France)• Baku (Azerbaijan)• Osaka (Japan)• The Study also discusses strengths of a Toronto bid.• The Responses note the following factors related to Toronto's chances of success:<ul style="list-style-type: none">• Non-committed field with various issues• BIE wants to return to North America• Past Canadian expos among most successful• Unique moment in time: Canada's Back!	<ul style="list-style-type: none">• The Study does not:<ul style="list-style-type: none">• Assess Toronto's weaknesses with respect to an Expo 2025 bid;• Assess the strengths and/or weaknesses for any known competitors; or• Provide any overall comment on Toronto's chances of winning such a competition.• The Responses did include some potential strengths of a Toronto bid.

SOCIAL FACTORS

SOCIAL FACTORS – WIDE-RANGING BENEFITS

"The report will need to speak to the impact that an Expo will have on existing services. Hosting the Expo must not adversely impact municipal services that the City provides and which residents rely upon, especially those provided to vulnerable residents. Where service disruptions are unavoidable, the report must address how these are to be minimized."

What Was Provided	HLT Comments
<ul style="list-style-type: none">• The Study analyzed the impact Expo 2025 will have on fire and medical services required on site.	<ul style="list-style-type: none">• The Study did not:<ul style="list-style-type: none">• Provide commentary of the seemingly significant discrepancy between the projected budget for medical services (\$3.1 million) and fire services (\$10.8 million).• Address other municipal impacts (e.g., waste management, etc.).• Address impacts from closure/restricted access to parkland located in the Ports Lands.

SOCIAL FACTORS – WIDE-RANGING BENEFITS AND DIVERSITY

"The benefits of Expo must accrue to all Torontonians. The report should demonstrate how resulting civic infrastructure improvements and legacy projects will be wide-ranging and positively impact communities across the City."

What Was Provided	HLT Comments
<ul style="list-style-type: none"> • Defined infrastructure improvements slated for the Port Lands projects that are being advanced in order to host Expo 2025. • Legacy projects are discussed in a conceptual form, with no detailed analysis on legacy operations provided. 	<ul style="list-style-type: none"> • Expo 2025 will be hosted exclusively in the Port Lands, so as a result benefits may not be as wide ranging as some other "mega-events" (e.g., Olympics, Pan-Am Games). • The level of detailed provided with respect to legacy projects is appropriate for this stage of the process.

"The feasibility report needs to show how the Expo will fully celebrate Toronto's diversity and unique cultural mix."

What Was Provided	HLT Comments
<ul style="list-style-type: none"> • The Study indicates that Expo 2025 will give Canada the "opportunity to open itself to the world and show the country's willingness to collaborate on new ideas with different cultures." 	<ul style="list-style-type: none"> • Given the preliminary stages of planning and that no theme has been selected, the ability of Expo 2025 to celebrate Toronto's diversity and unique cultural mix can not be assessed.

SOCIAL FACTORS – TANGIBLE CULTURAL OPPORTUNITIES & LEGACIES

"The Expo must produce tangible cultural opportunities and legacies, some of which should be articulated in the report. These could include commissioning new works of art, creating new exhibition and performance spaces for residents and visitors, showcasing new artists and Canadian talent and providing exposure for the City's cultural industries and technologies etc."

What Was Provided	HLT Comments
<ul style="list-style-type: none">The Study identifies a variety of legacy opportunities for Expo 2025 infrastructure, including those intended to produce tangible cultural legacies.	<ul style="list-style-type: none">The Study addresses these opportunities and legacies at a level consistent with the early stage of the bid. More detail could have been provided on likely governance and support structures.

ECONOMIC FACTORS

ECONOMIC FACTORS – OVERVIEW

In general, the economic factors related to Expo 2025 were summarized in the PwC section of the Study with input from other consultants on costing. The methodology used by major section was as follows:

- **Attendees and Attendee Origin** – The number of and geographic origin of attendees was estimated based on past Canadian Expos (both of which had considerably higher foreign visitation than all other international Expos). This approach is reasonable on its face however, past Canadian expos occurred before current passport and border control regimes (i.e., Western Hemisphere Travel Initiative), making travel to Canada from the United States more complex. The Study does not comment on this potentially limiting factor (and as a result, visitation might be overstated).
- **Visitor Spending** – Visitor spending was estimated using the attendee estimates above and then:
 - Deducted projected out-of-province visitors that would enter Ontario without an Expo, based on Ontario Ministry of Tourism, Culture and Sport visitor projections (extrapolated out to 2025).
 - Added back the number of Ontario residents who could be expected to leave the Province for a leisure trip, but would alter plans in 2025 to visit Expo 2025 (based on Ontario Ministry of Tourism, Culture and Sport “outbound” visitor projections)
 - Estimated the portion of total incremental visitors who require overnight accommodation and calculated total incremental room nights.
 - Utilized Ontario Ministry of Tourism, Culture and Sport visitor spending profiles to estimate visitor spending for same-day, overnight, and tourists visiting friends and relatives.
- **Spending/GDP/Employment Impacts** – Spending/GDP/Employment impacts were calculated using the midpoint of the range of operating expenses projected for Expo 2025 (\$1.625 billion) and incremental capital expenditures (\$2.238 billion). Economic impacts for Canada and Ontario were calculated using Statistics Canada Input-Output multipliers for 2010. Impacts were estimated assuming 60%-70% of the benefits occur in the Greater Toronto Region.
- **Tax Revenue** – The municipal portion of government revenue was calculated based on the “city portion” of 2016 industrial rates, calculated on construction values (for a duration of 1.5 years).

ECONOMIC FACTORS – INCREMENTAL TOURISM AND SPENDING

"Details are required regarding the Expo's impact on incremental tourism and spending (anticipated range of visitor levels including where they would come from and length of time in Toronto and their projected spending) as well as possible marketing strategies to attract regional and international visitors."

What Was Provided							HLT Comments
Incremental Tourism and Spending Summary (\$millions)							<ul style="list-style-type: none"> Projected tourist visitation to Expo 2025 is based on past Canadian Expo performance (Montreal – 1967 and Vancouver – 1986). Both had tourist visitation of >30%, significantly higher than all other Expos. Given age of historic Canadian Expo sample (30+ years) and changes in the Canadian tourist market (passport requirements, etc.) there is significant risk associated with this visitor projection. Methodology used to calculate incremental tourist visitations (both existing tourists and outbound tourists changing travel plans) is not unreasonable. Use of Ontario Ministry of Tourism, Culture, and Sport visitor spending assumptions to calculate visitor spending is a reasonable approach. Overall, methodology for calculating incremental tourism and spending is not unreasonable. All calculations depend on the overall tourist visitation total, which would benefit from some greater analysis to ensure that past Canadian Expo tourist visitation ratios are still valid today.
	Expo 2025 Visitation	Incr. Visitation	Unique Visits	Incr. Expend. Same-Day	Incr. Expend. Overnight - VFR	Incr. Expend. Overnight - Acc.	
GTA	10.8	0.7	0.5	\$42.8	\$0	\$0	
Ontario	3.6	2.6	1.6	\$111.3	\$112.8	\$309.1	
Canada	3.6	2.5	1.5	\$17.4	\$47.6	\$181.0	
USA	10.5	8.7	5.4	\$133.5	\$193.3	\$1,475.8	
Int'l	1.5	0.1	0.1	\$0.7	\$32.6	\$110.8	
Total	30.0	14.7	9.0	\$305.6	\$386.2	\$2,076.7	
<i>Prepared by PwC</i>							

ECONOMIC FACTORS – ENHANCEMENT OF TORONTO

"The extent to which the Expo will enhance the City's profile and will leverage awareness of Toronto as a global destination should be further analyzed."

What Was Provided	HLT Comments
<ul style="list-style-type: none">• The Study states that Expo 2025 will "afford Canada, Ontario and the Toronto region the platform to meaningfully re-brand itself in the world in a way that naturally aligns with its current values, desired reputation and direction."• The Study suggest that Expo 2025 will establish Canada as a world leader in:<ul style="list-style-type: none">• Climate Change• Science and Technology• Communications and Digital Media• Smart Cities and Communities	<ul style="list-style-type: none">• The ability of Expo 2025 to enhance the City's profile and leverage awareness of Toronto as a global destination is difficult to measure, and as such the analysis included in the Study is largely qualitative.• The Study did not include analysis on past Expos and the extent to which those events enhanced the City's profile globally.

ECONOMIC FACTORS – JOB CREATION

"The E&Y report estimated that an Expo would result in the creation of approximately 92,000 to 190,000 jobs. The City needs assurance in the feasibility report that these numbers are reasonable and that a cross-section of residents will benefit from these employment, training and apprenticeship opportunities, particularly low-income groups with high unemployment rates (e.g., youth, newcomers, etc.)"

What Was Provided				HLT Comments
Expo 2025 Employment Impacts				<ul style="list-style-type: none"> • PwC employment impacts were only calculated on incremental construction and operating expenditures. As a result, employment totals do not include jobs associated with visitor spend (e.g., hotel spend, restaurant spend, etc.). • This may explain some of the difference between the 50,000 jobs projected by PwC, and the 92,000-190,000 jobs projected by E&Y. • The methodology used by PwC to calculate employment impacts is not unreasonable and conservative given no inclusion of jobs related to visitor spend outside of Expo 2025.
	Within Toronto	Within Ontario	Within Canada	
Direct	27,925	27,925	27,925	
Indirect	6,900	10,800	12,755	
Induced	5,225	8,210	10,095	
Total	40,050	46,935	50,775	
<i>Prepared by PwC</i>				

ECONOMIC FACTORS – SOCIAL RESPONSIBILITY

“In line with the City’s Social Procurement Policy, the feasibility report should note a commitment to purchase and procure for the Expo, where possible, from social enterprises and equity-seeking communities including, but are not limited to, small businesses that are largely comprised by women, Aboriginal people, racial minorities, persons with disabilities, newcomers, and LGBTQ+ persons.”

What Was Provided	HLT Comments
<ul style="list-style-type: none">• The Study does not acknowledge any commitment to purchase and procure for the Expo, from social enterprises and equity seeking communities.• The Responses indicated that the City’s Social Procurement Policy will be followed and additionally, as part of the bid process a “Social Impact Equity” lens will be developed.	<ul style="list-style-type: none">• The Study and Responses acknowledge the need to follow the City’s Social Procurement Policy when conducting all purchasing related to Expo 2025.

ECONOMIC FACTORS – INCREMENTAL TAX REVENUE

"The Expo will result in incremental tax revenue, which E&Y says will primarily flow to the senior orders of government rather than the City. The report should determine whether E&Y's estimates are realistic and should identify other revenue generating opportunities for the City."

What Was Provided			HLT Comments
Expo 2025 Government Revenue Impacts (\$millions)			<ul style="list-style-type: none"> • PwC projected tax impacts exclude any tax revenues generated by offsite tourism spending. • The E&Y report projected \$2.6-\$5.4 billion in tax revenue, all paid to provincial and federal orders of government. The PwC government revenue projections are significantly more conservative. • The methodology used by PwC to calculate government revenue impacts is not unreasonable and conservative given no inclusion of tax revenue related to visitor spend outside of Expo 2025.
	Within Ontario	Within Canada	
Municipal	\$133	\$133	
Provincial	\$549	\$560	
Federal	\$548	\$575	
Total	\$1,230	\$1,268	
<i>Prepared by PwC</i>			

ECONOMIC FACTORS – ECONOMIC IMPACTS

"The report should estimate what other economic impact can be expected (GDP, skills upgrading, business start-ups related to the Expo that then become established local firms, opportunities to leverage international trade, etc.) and the magnitude of these impacts."

What Was Provided				HLT Comments
Expo 2025 Economic Benefits (\$millions)				<ul style="list-style-type: none"> PwC's GDP, and Employment impacts were only calculated on construction and operating expenditures. As a result, GDP and Employment impacts do not include jobs associated with visitor spend (e.g., hotel spend, restaurant spend, etc.). "Spending" impacts were calculated based on construction and operating costs, while "Visitor spending" impacts were calculated based on foreign visitation. As a result, the "spending" impacts are somewhat conservative, as offsite "Visitor spending" is not included. The Study does not quantify the impact of Expo 2025 on business start-ups and international trade. The Marketing Report does indicate that Expo 2025 will "Support and facilitate a leading innovation hub, spurring economic development and job growth" and "Attract international trade and investment". Without quantification however, it is difficult to assess the impact of these benefits.
Impacts	Within Toronto	Within Ontario	Within Canada	
Spending	\$6,142	\$7,377	\$8,180	
GDP	\$3,262	\$3,958	\$4,365	
Employment				
Income	\$2,310	\$2,692	\$2,899	
<i>Prepared by PwC</i>				
Expo 2025 Economic Benefits (\$millions)				
Impacts	Within Toronto	Within Ontario	Within Canada	
Visitor Spending	\$2,510	\$2,769	\$2,769	
<i>Prepared by PwC</i>				

APPENDIX 1
FEASIBILITY STUDY SCOPE AS DEFINED
BY CITY OF TORONTO

APPENDIX B

City of Toronto Expectations for Feasibility Study

Hosting a World Expo is a major undertaking that requires significant investment from a number of parties. As advised in the report from the Mayor's Advisory Panel on International Hosting Opportunities (*Bringing the World to Toronto*), if the City is to pursue a mega-event such as Expo 2025, it must do so on the basis of a number of principles including:

- Advancing key City-building priorities;
- Prudently managing the City's exposure on hosting costs, resources and all financial and non-financial risks. This fundamentally means insuring that the Federal and/or Provincial government(s) provide major funding as well as providing overrun guarantees. Council further directed that this funding not be at the expense of Federal or Provincial funding that would have gone to other purposes; and
- Generating benefits and legacies for all Torontonians that match the level of effort and investment made by the City.

It is within this context that, in order to ensure that the City's interests are appropriately considered and protected, the following preliminary list of factors need to inform the Terms of Reference for the forthcoming Expo feasibility report to ensure that City Council and Federal and Provincial governments have the necessary information at hand to evaluate whether to bid.

Financial Factors

- The cost of hosting Expo 2025 is estimated between \$1-3 billion on a net basis, depending on capital requirements. This level of expense necessitates the backing of the other orders of government. The City therefore requires a firm understanding as to what the Federal and Provincial governments should provide to support the hosting of an Expo (e.g. areas of funding, operational support) as well as levels of funding required. Furthermore, clarity is needed as to what the municipality will be expected to contribute in terms of financial support and staff resources, along with the deliverables and timelines involved.
- The City requires a detailed budget that costs out the bidding process, event operations (e.g. security costs, etc.) and the related associated infrastructure requirements. This budget will need to identify and quantify all significant capital and operating expenditures and all related revenue streams, including any need for cash flow financing. This, in conjunction with an updated project schedule, is critical for evaluating the feasibility of moving forward with the initiative.
- To limit its financial exposure and risk, the Bureau of International Exhibitions requires a financial guarantee from the host country for the operations of the Expo. The feasibility report should indicate how this guarantee can be effected (e.g. will the Government of Canada provide such a guarantee or will the Province or other entity do so?).
- The report must recognize that any City contribution will need to be informed by its affordability and debt targets/guidelines.
- There will be a cost to the City of hosting the Expo. By undertaking such a mega event, the proposed budget will need to demonstrate that funding will not come at the expense of, or be re-directed from, other City-building priorities (e.g. Poverty Reduction Strategy, etc.).
- The feasibility report will need to confirm that, in advance of any bid, a plan will be developed for the legacy capital projects including consideration given to their ongoing community use, ownership, operations and maintenance. It is imperative that the Expo not produce redundant or unnecessary infrastructure, or put at risk any required

infrastructure funding, particularly with regards to planning and the implementation of flood protection and the revitalization of the Port Lands.

City Planning & Infrastructure

- The report should provide a detailed understanding of the timelines, process and funding necessary to ensure coordination with EA-approved flood protection and environmental remediation work needed to support hosting an Expo including additional related servicing infrastructure development needed in the Port Lands (roads, water, sewer, power grid, etc.). The report should involve a review of the emerging Port Lands land use framework, the Port Lands and South of Eastern Transportation and Servicing Master Plan and related planning studies to determine alignment and what impacts and alterations may be required.
- The report should review what lands are or could be available and how these lands are currently owned and how/whether they could be made available, and how this compares with what is needed. While the consulting report is not being asked to do a detailed site plan for an Expo site, it should have enough specifics on land requirements for the various major components of an Expo site to make the land availability analysis complete. This should also include an analysis of future revenues that can accrue to the City from the disposition and use of the lands after Expo and how the event could advance future plans.
- This lands analysis should include consultation with the major current 'users' of land in or near the Port Lands, especially the film and related sector users, port-dependant users, and any other land owners or lease holders in the area. The report should describe the potential impact of an Expo (opportunities, possible dislocation, operations disruption, etc.) on the various media companies (film, television, digital, etc.) and other industries which operate in close proximity to the proposed site.
- Such a large influx of visitors will have a material impact on the City's traffic and congestion levels as well as the City's transposition infrastructure (roads, sidewalks, bridges). The report should consider the effect that an Expo will have on all modes of transportation through a comprehensive transportation plan for the event.
- The report should describe transportation requirements for an Expo, based on BIE standards, operational requirements and realistic expectations of attendance. If additional transit service or other capital requirements are identified, these should be evaluated for alignment with existing or proposed projects within the Port Lands and surrounding area, as per the emerging Port Lands and South of Eastern Transportation and Servicing Master Plan.
- An Expo bid must address complete integration with both the Port Lands flood protection project and the Gardiner Strategic Rehabilitation Plan, and coordinate with other initiatives including waterfront CSO and storm water projects, the Unilever redevelopment, SmartTrack, the Downtown Relief Line, and GO Regional Express Rail and electrification. The report should consider that these projects will occupy similar/overlapping geographies and cannot all be implemented at the same time without contractor conflicts.

Health, Safety & Environmental Factors

- Due to the continuous flow and concentration of a large number of visitors, one of the concerns of hosting an Expo is the threat of a pandemic. Thus, the report should, upon consulting relevant bodies like the World Health Organization, identify what public health precautions need to be taken, including the work and costs involved, to prevent/mitigate this risk.
- As noted in the Ernst & Young Feasibility Study, "the threat of terrorism remains a significant risk for any mega event such as the World Expo". Given the length of the fair

(180 days) and the large number of attendees and political figures, a comprehensive public safety and security plan, one that is informed by consultation with the City's First Responders (Toronto Police, Toronto Fire and Toronto Paramedic Services) as well as the Office of Emergency Management, should be outlined in the report.

- The newly developed Expo facilities and legacy assets must be environmentally advanced and sustainable. The report should include commitments to incorporate green energy initiatives, innovative construction practices, green building and neighbourhood-scaled design, and support the future development of a carbon-neutral precinct in the Port Lands.
- Toronto's Pan-Am Games enhanced parks and green spaces and promoted active living (such as the 84Km Pan-Am Path). The City expects the report to envision how a World Expo will have a similar impact including consideration of the incremental capital and operating costs resulting from additional park land or recreational facilities not currently budgeted for.

Governance & Engagement

- The level of overall community support for the Expo needs to be assessed and documented in the report.
- Toronto's various communities/stakeholders (including cultural, social, indigenous peoples, environmental, labour and other groups) need to be engaged and presented with the opportunity to be appropriately involved in the planning, development and hosting of the Expo. The report must outline an engagement strategy and process; one that is as open, transparent, inclusive and broad-based as possible.
- A governance model will need to be established including an appropriate organizational structure and the necessary inter-governmental committees. The model proposed in the report should make clear whether different or the same organization will drive the bidding process, the site preparation construction and adjacent infrastructure construction, the Expo site construction (pavilions, etc.), and the operations of the 6-month fair including pre and post operational aspects,
- The report should address how the City's funds and resources will be effectively controlled, accounted for and reported.
- The Theme is a very key element of an Expo. What themes would make the most sense for Toronto to consider, taking into account what would be attractive for pavilion hosts, visitors, and would build on Toronto's strengths and aspirations? This should include an assessment of recent themes for other expos, both held, committed and the unsuccessful bidders.
- One aspect of deciding to bid is an evaluation of whether a bid could be successful. The consultant should assess Toronto's chances, how best to undertake a bid and what costs can be expected to be incurred in the bid process and where the funds could be sourced to cover these costs.

Social Factors

- The report will need to speak to the impact that an Expo will have on existing services. Hosting the Expo must not adversely impact municipal services that the City provides and which residents rely upon, especially those provided to vulnerable residents. Where service disruptions are unavoidable, the report must address how these are to be minimized.
- The benefits of the Expo must accrue to all Torontonians. The report should demonstrate how the resulting civic infrastructure improvements and legacy projects will be wide-ranging and positively impact communities across the City.
- The feasibility report needs to show how the Expo will fully celebrate Toronto's diversity and unique cultural mix.

- The Expo must produce tangible cultural opportunities and legacies, some of which should be articulated in the report. These could include commissioning new works of art, creating new exhibition and performance spaces for residents and visitors, showcasing new artists and Canadian talent and providing exposure for the City's cultural industries and technologies, etc.
- The report should acknowledge that all Expo properties will be inclusive and accessible (i.e. barrier-free, multi-lingual where appropriate, affordably priced, etc.).
- An Expo must result in and promote meaningful investments in affordable housing. The report should summarize the impact that such an event will have on the supply and quality of affordable housing.

Economic Factors

- Details are required regarding the Expo's impact on incremental tourism and spending (anticipated range of visitor levels including where they would come from and length of time in Toronto and their projected spending) as well as possible marketing strategies to attract regional and international visitors.
- The extent to which the Expo will enhance the City's profile and will leverage awareness of Toronto as a global destination should be further analyzed.
- The E&Y report estimated that an Expo would result in the creation of approximately 92-190K jobs. The City needs assurance in the feasibility report that these numbers are reasonable and that a cross-section of residents will benefit from these employment, training and apprenticeship opportunities, particularly low-income groups with high unemployment rates (e.g. youth, newcomers, etc.).
- In line with the City's Social Procurement Policy, the feasibility report should note a commitment to purchase and procure for the Expo, where possible, from social enterprises and equity-seeking communities including, but are not limited to, small businesses that are largely led or comprised by women, Aboriginal people, racial minorities, persons with disabilities, newcomers, and LGBTQ+ persons.
- The Expo will result in incremental tax revenue, which E&Y says will primarily flow to the senior orders of government rather than the City. The report should determine whether E&Y's estimates are realistic and should identify other revenue generating opportunities for the City.
- The report should estimate what other economic impacts can be expected (GDP, skills upgrading, business start-ups related to the Expo that then become established local firms, opportunities to leverage international trade, etc.) and the magnitude of these impacts.

APPENDIX 2

RESPONSES TO HLT QUERIES

Question

Response

General Questions:	
<p>· What, if any, analysis has been done on major capital projects (municipal, provincial, federal or joint) that would need to be deferred (by each level of government) in order to fund the Expo?</p>	<p>Discussions were held with the City's Major Capital Infrastructure Coordination Office with respect to the impact of Expo but analysis from the City's end was not thorough enough to determine the impact on specific projects. However, the major capital projects planned for the east downtown were considered in detail. Consultation with both PCL and Ellis Don concluded that although detailed coordination efforts were necessary, the major projects could be completed. In terms of projects which needed to be deferred to fund Expo, the Feasibility Study presented the facts with respect to construction feasibility, however, the means by which these projects should be funded, and which projects have priority, needs to be determined through discussions between the City and higher levels of government.</p>
<p>· What analysis, if any, has been completed on the effect that an Expo might have on large construction projects already planned for Toronto (e.g., would the greater demand for construction activity raise the costs of, or delay, other projects in the city)?</p>	<p>Ellis Donand PCL were consulted on this subject and no major concerns were raised. It was deemed that Toronto has the capacity within the construction industry to accommodate Expo without significantly impacting projects in the rest of the City</p>
Financial Factors/Economic Factors:	
<p>· The BIE requires a financial guarantee from the host country for the operation of the Expo. What consideration been given to the amount of guarantee required and how the guarantee will be funded?</p>	<p>The guarantee required by the BIE is a blanket financial guarantee for the entire project. It is a guarantee of delivery. The guarantee must be provided to the BIE by the Federal Government, however, discussions must be had amongst the different levels of government to determine which government will backstop the financing.</p>
<p>· The PwC report identifies \$2.6 billion incremental expenditure required of which \$1.9 billion would be costs to the three levels of government. \$1.7 billion of this government cost has been left unallocated. Have there been any discussions with government officials in the municipal, provincial, and federal governments regarding this unallocated amount? (This cost estimate is contained in the PwC report, page 41, but a different figure appears on the World Expo Canada 2025 Feasibility Study Executive Summary page 12).</p>	<p>There have not been discussions regarding this unallocated amount. This needs to be determined in future phases of this project through detailed negotiations between the different levels of government.</p>
<p>· Has any analysis been completed examining if any buildings to be built in the Port Lands for Expo 2025 are redundant with existing City infrastructure? What portion of the proposed capital budget will be spent on infrastructure for Expo 2025 with no clear</p>	<p>Significant analysis was conducted on this subject. The core master planning principle was to make use of all relevant plans, buildings and facilities which are existing or included in future Waterfront Toronto and City plans. All other buildings associated with Expo which would be deemed 'redundant' would be built as temporary structures.</p>
<p>· What commitment, if any, has been made to purchase and procure for the Expo in line with the City's Social Procurement Policy?</p>	<p>A comprehensive community benefits agreement was the recommendation from the consultation to consider local hiring, apprentice programs and fair wages. The City of Toronto has a Social Procurement Policy that will be following. It was also recommended through the consultation that as a part of the bid process, we develop a Social Impact Equity lens for the Expo.</p> <p>There are two recent changes to procurement that the City of Toronto and Province of Ontario have made that would facilitate the prioritization of employment for equity-seeking groups & low-income residents.</p> <p>1) Provincial: Infrastructure for Jobs & Prosperity Act: https://www.ontario.ca/laws/statute/15i15 - requires all large infrastructure projects to include community benefits agreements - currently being implemented in the Metrolinx Cross-Town LRT project</p> <p>2) Toronto: Social Procurement Policy: http://www1.toronto.ca/wps/portal/contentonly?vnextoid=18398a4252522410VgnVCM10000071d60f89RCRD&vnextchannel=688032d0b6d1e310VgnVCM10000071d60f89RCRD</p> <p>* This will prioritize vendors that operate as a social enterprise or are owned & operated by equity-seeking groups & require vendors working on larger projects to have a workforce development strategy to increase the representation of equity-seeking groups within their workforce.</p> <p>Both of these policies would come into play with any Expo 2025 projects.</p>
<p>· What, if any, analysis was completed regarding the cross-section of residents these employment opportunities will be available to? In particular, will low income groups with high unemployment rates benefit from these employment opportunities?</p>	<p>In the course of our Expo Community Consultations we consulted with a broad representaion of Community groups. This included groups in at risk neighbourhoods; they expressed their views that hosting an Expo in Toronto would help stimulate jobs before during and after the event. A more thorough analysis would need to be done in a Bid Process.</p>

Question	Response
<ul style="list-style-type: none"> The estimated job creation from Expo 2025 is estimated at 47,000-50,800 person years (p.44 of the PwC report). Does this include Construction jobs and Operations jobs? What methodology was used to estimate this employment impact? 	<p>The employment impacts relate exclusively to construction jobs from incremental Expo capital expenditures, as well as from the operations of the Expo itself (see Table on page 43 of the PwC Report). The methodology used to calculate economic impacts (including spending, GDP, employment and employment income) is based on Statistics Canada input-output multipliers</p>
<ul style="list-style-type: none"> The Ernst & Young report titled "Feasibility Study in Respect of Hosting the 2025 World Expo" estimated 92,000-190,000 jobs created cumulatively over the 7-8 year period that is anticipated to plan, construct and operate the Expo. How do the job creation estimates by E&Y compare to PwC's estimates? 	<p>PwC did not undertake any review of the EY report and therefore cannot provide any insights into their approach, methodology, findings or conclusions. It would appear that EY estimate their impacts on total construction, operating and tourism expenditures (\$7.401 billion and \$15.474 billion), whereas PwC estimate total impacts based on incremental construction and operating expenditures only (\$3.953 billion).</p>
City Planning & Infrastructure:	
<ul style="list-style-type: none"> What consultation has occurred with local land users (notably film industry, port-dependent users)? What impacts will Expo create for these land users? 	<p>See Section I pg 2 of the FS; The Feasibility Study Team consulted the following high level stakeholders: Ports Toronto/ Harbour Master Waterfront Toronto Toronto Port Lands Company (TPLC) First Gulf Toronto Film, Television & Digital Media Board Castlepoint Numa Pinewood Studios Metrolinx TTC City of Toronto - Transportation Services City of Toronto</p> <p>We did not consult with the individual land owners at this phase. The major stakeholders in the Port Lands were consulted, but negotiations with the smaller land owners would need to be held in the coming phases of this project to determine how best to avoid negatively impacting them. However, it is important to note that a legal opinion was provided deeming, if necessary, expropriation would be an option.</p>
Governance & Engagement:	
<ul style="list-style-type: none"> Potential competitors to a Toronto 2025 are identified but an assessment of Toronto's chances of winning the bid against the listed competitors is not provided? Has any SWOT or similar analysis for Toronto and these other cities been completed to assess Toronto's chances of being selected? (This question is also raised below in connection with PwC report pages 52 and 53.) 	<p>A high level analysis on each bid city was completed. Given no city has formally submitted their letter of intent, there is little formal information to assess. The high level assessment concludes the following: "This is a winnable bid. The Bureau International des Expositions has clearly signaled a desire to return to North America. The commitment of potential competitors seems ambiguous. Prime Minister Trudeau has generated much favourable international attention for Canada since coming to office. Our nation has a proven record of success in holding World Expos. Toronto is in a favourable position to win a bid for Expo 2025."</p>
<ul style="list-style-type: none"> Canada is a lapsed member of the BIE and would need to re-join prior to submitting. Could this negatively affect Toronto's chances of being selected? (This question is also raised below in connection with PwC report pages 52 and 53.) 	<p>Canada would have to rejoin the BIE. However, indications suggest that should that occur, Toronto's chances will not be negatively effected as a result of having withdrawn over the previous few years.</p>
<ul style="list-style-type: none"> With respect to legacy projects, has any analysis been done regarding the future cost to run these buildings and who will fund their operations? (e.g., cost to run Canadian Aboriginal Museum and is it government funded?) 	<p>No capital or operational cost analysis has been conducted by Lord</p>

Question

Response

	<ul style="list-style-type: none"> Has an assessment of possible themes for Expo 2025 in Toronto been completed? Is there a “working” theme(s) 	<p>Consultation with a broad group of stakeholders was conducted to shape the attributes of an acceptable theme listed below:</p> <ul style="list-style-type: none"> > Easily communicated to diverse audiences > Capable of interpretation by participating member states > Resonates with vision / legacy / end state > Aligned with the stated goals of government > Capable of garnering public support across Canada and Toronto > Capable of making the Expo value proposition stronger (for BIE) <p>Based on this a criteria, a broad working theme relating to climate change and innovation was loosely employed.</p>
	<ul style="list-style-type: none"> Will the “World Exposition Corporation” defined in the Governance section control all funds and resources associated with the Expo? If so, how will the World Exposition Corporation ensure all funds are effectively controlled, accounted for, and reported? 	<p>A governing body will be established with input from all three levels of government with the appropriate government controls. Further details will be established during the bidding process.</p>
<p>Social Factors:</p>		
	<ul style="list-style-type: none"> References are made to various legacy projects (e.g. indigenous cultural centre) but no discussion is provided on ownership/governance, sources of operating revenue, visitation or integration with other program offerings (Arup page 114 Lord pages 12 to 20). 	<p>The assumption is that capital costs for Indigenous Pavilion and other projects at the Portlands ie heritage buildings for Expo use would be included in the capital budget for Expo (incremental costs). No analysis has been conducted for post Expo use.</p>
	<ul style="list-style-type: none"> Does the report acknowledge the need for all Expo properties to be inclusive and accessible? 	<p>All Expo properties would be built to meet the required standards, including being inclusive and accessible. The capital costs include this approach. In addition the overlay infrastructure includes Accessibility Structures and the transport strategy include consideration of accessibility requirements.</p>
	<ul style="list-style-type: none"> The report speaks to medical and fire services but no other impacts (on municipal services are discussed). Is additional information forthcoming? 	
<p>PWC</p>		
<p>Attendance</p>		
<p>10</p>	<p>Total attendance projections of ~30 million seem to be derived from three different</p>	<p>PwC looked at both scenarios (including and excluding outliers) to derive visitation estimates</p>
	<p>1. Local: Visits equating to 10 times the local population based on a trend analysis or about 32 million.</p>	
	<p>2. National: Visits equating to 60% to 80% of the host country population.</p>	
	<p>3. Regional (regardless of international boundaries): Visits equating to 20% to 25% of the population within 750 km.</p>	
	<p>With respect to the trend analyses:</p>	
	<ul style="list-style-type: none"> Were historic events all weighted equally or were outliers removed from the sample? (Seville was noted as an outlier due to coincidental timing with the Olympic Games, but we are not clear if it was still weighted in the trend analysis). 	
	<ul style="list-style-type: none"> Would the trend analysis results differ if historic events (1970 and older) are removed? 	<p>A number of different trends were considered, including ones that considered more recently held Expos, in order to derive visitation estimates</p>
	<ul style="list-style-type: none"> Was a trend analysis of similar metrics for “Recognized Expos” also completed to see if a similar downward trajectory in attendance exists? 	<p>No - only Registered Expos (i.e., 6 month events) were considered</p>
<p>12</p>	<p>The trend analysis of participating countries shows an increase in participating countries over time (counter to the generally decreasing attendance trends). What is the reason for the increase in country participation over time?</p>	<p>Page 7 notes that participation increased following the break-up of the former USSR. Apart from this reason, PwC's research did not uncover any additional reasons or rationale as to why increased participation has occurred</p>
<p>12</p>	<p>The table on p.12 contains a detailed breakdown of country pavilions (totalling 150), international organizations/NGOs (totalling 49) and corporate pavilions (totalling 17) expected to participate in the Toronto Expo. How were these figures derived?</p>	<p>As part of the space planning for the proposed Expo, Arup assessed the number of pavilions that might be expected. A significant proportion of these are made up of pavilions for visiting countries, for international organisations/NGOs and Corporate entities. The numbers and spread of sized for these was based on a review of previous expos, in particular Milan, and looking at information available from Dubai and others expo. More information on how these numbers were translated into the Expo space planning can be seen on page 48 of the Arup report.</p>

Question	Response
35 The assumed origin of the 30 million visitors is estimated to be 60% Canadian, 35% US, and 5% International. These figures appear to have been derived from historic Canadian Expo visitation figures, the most recent of which was 30 years ago (Vancouver).	One reason identified related to the participation of the USSR in Montreal and the participation of China in Vancouver which helped drive US attendance
· Was any analysis done to understand why the two past Canadian Expos drew significantly more foreign visitation than all other Expos?	
· Is there any concern that cross-border travel changes (passport requirements, etc.) could negatively impact the ability of a Canadian Expo to draw significant foreign visitation in 2016?	This was not considered in the analysis - Canada, Ontario, Toronto, currently attract significant foreign visitation (Toronto is the #29 ranked city in the world and #4 in North America in terms of the number of overnight international visitors) and with the event not occurring until 2025, it could be that such changes will be better understood by foreign travelers As it stands now, visitation to Toronto (2015) is strong compared to other NA markets (including cities like Chicago, San Francisco, Washington DC, Boston, etc.)
· The Tourism Toronto figures referenced on p. 11 of the report are as follows: 14 million overnight visitors to Toronto in 2015, 2.5 million (18%) from the United States and 1.75 million (13%) from overseas. What factors make the origin of Expo visitors differ from the existing overnight visitors to Toronto?	The breakdown of Expo overnight visitors was based on trends from previous Expos. This specific question was outside of the PWC scope.
Revenue	
15 The report assumes a ticket distribution (single day, three day, and season pass) "similar to past Expos" to arrive at the ticket sales and anticipated unique visitors.	In deriving assumptions for use in estimating both revenue and expenses, consideration was given to various expos including Hanover (2000), Shanghai (2010), Milan (2015) and Dubai (2020).
· Which past Expos were used to derive this average?	
· Was this distribution relatively consistent between Expos used to derive the average or did it vary widely?	Generally varied widely
· What was the ticket distribution of past Canadian expos? Given that visitor origin projections on p.35 of the PWC report appear to be derived based on historic Canadian Expos, the ticket distribution would likely also be similar to past Canadian Expos.	Limited information was available for Montreal and Vancouver; only the source of such visitation (i.e., from within Canada, the US, overseas) was available for these events
16 In determining sponsorship revenue, both past Expos and the 2015 Pan Am games sponsorship revenues were cited. The projected sponsorship revenue of \$205-\$230 million significantly exceeds the \$131.6 million generated by the Pan Am games in corporate sponsorships.	Estimates of sponsorship are identified on page 16. Assumptions are based on information gleaned from other expos plus 2015 Pan Ams, each of which vary widely (as noted in the report) . Professional judgement was utilized and will require additional research to confirm
· How did PWC arrive at the total sponsorship revenue?	
· Are amounts per sponsor consistent with other Expos?	Generally, amounts are lower compared to other events
· What factors will allow the Toronto Expo to generate significantly more sponsorship revenue than the Pan Am games?	Factors include (a) length of event (6 months v 2 weeks), (b) multi-themed nature of the event (versus one theme for Pan Ams), (c) ability to sponsor multiple sub-themes for different portions of the event (versus just a Pan Am or a Parapan), (d) greater projected attendance (30 million total visits versus 1.2 million), (e) global versus more regional focus of the event, etc.
14 The estimated revenue range for the Toronto expo comprises:	The determination of revenues was based firstly on attendance and hence ticket sales. Next sponsorship revenues were estimated.
· 67%-71% ticket sales	Finally, based on previous expos, other revenues were estimated, assuming they would also comprise 15% to 20% of other revenue. It is therefore more coincidental that the resulting distribution of revenues is similar to Dubai. The comparison to Pan Am, while noteworthy (given that people may ask what Pan Ams did) is not meaningful given the significant differences in the nature of these events.
· 13% sponsorships; and	
· 15%-20% other revenue	
This breakdown is consistent with Dubai's projected revenue distribution but differs from historic Expos (Milan and Shanghai) and the Pan Am Games. What makes Toronto's revenue composition more consistent with projected Dubai operations, rather than historic Expos. (we note the revenue composition also differs considerably from the recently-held Pan Am Games)	
Operating Expenses	
21-29 With the exception of staffing and security, little detail is provided on the calculations used to arrive at operating costs.	Consideration was given to actual and / or projected operating expenses from other expos - in some cases, more detailed information was available while in other less detail was available. Professional judgement was used to derive each corresponding estimate. Costs for security were taken from the Strategic Security Review report prepared by Brad Taylor
What baseline assumptions were used to arrive at the operating cost estimates?	

Question	Response
28 Are the anticipated health and safety costs identified in the “Health and Medical System Preparedness and Cost Analysis” (\$3.148 million) and the Toronto Fire Services \$10.8 million) captured in the “Other Expenses” section of the operating statements?	Anticipated EMS, Fire, etc. are included "other expenses" (page 28)
Economic Impact	
36-37 Two steps were identified in determining the number of unique visitors: 1. Total visitation from “regular tourists” of 7.6 million unique visitors 2. Total visitation from “retained tourists” of 1.4 million unique visitors These two steps were cited in determining the 9 million total unique visitors.	The calculations for estimating total incremental visitation is as follows. Firstly, Ontario Ministry of Tourism, Culture and Sport ("MTCS") information was obtained for RTO5 - this illustrates total visitation and spending in 2013 from "Other Ontario", "Other Canada", "US" and "overseas". Second, inbound tourism projections for Ontario were also obtained from MTCS (showing projections for 2013-2019). Third, Inbound visitation to Toronto in 2025 from Other Ontario (non-GTA), Other Canada, US and Overseas were then projected using the Ontario tourism growth rates to 2019; these were then extrapolated to 2025 using CAGR from 2017, 2018 and 2019, to project visitation to 2025. This shows the total annual visitors expected to be in Toronto. Fourth, we then utilized the proportion of visitors coming to Toronto in Q2 and Q3 to estimate total visitation to Toronto in 2025 during the period when the expo is on. Fifth, we made assumptions for people who would avoid coming to Toronto altogether because the expo was on, and then made assumptions as to the number that could be expected to attend the Expo. This then shows the potential number of unique visitors projected to be in Toronto during the time when the expo is on in 2025 and could then be expected to attend the expo. Finally, this number was grossed up by the average number of visits per person to arrive at total visitation. These numbers were then subtracted from non GTA Expo visitation to arrive at the net incremental number of visits (and further divided by average visits per person to derive the estimate of number of unique incremental visitors).
· Is it possible to share the calculations used in Step 1 (based on Ontario Ministry of Tourism, Culture and Sport projections) to arrive at potential number of visitors expected to attend Expo 2025? If “regular tourist” visitors to Expo 2025 are derived directly from existing future tourist projections, does this imply that no incremental visitation will be driven by the Expo?	
· Is it possible to share the calculations used in Step 2 to calculate “retained tourists”? The projected number of retained tourists (1.4 million unique visitors) is different from the 2.03 million unique visitors shown in the table from the GTA/Ontario. Are some of the unique visitors from Ontario “retained tourists” while others are “regular tourists”?	The calculations for estimating total retained visitation is as follows. Firstly, MTCS outbound visitation projections for Ontario were obtained (again, these are for 2013-2019 and projections to 2025 were made using the same methodology as described above). Secondly, assumptions were then made regarding the number of people who could alter their travel plans and remain in Toronto / Ontario and instead travel to Toronto to attend the expo. This yielded a projection of retained visitation (unique visitors) and these were grossed up by the average number of visits per person to derive an estimate of total visitation. Total incremental visitation is then the addition of incremental and retained. Note that the 1.4 million unique retained visitors is different from the 2.03 million (GTA and Ontario) because the 2.03 million includes both incremental (those non-GTA Ontario residents who would otherwise not come to Toronto but for the expo) plus retained.
37 How did PWC determine that the proportion of overnight visitors (~64%)?	The ~64% overnight visitors appears to be an average that was calculated by HLT. PwC based its estimates on MTCS tourism statistics utilizing the overnight visitor percentages based on where their place of origin (i.e., Ontario, Other Canada, USA, Overseas).
38 Please provide some insight as to what assumed average party size and average length of stay were used in determining total incremental room nights. What is the basis for the averages used?	Average party size and average length of stay are from MTCS RTO 5 data (which again vary by type of traveler, and where they are from)
37-38 How are the 5.76 million unique overnight visitors on p.37 reflected in the table on p.38? Please provide the calculations that translate the 5.76 million unique overnight visitors in to 18.92 million additional overnight visitor nights.	Utilized MTCS data for RTO, the 5.763 million (which is the sum of overnight visitors from other Ontario, other Canada, US and overseas), we divided this by average party size (to identify number of rooms required), multiplied this by average length of stay in Toronto and average length of stay in Ontario (noting only the differential for Ontario). to derive the estimate of total incremental room night demand. The proportion of VFR visitors also staying in commercial accommodation was also utilized.
39 What was used to determine the proportion of overnight visitor nights in commercial accommodation versus staying with friends and relatives?	Information was sourced from MTCS data for RTO 5
39 What visitor spending profiles from the Ontario Ministry of Tourism, Culture and Sport were used to determine visitor spending? If possible, please provide these estimates.	Information was sourced from MTCS data for RTO 5 was utilized to derive estimates of average spending "per person per night"
48-49 What is the basis for the 70% occupancy rate used in determining available rooms?	This was sourced from the Executive Director of the Greater Toronto Hotel Association. For clarity, this is for all property types across all locations in the GTA (some areas and property classifications will have lower and higher occupancy rates)
48-49 The report uses total rooms in the GTA to determine room capacity. Is proximity a factor in terms of adequacy of hotel supply to host an Expo? What room supply has been available for past Expos relative to overnight visitation? What are the distances of these rooms from the Expo site? What types of/impact from various forms of public transportation affect commercial lodging requirements?	Proximity will be a factor. As noted on p. 53, it is recommended that an accommodation plan for visitors and participant staff be prepared.

Question

Response

Bid Process	
52-53	<p>The report section discusses potential competitors to a Toronto 2025 bid but does not assess Toronto's chances of winning the bid against the listed competitors? Has any SWOT or similar analysis for Toronto and these other cities been completed to assess Toronto's chances of being selected?</p>
	<p>A formal SWOT analysis would be undertaken a part of a formal bid process. We've been in discussions with Carmen Sylvain past President of the BIE: This was her analysis Expo 2025 is a winnable bid: Non-committed field of competitors with various issues relating to government and public support BIE wants to return to North America Expo '67 and '86 are two of the most well regarded Expos in history This is a unique moment in time: Canada's back! The Expo provides a cost-effective means to significantly further key government agendas in a timely manner Also was in discussions with Dimitri Kerkentzes, Deputy Secretary General</p>
52-53	<p>Canada is a lapsed member of the BIE and would need to re-join prior to submitting. Could this negatively affect Toronto's chances of being selected?</p>
	<p>Canada would have to rejoin the BIE. However, indications are that should that occur, Toronto's chances will not be negatively effected as a result of having withdrawn over the previous few years.</p>
4	<p>Reference to BIE site requirements/guidelines. Can these be provided (how "close" is the Portlands site to satisfying the guidelines)?</p>
	<p>The BIE guidelines have been reviewed, in in relation to site are the requirements are broad. The section below is an extract from the BIE guidelines: <i>Site Area</i> <i>As shown in Figure 2-12 during the post World War II period of Expos, the site areas of events have varied considerably. The general division between the very large sites that are in excess of 500 or more acres (200 or more hectares) and the other sites has historically been between the Universal or Category I Expositions and the Specialized, Category II Expos. Currently, the Registered Expos do not have a limitation on the site area while the Recognized Expos are limited to 25 hectares (about 60 acres) for the international participants; in practice, the total site areas for the Recognized Expos have been larger than 25 hectares to accommodate some back of house areas as well as other larger requirements related to the legacy plans for after the Expo.7 It has also been the case that the larger sites have attracted greater levels of attendance and, not surprisingly, have involved higher levels of investment, both on the part of organizers as well as participants.</i> <i>At present, only Zaragoza '08 has been organized under the 25 Ha. limitation rule and therefore the consequences of this change have yet to be fully understood. The intention of the BIE, in establishing is rule which goes along with a three month exhibition period - as opposed to six, is that the costs of hosting the Expo will, in theory, be reduced as the site development and facilities costs will be limited when compared with Registered events which have no such limitations. One of the prominent features of the Zaragoza interpretation of the new site rule was that most of the buildings housing international participants were developed on two levels. This solution required the extensive use of escalators to convey visitors to the upper level from the main Expo grounds. Zaragoza did, however, have an extensive area of gardens and open space outside the main exhibition area and thus, in reality, the 25 ha. (60 ac.) limit was principally of importance in the planning and layout of the international participants' area.</i> As such the guidance is not prescriptive, however based on our experience a comparison to other historical expos (see relevant section of the report) is it generally acknowledged that 100 hectares is the preferred minimum site for a registered EXPO. Milan was only 85Ha and we have heard suggestions that some considered it a bit too small. The key sentence we would highlight in the above extract is that 200Ha or more is considered a 'very large site' suitable for a 'Registered (or World) Expo'. The Port Lands site meets this overall requirement and hence the overall statement that the Port Lands Site meets the BIE requirements. ☑</p>
8	<p>Reference is made to the report being part of a "wider feasibility study." What is the status of the wider study? Is a copy available?</p>
	<p>The sentence should be read to mean the report (site analysis, transport and infrastructure by Arup) is part of a wider feasibility study. This wider feasibility study is the overall document that was compiled by PwC and has been submitted. No other studies were completed for this that have not been submitted.</p>
24/25	<p>The Key Projects section does not address, in detail, the requirement: o To provide "a detailed understanding of the timelines, process and funding</p>
	<p>The key projects section provides a summary of a number of the interfacing projects. Through the report these project have been discussed further and those with a more critical interface have been studied in further detail. In particular see section 7 (page 100</p>

Question

Response

	<p>o To address “complete integration of with both the Port lands flood protection project and the Gardiner Strategic Rehabilitation Project.”</p>	<p>onwards) that provides further clarify on the interface with the Lower Don River flood protection project and the Gardiner projects. Gardiner Strategic Rehabilitation Project. Through the study is has been established that based on available information the area of the Gardiner Project does not significantly overlap the main area of the Expo. We have established that these project can occur side by side and this is reflected in the schedules. A significant change in the schedule for the Gardiner works would require only small adjustments to the Expo proposal and is not expected to impact the overall scheme, including infrastructure costs and proposals significantly. Port Lands flood protection (Lower Don River works) This is a key interfacing project with the expo and is a project whose completion is essential to the expo proposals presented. Arup and the team have met Waterfront Toronto, who have been leading the design works for this, on many occasions. Waterfront Toronto have both shared their latest information (design and schedules) in detail for this project and have also provided feedback on the expo proposals as they were developed to improve alignment and the required integration. The project has been summarised, based on the detailed information provided, in the report including in the schedule on pages 102-103, the key projects section and with further details reflected through the report. The detailed information should be obtained directly from Watefront Toronto if required. Both the Lower Don works and Expo project consists of a series of well-defined tasks, be they earthworks, roads and infrastructure of construction of the expo facilities. The expo proposals have been built around the current Lower Don schedule and do not require significant alternations to this. Broadly expo construction activities are arranged to start once the preceding Lower Don works are complete and this integration is reflected in summary in section 7. Further discussion has taken place on the potential construction interfaces and one potential measure that could be used would be for some of the Expo infrastructure to be constructed as part of the Waterfront Toronto works ☒</p>
	<p>City of Toronto to provide more detail</p>	
<p>26</p>	<p>Greater clarity would be useful with respect to:</p> <ul style="list-style-type: none"> o Total site requirements (and “what ifs” assuming all desired land is not available); o Land expected to be acquired or used/leased (and returned to owner) for 2025, the o The potential for disposition of acquired lands post Expo. 	<p>The total site requirements have been built up through the report by looking at the transport and infrastructure requirement and on the assessment of the potential number of pavilions and other supporting facilities. The land established as available and land proposed to be used is summarised on page 28 of the report. This shows that the land available is greater than that expected to be required and in turn means there is some flexibility should small element of the land not be available as originally thought. The majority of the land required is city owned (TPLC) and preliminary discussion with them have confirmed it availability. The team have also explored the possibility of expropriation and have confirmed that this could be undertaken if required for that land that is required. Land acquired (if necessary) could be turned over to the city or Waterfront Toronto, and it is expected the value of this land could be similar to the acquisition price so there would be no significant gain or loss. ☒</p>
<p>48</p>	<p>Can the country total in this table (i.e., “exhibition” and “thematic” pavilions) be reconciled to the PwC table on page 12?</p>	<p>In this section of the report a preliminary assessment has been made as to the total number of visiting countries and other entities, such as NGOs, provinces or corporations who would have pavilion space. On top of this other common expo elements are listed including entrance plaza, education centres and back-of-house facilities that are not associated directly with a visiting entity. The numbers tally with those on page 12 of the PwC report. ☒</p>
<p>67</p>	<p>Are the Pan Am Games (dedicated transportation and transportation access) and CNE (average 89,000 visitors/day) good comparable for an Expo projected to average 165,000/day (with peak days as high as 289,000)?</p>	<p>Arup conducted a two-tiered examination of case studies to inform the analysis and recommendations contained in the report. In the first instance, we reviewed data available for World Expos elsewhere and associated with global events such as Summer Olympics. In the second, we referenced major events held in Toronto/GTA (Pan Am/Para-Pan Am Games and CNE), noting Toronto has not held an Expo nor a global event hosted at a single venue. Our global study identified major strengths, weaknesses, opportunities and threats associated with hosting a major event while our local study yielded contextual data.</p>
<p>69</p>	<p>Which Expos are referenced in respect to empirical visitation data?</p>	<p>Arup has been involved with the planning and design of a number of global events and have also drawn on available data from other events in discussion with our teams based in those countries. The underlying data and information on these events is often still confidential so cannot be reproduced in this report. Events that were considered include available data from the Milan and Dubai Expos and the Olympics in London.</p>
<p>114</p>	<p>The report refers to the creation of 1,000 affordable housing units to be built “across the city.” Is any more detail available on this plan (location, size, characteristics of units)? Is the cost (including land acquisition) for these units included in the capital cost section of PwC’s repot (Appendix A)?</p>	<p>The capital cost of these has been included, but land costs are not. The costing has been based on typical affordable housing units. It is proposed that as the next more detailed stage locations would be agreed with the city and appropriate parties. The availability of transit in Toronto means there is considerable flexibility from an Expo perspective in where these are located in Toronto. As such a number of different sites in Toronto could be chosen based on the City’s needs.</p>

Question	Response
116 · Have contingency plans been discussed in the event the “three most critical considerations” do not materialize as planned?	Contingency plans have not been developed for these three critical elements. The expo proposal presented in the report requires these elements to be satisfied.
· To what level of detail are the capital costs estimates prepared? What degree of reliability?	Feasibility stage estimates are undertaken at the earliest stage of project scope definition and documentation maturity, and as such have the lowest level of accuracy of any project estimate. The expected level of accuracy for feasibility stage estimates is +/-25%, assuming that the project scope and basis of estimate assumptions remain fixed. Note that the impact of construction cost escalation and currency exchange rates can be substantial to a large capital project and should be monitored quarterly or biennially as the project develops.
Lord (Culture) Questions	
10 · What are the sources of the identified City and Provincial/Federal government priorities?	City priorities were identified through interviews with Councilor Kristyn Wong Tam as well information from Mayor Tory at www1.toronto.ca . Provincial priorities cited from www.fin.gov.on.ca/en/budget/ontariobudgets/2015/papers_all . Federal priorities from 2015 Throne speech www.speech.gc.ca
12 · For the examples of legacies provided on these pages, please clarify:	
20 o If any are committed legacies as part of Expo?	No committed other than buildings that already exist.
o If any priorities exist among the 8 examples?	The City (Kristyn Wong Tam) has indicated priority for legacies related to digital connectedness ie Bike Share and Connectivity Hub.
o If post Expo funding (capital and operations)/support/governance has been considered?	Has been considered but not analyzed to determine feasibility
12 · Also for the examples provided on these pages, please clarify the extent to which consideration has been given to the City’s requirements for:	
20 o Ensuring benefits accrue to all Torontonians	Included in the report as one of the key goals
o Ensuring celebration of Toronto’s diversity and unique cultural mix	Included in report under federal priorities and included under municipal social impact
Brad Taylor (Security) Questions	
14 · What was the security governance/operations structure for the Pan Am Games and other major Canadian events (e.g., Calgary or Vancouver Olympics)?	The Security Governance proposed for the EXPO would align significantly with that which was in place for previous major planned events such as the 2010 Vancouver Olympics, 2010 G8/G20 Summits and the 2015 Pan/Parapan American Games. It would follow the Incident Management System (IMS) framework in design, plan development and operations. It would oversee and coordinate the use of dedicated security staff from a Unified Command Centre and would be the point where external coordination of additional resources was conducted. Security Operations would be divided into three levels (Tactical, Operational and Strategic) with corresponding levels of responsibility. It would have been aligned through planning with planning with Fire & Ambulance Services. Operations would be fully integrated with the Organizing Committee Operations Centre and aligned with the various Consequence Management partners (e.g. Municipal EOCs, Provincial Emergency Operations Centre, Ministry of Transportation, Ministry of Health and Long-Term Care, etc. The differences from that of previous events would be as a result of the EXPO being limited in geographical area / sites, numbers of police service partners required within the respective Integrated Security unit, and this plan has also proposed to more fully integrate the functioning of the Organizing Committee's "Security Integration Section" with that of the Police - Integrated Security Unit.
14 · What discussions have been held with police and emergency responder organizations (Toronto, Ontario, Canada) to gauge capability to handle and costs of the security plan?	Input was sought from both active and recently retired members of the policing and intelligence communities. No consultations were made with any other "emergency responder organizations". The Security Plan would be scalable to accommodate some elevation of threat, and reviewed frequently to ensure alignment with the Joint Intelligence Group. Beyond that, secondary/tertiary agreements and/or MOUs would in place for surge capacity and operational support (as required). There is currently sufficient capacity of expertise and quantity of police / private security providers in the local area to enact the envisioned plan, while also ensuring the business continuity of existing front line policing. During the transition from strategic to operational planning, internal policing surveys and consultations with members & bargaining agents will need to be conducted to ensure that the peak summer months maintain adequate security resourcing. Resourcing will also need to be evaluated against other concurrent events that require policing support (e.g. Pride Week, Caribbean Festival, Canada Day, Marathons, etc.) If resourcing is projected to approach insufficient levels, there is the ability for police to limit/restrict member’s vacations during peak times to ensure the continuity of operations; the plan would be to do this far enough out from operations as to limit the impact this could have on the members. Insofar as "handle the costs of security plan" those would be an external pressure beyond the scope of day-to-day policing costs (not included in annual operating budgets) and would be invoiced back to the EXPO 2025 Organizing Committee, or the level(s) of government that were maintaining the fiscal controllership.

	Question	Response
	The pie chart on p.21 of the PwC report indicates Pan Am games security cost was ~\$185 million (17% of \$1.086 billion) and p. 27 indicates security cost for the Expo would be \$135-\$175 million.	The 2015 Pan/Parapan American Games had 59 venues, stretched across 9 policing jurisdictions. The EXPO will have one venue in one policing jurisdiction, albeit for 196 operational days (including security lockdown, sweep and demobilization operations). The site security planning (at this time) is consistent with that of the 2015 Pan/Parapan American Games. However, security planning being intelligence led, risk based and scalable; with 8+ years until Expo 2025 many circumstances and/or events could change the operational security environment, which could require significant amendments to planning principles and corresponding forecasts/expenditures.
	· Given the difference in event duration (1 month for the Pan-Am games versus 6-months for the Expo), are security levels planned for the Expo consistent with the security provided at the Pan-Am games?	
Annex A to App B	· The estimated number of visitors/day do not tie to the visitors/day in the PwC report or Arup report (page 69).	Having reviewed the PwC Report, their forecasted attendees are projected as "averages" (e.g. Pg. 10: "Trend analysis indicates...EXPO could attract total attendance equal to approximately 24 to 32 million visitors"). The security model was developed to take into account the infrastructure and staffing for "PEAK" attendance days (e.g. Canada Day Vs. a random spring Wednesday). The EXPO Security Forecast accounted for 29,990,000 attendees (10,000 less than the 30 million revised figure provided and was done for the purpose of rounding). This will result in a 0.03% variation in forecasting and at this level of strategic planning/forecasting, represents a value (approx. 50 people per/day) well within an acceptable variance.
Annex A to App B	· Does the security cost calculation take into account police or security personnel/other costs deployed within the City but not at the Expo site (transportation hubs, other entertainment areas)?	The Security cost calculations (beyond Offsite Operational/Strategic Command and Intelligence) take into account some limited police costs beyond the fenced perimeter of the EXPO 2025 Site, which include: (1) Limited Offsite Traffic Officers and Parking Enforcement Officers (days only) to help keep the roads immediately proximate to the EXPO Site open and moving (approximate area - East of Parliament St, South of Lakeshore and West of Leslie St.); (2) Marine operators and vessels; (3) Police Offsite Logistical Staging & Coordination. There is nothing included in security forecasting/planning for other offsite / concurrent events, or for larger offsite transportation hubs. The 2015 Pan/Parapan Am Games ISU had a robust traffic plan and corresponding dedicated police resources to ensure the movement of athletes and Games Family between venues, this was not a planning principle envisioned/utilized to forecast security for the EXPO.
Expo 2025 Canada Steering Committee (Community Consultation) Questions		
1	· Is the Committee prepared to make an overall statement with regard to community support? Can additional detail be provided on the "pros" and "cons" heard during the consultation?	The Expo 2025 Steering Committee is prepared to make a statement of overall community support. "We reached out to over 1,090 groups, and had some some 566 meetings or discussions with a wide range of groups, sectors, and interests. The responses were predominantly supportive with groups and individuals emphasizing the need for positive impacts on employment especially for youth, affordable housing and business impacts. This can be secured through the City of Toronto's Fair Wage Policy, Social Procurement Policy and an Enhanced Community Benefits Framework. We met with organizations representing the following areas: business, labour, innovation and the creative sector; parks and green space; the film sector; the adjacent neighbourhood, First Nations and the Indigenous community, the non-profit sector, arts and culture, social services, the tourism, hotel, and hospitality sector, economic development, foreign direct investment and external trade, the environment, poverty reduction, planning and development, construction, the architectural community; business improvement areas (BIAs); the financial sector; and infrastructure."
8-	· Can summary information be provided with respect to the diversity (cultural, social, and economic) of groups interviewed?	Section I pg. 3 We reached out to over 1,090 groups, and had some some 566 meetings or discussions with a wide range of groups, sectors, and interests including organizations representing: the following areas: business, labour, innovation and the creative sector; parks and green space; the film sector; the adjacent neighbourhood, First Nations and the Indigenous community, the non-profit sector, arts and culture, social services, the tourism, hotel, and hospitality sector, economic development, foreign direct investment and external trade, the environment, poverty reduction, planning and development, construction, the architectural community; business improvement areas (BIAs); the financial sector; and infrastructure. pg 5-6 + Appendix 1: Expo Stakeholder List (pg 7-14) + Appenix 2 Expo 2025 Dreaming and Theaming Community Survey Results and Summary (pg 14-21)

Question	Response
<ul style="list-style-type: none"> · We understand community surveys were completed asking the following questions o What themes should be explored in a Toronto Expo? o What values need to shape an Expo in Toronto? o What should the lasting outcomes of an Expo in Toronto Region be? o Questions & Concerns <p>Has any additional community outreach been completed to assess the level of community support for Expo 2025 in Toronto?</p>	<p>In addition to the above consultations: major City and GTA-wide organizations are in support (in writing): Toronto Arts Council; Greater Toronto Hotel Association; Ontario Construction Secretariat; Toronto Region Board of Trade; Toronto Construction Association; Invest Toronto; the Greater Toronto Airports Authority (Pearson Airport); the Wellesley Institute; Ryerson / OCAD / University of Toronto / York University; Pinewood Film Studios; MaRS Innovation District; The Downtown Yonge and the Financial District Business Improvement Areas; the Residential and Civil Construction Alliance; and the 11 community associations adjacent to the proposed Port Lands site;</p> <p>Community Meetings planned for October:</p> <ul style="list-style-type: none"> - Consultation with Mandarin Speaking Scarborough residents and business people October 17 - Consultation with Indigenous Community Organizations <p>The support for Expo is growing substantially with each community group, business, and organization we meet. We have not had the capacity to hold large scale consultations.</p>
<p>Has any additional community outreach been completed to assess the level of community support for Expo 2025 in Toronto?</p>	
<p>2 · Are any of the potential costs associated with accommodating the existing stakeholders (e.g., trucking cement to LaFarge) included in the cost projections)?</p>	<p>These costs are included in the \$130-180million figure labelled "Other Costs"</p>
<p>Steve Urszenyi (Health and Medical) Questions</p>	
<p>1 · Has either Toronto Public Health or the Ontario Ministry of Health and Long-term Care been consulted in the development of this report?</p>	<p>Both Toronto Public Health and the Ministry of Health and Long-Term Care were consulted in the development of this report. I met with TPH representatives in person, including the Acting Medical Officer of Health. Although TPH did not provide input into the costing analysis, primarily due to project time constraints, assumptions were made that are in line with previous events in which TPH was involved; most notably the Toronto 2015 Pan and Parapan Am Games.</p>
<p>2 · Is the assumption that Toronto Public Health and/or the Ontario Ministry of Health and Long-term Care will deliver required services?</p>	<p>Both Toronto Public Health and the Ministry of Health and Long-Term Care have mandates that necessitate their involvement and delivery of services. However, in the case of TPH, it is expected that they would require additional human resources to accomplish their mandate in the context of a World Expo.</p>
<p>4 · Have comparable data from other large scale events (Pan Am Games, CNE, other expos) been identified and analysed to compare against the budget contained in this report? (Note that Toronto Fire estimates \$10.8 million to provide fire services but only \$3.148 for medical support.)</p>	
<p>Terry Wright (Governance) Questions</p>	
<p>1 · What discussions have been held with the provincial and federal governments to gauge interest in an Expo?</p>	<p>Numerous meetings with various MP's, MPP's, Ministries and bureaucrats have been held within the various levels of government. These meetings were more of a briefing nature, and expressions of formal support within the Province or Federal Government will not be given or requested until City Council and the Mayor have assessed the opportunity.</p>
<p>n/a · Is there a proposed organization structure..who is/will be in charge? How might this change from development to implementation? Are there best practices from other expos?</p>	<p>Best practices from previous Expos and mega events will be implemented. However, the details of who is in charge during the different phases of planning and delivery will be determined in the coming phases of the project through discussions amongst the various government funding partners.</p>
<p>n/a · The report indicates the "Government Coordinating Committee" shall annually issue a report on Legacy goals, business and operational plans, and progress made. Will this report address how the City's funds and resources are being used?</p>	<p>Reports on how the City's funds and resources are being used are necessary in the planning and delivery of Expo. The mechanism by which this occurs should be discussed and decided upon in the future phases of the project.</p>