

March 26, 2019

Dear City Councillor,

I am writing to seek your support for an important item going to City Council on March 27th and 28th. This is regarding a matter that was approved with an amended motion at Executive Committee on March 21, 2019 which states:

The Executive Committee recommends that:

*1. City Council approve a loan in the sum of \$5.0 million to the Toronto Zoo Board, to finance the award of the contract for a Lumina experience produced by Moment Factory Inc., with interest at a fixed rate equal to the City's cost of borrowing, with principal and interest repayable over a 36 month period, subject to the loan being guaranteed by the Toronto Zoo Foundation, and authorize the Chief Financial Officer and Treasurer to enter into any necessary loan and ancillary agreements upon such terms acceptable to the Chief Financial Officer and Treasurer in consultation with the City Solicitor.*

It is important to note that the Board of Management of the Toronto Zoo, which includes Councillors Paul Ainslie, Cynthia Lai, and Jennifer McKelvie unanimously supported the proposal for a Lumina experience at the Toronto Zoo at their February 15, 2019 board meeting.

Bringing the tested Lumina brand experience to the Toronto Zoo would present an opportunity to grow the Zoo audience by connecting people to the natural world through an immersive lighting experience. It is difficult to explain to you what a Lumina show is in writing so I ask if you could please take a moment to visit:

<https://www.youtube.com/watch?v=bqCwwZdLUhq&feature=youtu.be> and I have included photos in this letter in order to gain a greater appreciation for the type of show we are discussing. Attached are also several letters of support from the community and the data we used to develop our business case.

As a signature event for Toronto, the Lumina experience would bring significant attention and economic benefits to the east end of the City and other businesses in the area surrounding the Zoo, including hotels, restaurants, and local shops. While much focus has been on the attractions and festivals in downtown Toronto, an event of this magnitude is anticipated to draw significant visitors and tourists to the eastern boundary of the City, enabling positive economic benefits to the local community which surrounds the Zoo.

## **Background**

In 2017, a leading consulting firm, "Zoo Advisors", examined best practices at other zoos and determined a lighting experience to be a successful model to stimulate zoo visitation. Lighting experiences have proven to be popular means of drawing crowds to zoos in historically underutilized times of the day and year. As a result, the Zoo issued a Request for Proposals for a Seasonal Outdoor Lighting Experience - RFP #50 (2018-10) in October

2018 to invite qualified production companies to submit proposals with the objective of meeting the requirements as outlined.

A major objective of the program / experience is to increase awareness of the Zoo being open year-round and to attract different audience demographics. A key highlight of the recommended action was to create an interactive experience as an after-hours ticketed event, promoting conservation awareness. It was also anticipated that the investment in such a program / experience should be a multi-year offering to potentially realize a multi-year benefit over several years.

### **Moment Factory and Lumina Experience**

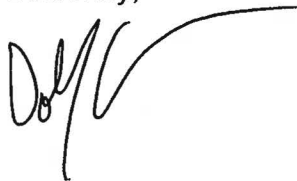
The proposal from Moment Factory relates an interactive Lumina experience / show telling a story unique to the Toronto Zoo. Guests would be led through the experience / show as they “travel forward in time” to learn how to “enact positive change and improve how we share the earth with other creatures.” The show presented by Moment Factory is meant to inspire guests to be part of this change through the use of immersive illuminations and interactive displays as presented through the use of sound and light.

The nature of the Lumina experience, which Moment Factory has recreated around the world, shows an awe-inspiring must-see experience for guests. Many of these locations were contacted and were extremely positive about the experience and noted that the program is “so successful” that they had to adjust their operations accordingly. The Singapore Zoo Lumina experience is a strategic investment by that zoo to expand their community beyond their usual attendance breakdown. Singapore Zoo has drawn 200,000 guests to their Lumina experience and the experience is being expanded to accommodate the high crowds and guest demand. The summer installation of Lumina at Whistler BC, was so successful that expansion has begun to open the experience in winter.

The Lumina experience ties in with the Zoo experience of touching hearts of the guest by creating magical moments that inspire guests to make positive change to help the environment. It follows the Zoo Mission as a “compelling guest experience and inspiring passion to protect wildlife and habitats”. This experience would be an exclusive “flagship” opportunity for the Toronto Zoo as no additional installations by Moment Factory would be put in place in the GTA and southwestern Ontario area.

I thank you for your time and consideration in this matter and hope to be able to host you at the Toronto Zoo Lumina experience in the foreseeable future. Should you have any questions, please do not hesitate to contact me directly at (416) 392-5909 or by email at [ddejong@torontozoo.ca](mailto:ddejong@torontozoo.ca).

Sincerely,



Dolf DeJong  
Chief Executive Officer  
Toronto Zoo





Photo Credit: Vallea Lumina, Moment Factory



Photo Credit: Island Lumina, Moment Factory

March 22, 2019

Ms. Heather Taylor  
Chief Financial Officer - City of Toronto  
City Hall  
100 Queen Street West, Floor 7E  
Toronto, ON M5H 2N2

Dear Ms. Taylor,

This will acknowledge that, upon written confirmation from the Board of Management of the Toronto Zoo ("Board"), the Toronto Foundation ("Foundation") will establish a Restricted Fund in the amount of \$5.0 million sourced from undesignated funds within the total portfolio stewarded the Foundation on behalf of the Board, for purposes of supporting the Lumina project approved by the Board and the Executive Committee of the City of Toronto.

Once established, the "Lumina" Restricted Fund shall only be drawn from upon written instruction from the Board, including the annual transfer from Restricted to Unrestricted Funds based on amounts repaid the City at that point. This will also confirm that the funds available within the Board's portfolio stewarded by the Foundation are more than sufficient to establish the "Lumina" fund.

We trust this will provide the City of Toronto with assurance that the financial resources available to the Board through the Toronto Foundation are sufficient to support the City's funding / loan commitment to the Board.

Yours truly,



Denise Arsenault  
Chief Operating Officer

March 21, 2019

I am writing to express Tourism Toronto's support the Toronto Zoo's proposed Lumina project that promises to be an important visitor draw for Toronto in the vital winter season. We have been briefed by the Zoo's management on the plan and opportunity and are encouraged by the addition of a highly marketable signature experience as they have proposed.

This project meets several key priorities for the tourism industry: First, the winter season is a need period and growth opportunity for many businesses in the visitor economy. While there are numerous factors that influence demand for Toronto in the winter, the most important factor is having compelling, unique experiences that are worth traveling for. The design for Lumina and the record of success of the Moment Factory both provide assurance that Lumina will indeed be a strong draw at a time when such a draw is most needed.

A second key objective is to encourage deeper exploration by visitors throughout the city, including regions beyond downtown. This again relies on adding new experiences such as Lumina – alongside existing ones – that provide added motivation for travelers to explore more broadly.

Our marketing team will soon begin planning the winter marketing campaigns for the coming year. Should Lumina proceed it will undoubtedly be central to the story our campaigns promote in target markets to attract new and repeat visitors to Toronto. We look forward to collaborating closely with the Zoo's own marketing team to ensure the widest possible exposure for Lumina and Toronto's winter experience.

This is an exciting opportunity for Toronto: a truly unique experience at a time and place where it adds considerable value to the city's tourism appeal. We believe Lumina at the Toronto Zoo will draw significant visitation from within the Toronto region and beyond, providing an important lift to the visitor economy.

Sincerely,



Andrew Weir  
Executive Vice President, Destination Development



March 25, 2019

To whom it may concern,

On behalf of Centennial College, we are pleased to submit a letter of support for the Toronto Zoo's proposed Lumina project that will certainly add value to the City of Toronto.

The Toronto Zoo and Centennial College have a long history of collaboration which has recently been reinforced by the signing of a memorandum of understanding (MOU) in April 2017. The intention of this MOU is to formally explore partnership opportunities and has already led to a number of joint ventures and student projects.

We believe the Lumina project will not only provide value to the Toronto Zoo by offering an interactive and compelling visitor experience, but will also provide Centennial College and the surrounding community with a unique opportunity to appreciate wildlife and their habitats in a new light. The Lumina project will create meaningful learning opportunities for our students that contribute to building a vital community-college relationship.

The Lumina project is an exciting opportunity for the City of Toronto that will facilitate valuable educational experiences and inspire a generation of wildlife advocates. Centennial College strongly supports the Toronto Zoo's desire to pursue additional funding in support of this project. We wish our colleagues at Toronto Zoo much success with this proposed initiative.

I would be happy to further highlight and discuss our strong support for the Toronto Zoo's Lumina project. Please do not hesitate to reach out if there are any questions.

Sincerely,



Andrew Petrou  
Director, Strategic Initiatives & External Relations (SIER)  
Executive Director, Downsview Aerospace, Innovation and Research (DAIR)



**Scarborough Community Renewal Organization**

100 Consilium Place, Suite 200

Scarborough, ON, M1H 3E3

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March 23, 2019

Dolf DeJong  
Chief Executive Officer  
Toronto Zoo  
361 Old Finch Avenue  
Scarborough, ON  
M1B 5K7

Dear Dolf:

Re: **Letter of Support for the Toronto Zoo's Proposed Lumina Project**

I am writing on behalf of the Scarborough Community Renewal Organization to express our support for the Toronto Zoo's proposed Lumina project.

SCRO is a multi-stakeholder group of community volunteers seeking to *Renew Scarborough* through economic development, better suburban planning, an enhanced natural environment, social development and health promotion, and arts and culture.

This Lumina project being proposed by the Toronto Zoo will enhance the vibrancy of arts and culture in Scarborough and may have spinoff economic benefits. This signature experience will attract new and diverse audiences to Scarborough while enhancing the public profile of one of Toronto's most important cultural institutions.

We would encourage City Council to help Scarborough thrive by supporting this innovative proposal.

This is a unique opportunity to host a globally recognized brand in Scarborough. We look forward to working with you and the Toronto Zoo on this exciting initiative.

Sincerely,

A handwritten signature in black ink, appearing to read 'Sitharsana Srithas', with a stylized flourish at the end.

Sitharsana Srithas  
President



The Delta Hotels by Marriott has been a proud partner and supporter with and of the Toronto Zoo for many years through combined tourism efforts. We have been able to mutually benefit economically from this partnership and are excited to support the upcoming opportunity for the Toronto Zoo to host Lumina.

This would be a great draw for tourists visiting the Toronto area in the winter season, typically when leisure travel has declined. The additional increase in visitors to the Zoo during a slow time would positively influence incremental tourism spend on accommodation, dining and other Toronto based tourist attractions.

We need something new to increase the number of visitors into the GTA and surrounding region, and it is the iconic attractions adding new experiences that will be able to influence where a tourist would like to spend their discretionary travel dollars.

Sincerely,

Laura Boyden  
Director of Sales and Marketing





**Appendix A**  
**Financial Scenarios**

1. Initial Most Likely Scenario:

**Toronto Zoo**  
**2019 Special Exhibit**  
Most Likely

| <b>KEY ASSUMPTIONS</b>  | <b>2019 (Dec)</b> | <b>2020</b> | <b>2021</b> | <b>2022 (Jan - Nov)</b> | <b>Cumulative</b> |
|---|-------------------|-------------|-------------|-------------------------|-------------------|
| Project Funded through COT Recoverable Debt of \$5.0 million over 3 yrs |                   |             |             |                         |                   |
| Admission Capacity Utilized   | 70%               | 70%         | 65%         | 60%                     |                   |
| Total Admissions (based on 112 nights with capacity of 1,800)           | 14,112            | 141,120     | 131,040     | 108,864                 |                   |
| Admission Price (before HST, only adult price shown) *                  | \$ 22.50          | \$ 22.50    | \$ 22.50    | \$ 22.50                |                   |
| Other Sales Capture Rate (% of AR Admission)                            | 50%               | 50%         | 60%         | 60%                     |                   |
| Assumed Per Cap - Other (excl HST)                                      | \$ 5.00           | \$ 5.00     | \$ 5.00     | \$ 5.00                 |                   |

| <b>REVENUE</b>                  |                   |                     |                     |                     |                     |
|---------------------------------|-------------------|---------------------|---------------------|---------------------|---------------------|
| Admission                       | \$ 304,290        | \$ 3,042,900        | \$ 2,825,550        | \$ 2,347,380        |                     |
| Other Sales                     | \$ 35,280         | \$ 352,800          | \$ 393,120          | \$ 326,592          |                     |
| Grants /Sponsorships (\$50,000) | \$ 50,000         | \$ 50,000           | \$ 50,000           | \$ -                |                     |
| <b>TOTAL REVENUE</b>            | <b>\$ 389,570</b> | <b>\$ 3,445,700</b> | <b>\$ 3,268,670</b> | <b>\$ 2,673,972</b> | <b>\$ 9,777,912</b> |

| <b>EXPENSES</b>                                  |                     |                     |                     |                     |                     |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Salaries &amp; Wages</b>                      |                     |                     |                     |                     |                     |
| Salaries & Wages                                 | \$ 38,915           | \$ 363,210          | \$ 367,751          | \$ 332,453          |                     |
| Repayable Debt Amortization (including Interest) | \$ 146,869          | \$ 1,762,424        | \$ 1,762,424        | \$ 1,615,555        |                     |
| Other additional expenditures                    | \$ 630,429          | \$ 611,242          | \$ 639,066          | \$ 352,107          |                     |
| <b>TOTAL EXPENSES</b>                            | <b>\$ 816,213</b>   | <b>\$ 2,736,876</b> | <b>\$ 2,769,240</b> | <b>\$ 2,300,115</b> | <b>\$ 8,622,444</b> |
| <b>NET REVENUE</b>                               | <b>\$ (426,643)</b> | <b>\$ 708,824</b>   | <b>\$ 499,430</b>   | <b>\$ 373,857</b>   | <b>\$ 1,155,468</b> |

\*Assumptions: Adult Admission price of \$22.50. After tax price of \$25.44. Reduced rate for Children (\$18.50 + tax) and Members (\$20.25 + tax).

2. Specific Pricing Requested Scenario

Adults – approx. \$25 after tax

Children – approx. \$15 after tax

**Toronto Zoo**

**2019 Special Exhibit**

Adults \$25, Children \$15 incl. tax

| KEY ASSUMPTIONS   | 2019 (Dec) | 2020     | 2021     | 2022 (Jan - Nov) | Cumulative |
|---|------------|----------|----------|------------------|------------|
| Project Funded through COT Recoverable Debt of \$5.0 million over 3 yrs |            |          |          |                  |            |
| Admission Capacity Utilized   | 70%        | 70%      | 65%      | 60%              |            |
| Total Admissions (based on 112 nights with capacity of 1,800)           | 14,112     | 141,120  | 131,040  | 108,864          |            |
| Admission Price (before HST, only adult price shown) *                  | \$ 22.50   | \$ 22.50 | \$ 22.50 | \$ 22.50         |            |
| Other Sales Capture Rate (% of AR Admission)                            | 50%        | 50%      | 60%      | 60%              |            |
| Assumed Per Cap - Other (excl HST)                                      | \$ 5.00    | \$ 5.00  | \$ 5.00  | \$ 5.00          |            |

| REVENUE                         |                   |                     |                     |                     |                     |
|---------------------------------|-------------------|---------------------|---------------------|---------------------|---------------------|
| Admission                       | \$ 293,706        | \$ 2,937,060        | \$ 2,727,270        | \$ 2,265,732        |                     |
| Other Sales                     | \$ 35,280         | \$ 352,800          | \$ 393,120          | \$ 326,592          |                     |
| Grants /Sponsorships (\$50,000) | \$ 50,000         | \$ 50,000           | \$ 50,000           | \$ -                |                     |
| <b>TOTAL REVENUE</b>            | <b>\$ 378,986</b> | <b>\$ 3,339,860</b> | <b>\$ 3,170,390</b> | <b>\$ 2,592,324</b> | <b>\$ 9,481,560</b> |

| EXPENSES   |                     |                     |                     |                     |                     |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Salaries &amp; Wages</b>                      |                     |                     |                     |                     |                     |
| Salaries & Wages                                 | \$ 38,915           | \$ 363,210          | \$ 367,751          | \$ 332,453          |                     |
| Repayable Debt Amortization (including Interest) | \$ 146,869          | \$ 1,762,424        | \$ 1,762,424        | \$ 1,615,555        |                     |
| Other additional expenditures                    | \$ 629,371          | \$ 600,416          | \$ 627,272          | \$ 339,860          |                     |
| <b>TOTAL EXPENSES</b>                            | <b>\$ 815,155</b>   | <b>\$ 2,726,050</b> | <b>\$ 2,757,447</b> | <b>\$ 2,287,868</b> | <b>\$ 8,586,519</b> |
| <b>NET REVENUE</b>                               | <b>\$ (436,169)</b> | <b>\$ 613,810</b>   | <b>\$ 412,943</b>   | <b>\$ 304,456</b>   | <b>\$ 895,041</b>   |

\*Assumptions: Adult Admission price of \$22.50. After tax price of \$25.44. Reduced rate for Children (\$13.50 + tax) and Members (\$20.25 + tax).



**Appendix B**
**Extreme Cold Weather Analysis  
10-year Historical Alerts issued from City of Toronto  
Lumina Exhibit Impact  
October to March**

| <b>Year</b>  | <b>10 year<br/>Average</b> | <b>5 year<br/>Average</b> |
|--|----------------------------|---------------------------|
| 2018-19  | 27                         | 27                        |
| 2017-18  | 31                         | 31                        |
| 2016-17  | 22                         | 22                        |
| 2015-16  | 12                         | 12                        |
| 2014-15  | 39                         | 39                        |
| 2013-14  | 36                         |                           |
| 2012-13  | 9                          |                           |
| 2011-12  | 7                          |                           |
| 2010-11  | 10                         |                           |
| 2009-10  | 7                          |                           |
| <b>Average Days (A)</b>  | 20                         | 26.2                      |
| <b>% of days operational per week (Thurs-Sun) (B)</b>                      | 57%                        | 57%                       |
| <b>Probable extreme cold weather alerts while in operation (C = A x B)</b> | 11                         | 15                        |
| <b>Total Capacity Impact (D = C/112 days)</b>                              | 10.2%                      | 13.4%                     |
| <b>Highest projected Capacity Factor</b>                                   | 70%                        | 70%                       |
| <b>Net Capacity Factor for other externalities</b>                         | <b>19.8%</b>               | <b>16.6%</b>              |
| <b>Overflow Days Available (Oct - Mar) (100% - B)</b>                      | 43%                        | 43%                       |

Note: Calculated with the assumption of 112 days of operation over the period of October - March with operations only from Thursday to Sunday.