

Perfect Partnership

BUILD TORONTO COMBINES THE BEST MINDS OF THE PRIVATE AND PUBLIC SECTORS FOR TORONTO.

A city is more than just the sum of its parts. Any collection of buildings can be called a city, but what truly makes a world-class city are the economic, political, cultural and infrastructural characteristics – how they function together and facilitate local well-being and global recognition.

In its pursuit of realizing world-class outcomes, the city of Toronto took this idea to heart when it created BUILD TORONTO. BUILD TORONTO is the city's arm's length real estate investment and development corporation that partners the public with the private sector to generate value and city-building outcomes from underutilized city land. CEO J. Lorne Braithwaite says BUILD TORONTO is unique because of the way in which it blends the expertise of public officials and private-sector developers.

"Real estate is a category of business where most of the cities in this country do not participate in the risk or development side of," Braithwaite explains.

"Real estate development by its very nature is a risk-related form of enterprise," he continues, "involving a lot of capital and time investment. That makes it an area most municipalities stay away from." But with the expertise of private developers such as Braithwaite, BUILD TORONTO is helping Toronto make the most of its opportunities. Its board's makeup is half public-sector and half private-sector, and Braithwaite says the experience and wise counsel both sides bring to the table has been immeasurable. "The strength of the Board helps us immensely," he says.

The organization has its roots in a report developed by the city in 2008 called "Blueprint for Fiscal Stability and Economic Prosperity." The report was developed by a blue-ribbon panel that included prominent Toronto businesspeople. It was chaired by Oxford Properties CEO Blake Hutcheson. Braithwaite, at the time, was president and CEO of Cambridge Shopping Centres, where he had overseen numerous developments all over Canada and the rest of the world. The panel approached Braithwaite and asked him to lend his expertise to BUILD TORONTO. After a competitive process, he accepted the position of president and CEO in May 2009.

By addressing Toronto's surplus and underutilized real estate, BUILD TORONTO is working to address the current and future needs of the City. As evidenced by re-development properties such as TEN YORK, Ordnance Triangle and 28 Bathurst, BUILD TORONTO is off to a strong start.

Unlocking Real Estate

BUILD TORONTO considers itself more than just a real estate developer. Braithwaite explains that the company engages in city-building, which it defines as paying attention to the economic, social and environmental benefits its projects add to the city and its residents.

"Development plays an important role in a dynamic city," BUILD TORONTO says. "More than just construction, it's the creation of struc-

ture and space, designed to meet our growing needs and impact the way in which we interact."

Examples of the company's approach to city-building can be found in its growing portfolio of properties, such as 10 York Street. Located in the middle of high-density residential and commercial developments, the property was used as a surface parking lot and an impound lot before BUILD TORONTO entered. In a joint venture with Tridel, BUILD TORONTO has launched TEN YORK, a 65-story residential tower that uses pedestrian spaces to create a link between the city's downtown core and the waterfront. BUILD TORONTO says the project, which opened its sales

office in 2012, will help the city meet its residential housing demand and revitalize the York Street pedestrian streetscape.

Another one of BUILD TORONTO's current projects demonstrates the problem-solving

acumen that its unique blend of public and private expertise can bring. Located adjacent to the growing Liberty Village neighborhood, the property known as the Ordnance Triangle has remained vacant for years. Consisting of parcels owned by the city and private developer Diamond Corp., the Ordnance Triangle was an example of the type of underutilized property BUILD TORONTO was created to address.

Diamond Corp. had plans to develop its parcel into a condominium property, but BUILD TORONTO stepped in with a plan to develop the entire 7.6-acre property as an integrated mixed-use community.

For example, the city was embarking on a proposed pedestrian and bicycle bridge that would cross the railway tracks near the site and connect the property to the rest of the neighborhood. However, the proposals came in well over budget. BUILD TORONTO and Diamond Corp. stepped in and worked with the city to find a lower-cost design which included raising the grade of land in their development to reduce the need for costly support trusses. The partnership also worked with the local councillor to earmark Section 37 fees to directly offset the cost of the bridge.

The Ordnance Triangle project also featured a challenge in the form of an existing tenant. Eva's Phoenix operated a youth programming and housing facility on the city-owned portion of the property. BUILD

TORONTO collaborated with the organization over the course of several months to understand its requirements, then helped it find a new home in a purpose-built facility in one of BUILD TORONTO's new developments a few blocks away. Braithwaite says BUILD TORONTO also helped Eva's Phoenix obtain over \$5 million for its operations.

Just a couple of blocks east, BUILD TORONTO is bringing its expertise to the 28 Bathurst project, as well. Investment in a comprehensive remediation program will allow a two-and-a-half-acre brownfield site to be redeveloped. The proposed mixed-use property will incorporate a public park overlooking a national historic site. Braithwaite says the brownfield site requires a lot of cleanup work, as it was used for coal gas storage, then a lead smelter and then back-filled with batteries. "Here's a site no one else will tackle," he says. "But it's a great site in a thriving neighbourhood that we will repurpose and integrate back into the community."

Making Real Estate Work

In order to develop successful city-building projects, establishing a strong partnership with the city is key. It is this type of private-public partnership that allows BUILD TORONTO to continue to make real estate work for the city.

BUILD TORONTO's goal is to take on four to six major projects each year, Braithwaite says, and the ones it's working on now illustrate that the company's concept is a strong one. "We've had just a phenomenal launch," Braithwaite says. "We have been able to assemble a unique body of talent in terms of running the city of Toronto's real estate business correctly." ♦

BUILD TORONTO
www.builttoronto.ca
• Headquarters: Toronto
• Employees: 30-40
• Specialty: Real estate development and investment
"We are making real estate work for our city."
- J. Lorne Braithwaite, CEO

BUILD TORONTO's goal is to revitalize Toronto's downtown through redevelopment.



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