



Parc LANSDOWNE Park

Councillor Briefings – Lansdowne 2.0 Project
October 2025

Lansdowne 2.0 – High-level Summary

Council directed staff to advance a proposal to achieve financial sustainability of operations at Lansdowne, recognizing the need for more equitable distribution within the partnership of risk and reward.

RESULTS:

- Overall project cost is now **\$418.8M**, lower than the \$419.1M estimate.
- Residential Air Rights revenues are **\$65M** (versus estimated \$39M).
- Contribution to the Affordable Housing Reserve is **\$14.4M** (versus estimated \$9.75M).
- Construction costs for the North Side Stands and Event Centre is **\$312.85M**, lower than the Class A Estimate of \$316.02M.

Lansdowne 2.0 – High-level Summary

- Overall City investment for the project is **\$4.3M annually**, down from \$5.0M.
- This cost would decrease to **\$3.5M** annually with a future contribution of \$20M from other levels of government.
- The cost of doing nothing is an average of **\$8M+ annually** versus the City investment of **\$4.3M annually** to achieve profitability.
- This redevelopment **does not** represent an increase in taxes for residents.

Path of Council Approvals



Lansdowne 2.0 – A LEED Silver Facility

Building Features

- Accessibility
- Increased Concessions
- Safety & Security
- Improved Fan Experience
- Improved Media Production
- Improved Operations

Energy Efficiency

- Efficient Building Envelope
- Modern HVAC and Ventilation
- Desiccant Dehumidification
- Indoor Air Quality
- Daylight and Views

A 36% improvement in energy intensity and 31% reduction in greenhouse gas intensity when compared to the existing facility.

Public Engagement 2024-2025



Design Influences from Public Engagement

- ✓ removing the third residential tower
- ✓ reducing residential density
- ✓ guidelines for the mixed-use podium and towers to respect heritage attributes of the site
- ✓ re-incorporating a sledding and concert hill
- ✓ adding publicly accessible washrooms
- ✓ Maximizing tree planting
- ✓ Designing the City facilities to be accessible
- ✓ maximizing seating opportunities within the Urban Park
- ✓ designing the City facilities to improve fan experiences
- ✓ applying an architectural style that is harmonious with the site and its surroundings
- ✓ Improving facilities within the Great Lawn to improve infrastructure for concerts and festivals
- ✓ Designing the facilities to a LEED Silver standard



Event Centre & North Side Stands

Construction Tender Results

Class A Estimate: \$316,021,191

<u>Company</u>	<u>Bid Results</u>	<u>Difference in \$'s</u>	<u>% Difference</u>
EBC Inc:	\$315,980,000	- \$41,191	- 0.01%
Pomerleau Inc:	\$316,689,446	+\$668,255	+0.2%
Ellis Don Corp:	\$344,136,799	+\$28,115,608	+8.9%

Preferred Construction Contractor – EBC Inc.

- Canadian company active in the building, mining, and major civil engineering sectors.
- Recognized for large scale projects such as office buildings, hospitals and research centres, educational institutions, residential complexes, hotels, malls, factories and sports & cultural centres.
- **Bid Price: \$315.98M less \$3.13M (negotiated)**
- **Final contract price: \$312,849,000**



Preferred Air Rights Developer – Mirabella Development Corp.



- Prominent real estate developer with over 40 years of experience within Canada and Asia, known for championing diversity, innovation, and sustainability.
- Mirabella emphasizes community engagement and environmental responsibility, supports local charities, and has partnered with the government on award-winning non-profit housing.

Purchase Price: \$65M

Unit Range: ~770 units, including ~200 hotel units

Unit Typology: 50% condo / 50% rental

Mixed-Use Development Property Approach

- The City retains ownership of the lands underneath these property parcels
- The developer will construct the City's ground level components. City's ground level components are never sold to the developer
- City retains buy-back option on the development parcel (subterranean, ground level, and air rights)

Construction Phases - City Facilities & Mixed-Use Development



PROJECTED CONSTRUCTION TIMELINE



Funding Strategy & Business Case

Cost of Staying with 1.0

Net Negative Cashflows for Past Five Years

(in millions \$)	2020/21	2021/22	2022/23	2023/24	2024/25
Total Revenue	18.4	38.8	57.2	59.5	62.8
Total Expenses	20.9	36.3	53.6	54.2	58.0
Operating Income (Loss)	(2.3)	2.5	3.6	5.3	4.8
Net Capital and Financing Expenditures	(5.1)	(5.0)	(13.5)	(11.4)	(17.5)
Net Negative Cashflows	(7.4)	(2.5)	(9.9)	(6.1)	(12.7)

- The Partnership has been losing money since inception.
- In the past five years it has cost, on average, \$8M annually to operate these facilities with no sign of improvement. This is an OSEG cost, not a City cost, but they can't continue this way.
- If the City were to replace the facilities at the end of their expected useful life (2037):
 - Cost \$597M-\$752M all borne by the City (pay 31% of \$418M now or 100% of \$597M-\$752M later) that is a \$466M-\$621M difference.
 - Under Lansdowne 1.0, OSEG earns 8% interest with no revenue coming to the City
 - City will not receive any distributions

Project Cost is \$418.8M

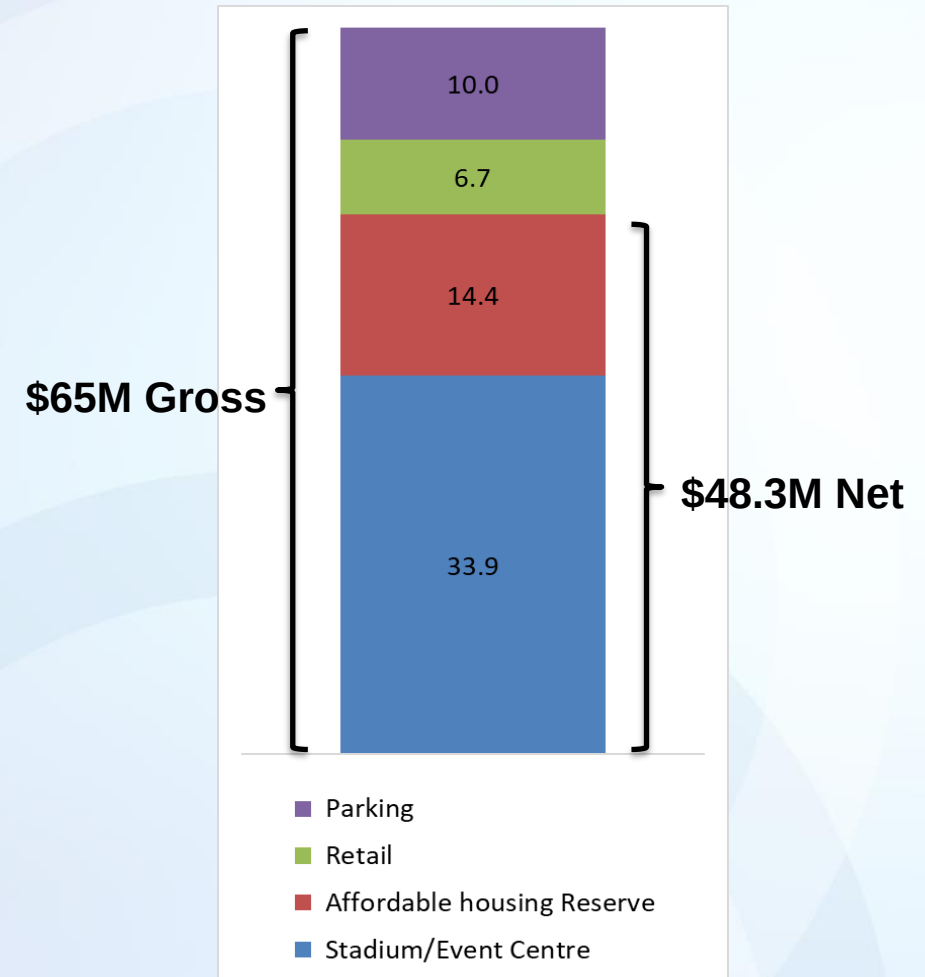
Lansdowne 2.0 - Event Centre & North Side Stands Budget	
Description	Amount (Million \$)
Event Centre	\$ 176.82
North Side Stands	\$ 119.38
Grand Entrance (Developer delivered)	\$ 5.29
Parking for Event Centre (Developer delivered)	\$ 3.50
Site development: services and utilities	\$ 0.50
Subtotal Construction Costs	\$ 305.50
Concept Development and Planning	\$ 7.50
Permits and Fees	\$ 2.97
Design and Construction Consultants	\$ 32.94
Contract Administration Costs	\$ 9.17
Business and Other Costs	\$ 23.77
Contingency	\$ 36.10
Escalation	\$ 0.88
Total estimated cost	\$ 418.82

Air Rights Revenue & Affordable Housing

- Gross Air Rights Revenue: \$65M

Less:

- **\$10M** funding for underground parking
- **\$6.7M** funding for incremental costs of preferred bidder's design
- Net Air Rights Revenue: **48.3M**
- Contribution to Affordable Housing Reserve: **\$14.4M**
 - 25% up to \$39M
 - 50% over \$39M up to \$48.3M



Other Projects – Self-Funded

City Underground Parking \$19.2M

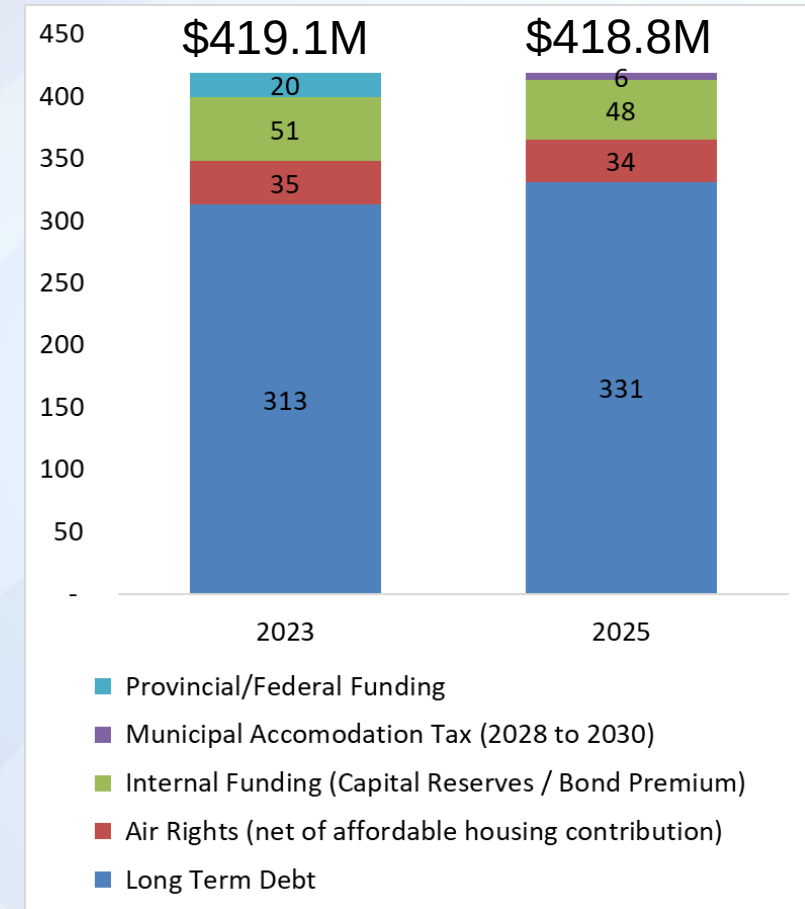
- \$10M of air rights revenue funding will reduce the long-term debt requirement down to \$9.2M
- Estimated parking revenue sufficient to break-even and pay operating costs and debt servicing costs
- City parking reserves no longer required to offset operational deficits

New Retail Element \$45.9M

- \$39.2M cost of retail + \$6.7M in incremental costs to incorporate preferred bidder's design
- \$39.2M will be reimbursed by the Partnership in ~2035; Partnership will reimburse City for cost of temporary borrowing
- \$6.7M of air rights revenue will fund the incremental cost

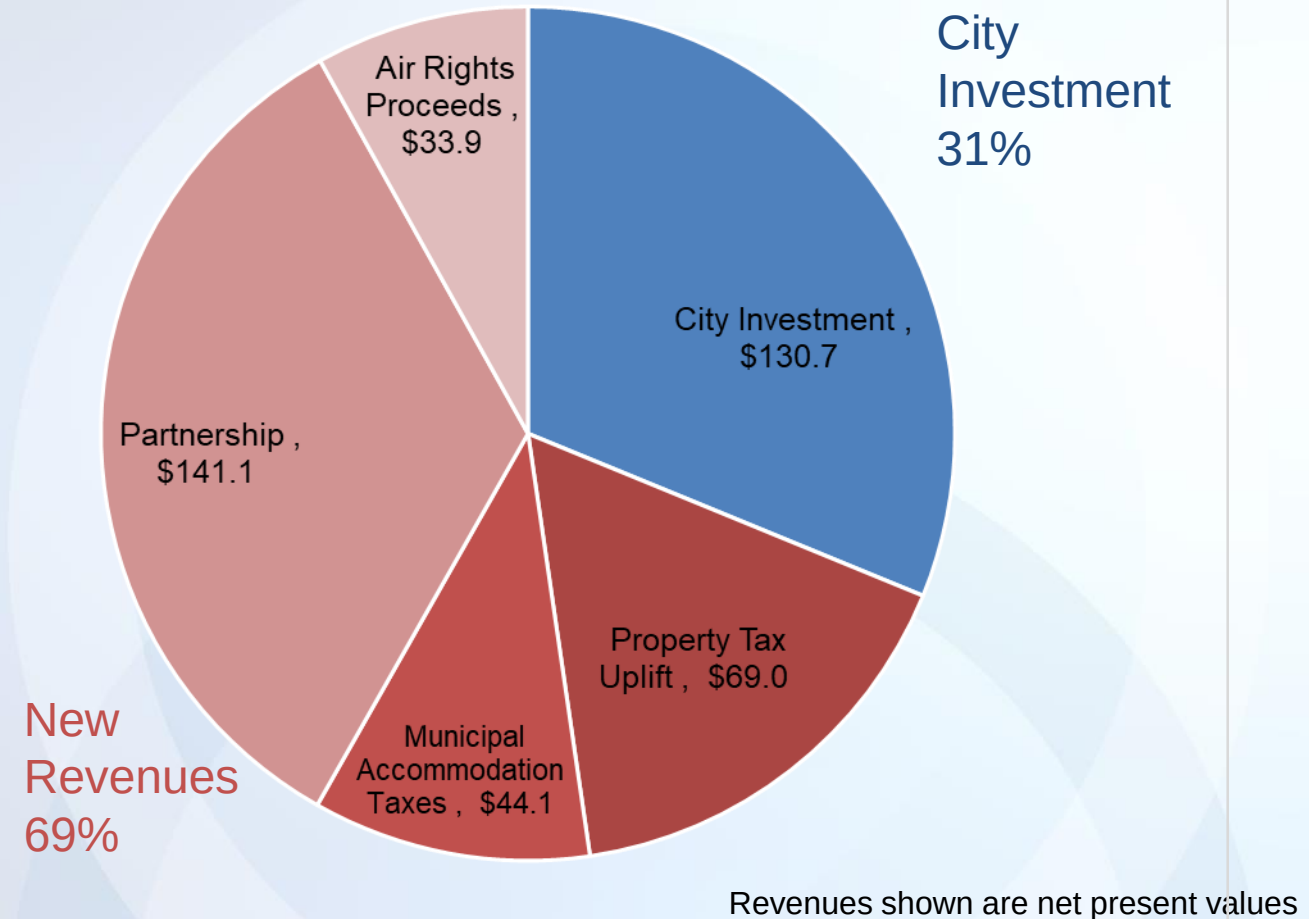
Funding Sources for the Capital Project

- Funding from senior levels of government of \$20M has been removed as a funding source.
- Air rights revenue allocated to the project remains the same/slightly lower due to allocation to affordable housing, parking and retail.
- New Municipal Accommodation Tax of 1%
- Debt increases from \$313M to \$331M.



Business Case – New Sources of Revenue

- New revenue covers \$288.1 million (69%) of the \$418.8 million total project cost.
- This new revenue is only generated by 2.0 and would not otherwise be available for other projects.
- The City is gaining a \$418.8M asset for just \$130.7M in net cost to the City.



Debt Servicing Requirement

- Total debt servicing requirement for the Stadium/Event Centre increased from \$16.4M to \$17.4M
- City Investment for the debt decreased from \$5.0M/year to \$4.3M/year
- There is risk that we will not achieve the projected revenue. For most sources, the risk is very low, except return of City equity from the waterfall.

Funding Sources Available for Debt Servicing	Estimated Average Annual Revenue Over 40 Years	Sensitivity Analysis of Annual Average Revenue
Property Tax Uplift	3.6	2.9 to 4.0
Municipal Accommodation Tax (Post 2030)	2.0	2.0
Sub-total Additional Taxes	5.6	4.9 to 6.0
Ticket Surcharge	0.7	0.3 to 0.9
Rent Paid to the City	0.5	0.5
Return of City Equity from Waterfall	6.2	0.0 to 7.5
Sub-total Partnership	7.4	0.8 to 8.9
City Investment	4.3	2.5 to 11.7
Total Funding Sources for Debt Servicing	17.4	

Economic Impacts of Lansdowne 2.0

- GDP impact - \$590 million increase over 10 years (2026–2035) from construction and ongoing operations
- 4,900 new jobs created during construction and ongoing operations (2026-2035)
- 22 per cent increase to 837,000 ticketed attendees annually, including 34,500 new out-of-town ticketed attendees (142,000 total out-of-town visitors to TD Place annually)

QUESTIONS?