

The Land Economist

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Professional Journal of the



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Municipal competitiveness

by Jim Bruzzese CGA, PMM and Catherine Minshull MBA, BComm

Provincial policy changes over the past five years have had a significant impact on municipal budgets, municipal decision-making and ultimately the amount of property taxes paid across Ontario. A new study developed last year is helping to quantify and compare results.

“This study has helped municipal decision-makers to identify the factors that impact property taxes within each municipality,” says Shaffee Bacchus, Commissioner of Corporate Services for the Regional Municipality of Niagara. “It also has been useful in aligning property taxation policies with economic development programs and initiatives.”

Conducted by BMA Consulting, the Municipal Competitiveness Study arose out of municipal concern about the impacts of provincial policy:

1. The transfer of additional services and costs from the province to municipalities had varying impacts across the province. While the exercise was intended to be revenue neutral, an independent auditor hired by the province indicated

recently that, for many municipalities, the impact was in fact not revenue neutral.

2. The province-wide, regularly updated property reassessment improved the transparency in the tax system and provided the ability for taxpayers to make comparisons across municipalities using the same base year values. It also produced some large shifts in relative tax burden.
3. New municipal tax policy tools permit the shifting of tax burdens between classes of properties. These include the ability to establish a number of optional classes in the Commercial and Industrial classes, tiered tax rates, phase-in policies and the ability to change the relative tax burden between classes of properties.
4. Education rates for Commercial and Industrial properties are far from uniform across Ontario. See *Graph 1*.

The 44 municipalities surveyed for the 2001 study comprise more than 50% of the Ontario population. Analysis was undertaken in the following areas:

- general statistics
- tax policy analysis
- relative tax burden using “like property comparisons”, and
- review of programs that promote economic development.

Working in conjunction with Colliers International and Municipal Property Assessment Corporation, BMA analysed a sampling of properties from each municipality, across 14 property types, to create a database in excess of 2,000 properties. The relative burdens for each property type were calculated, including property-based taxes, and typical water and hydro consumption.

Highlights

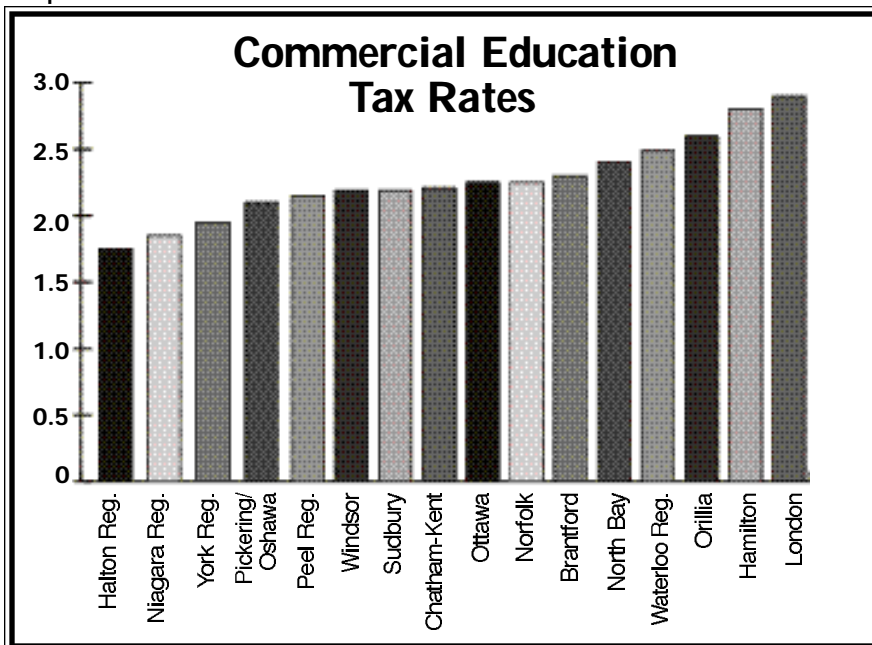
There was a large range in the “richness of the assessment base” across the survey. Assessment per capita ranged from a low of \$41,000 in Brantford to a high of \$125,000 in the City of Vaughan. Typically, municipalities with poor assessment bases tended to have less flexibility in their tax policies, and tended to place a higher proportionate municipal tax burden on their Commercial and Industrial property classes.

Municipal spending on a per capita basis ranged from a low of approximately \$550 in Norfolk to a high of \$1,100 in Niagara on the Lake. Spending did not follow predictable patterns in terms of population, growth, or richness of assessment base. It varied as a result of factors such as differences in service levels, locational factors, social assistance, and GTA pooling costs and user fee policies.

Municipalities with the highest level of building permit activity included Vaughan, Richmond Hill, Niagara-on-the-Lake, Markham, Mississauga and Oakville.

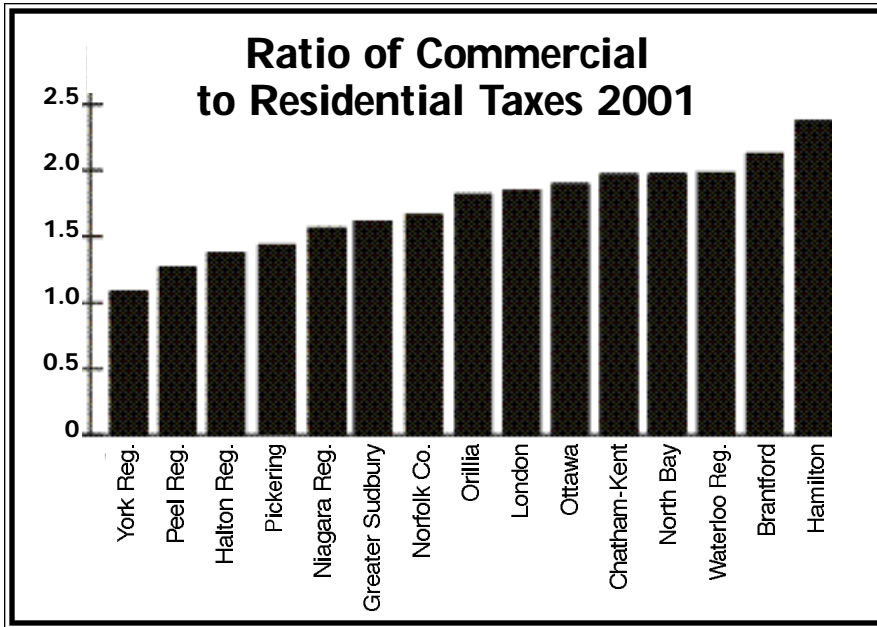
For the majority of municipalities included in the survey, a significantly higher tax burden is placed on Multi-

Graph 1



SOURCE: BMA CONSULTING

Graph 2



SOURCE: BMA CONSULTING

residential, Commercial and Industrial properties compared to Residential properties.

Graph 2 reflects the tax ratios for the Commercial class for some of the municipalities included in the survey.

Some municipalities such as Chatham-Kent, Ottawa, Durham and Hamilton have established optional classes (Office Building, Shopping Centre, Parking lot/Vacant Land and Large Industrial) to address specific assessment-related issues.

Relative burdens reflect significant differences in assessed values, the level of municipal taxation, differing education tax rates and tax policy decisions. For example the relative tax burden for comparable properties in the Neighbourhood Shopping Class ranged on a square footage basis from \$2.15 in Kitchener to \$5.25 in Hamilton.

Development inducements vary from city to city. Municipalities have creatively developed programs such as:

- municipal land assembly
- business incubators
- business retention programs
- downtown/area specific programs
- heritage programs
- brownfield redevelopment
- development charge exemptions and/or credits.

Typically, municipalities with older urban centres and with slower growth patterns tended to employ a wider range of incentive programs. In the City of Hamilton, for example, programs include an Enterprise Zone with Tax Incremental Financing, a Downtown Residential Loans Program, waiver of all application fees in the downtown, incentives to improve building facades within Business Improvement Areas, and incentives to improve heritage features of designated heritage buildings. The Downtown

Residential Loans Program, supported by a \$10 million interest free line of credit, aims to encourage almost 600 new dwelling units in the core on properties formerly occupied by offices, warehouses or vacant sites.

“Our downtown programs are important implementing features of council’s plans for the renewal in the core area of the city,” says Ron Marini, Director of Downtown Development.

Future Studies

The Municipal Competitiveness Study “enables municipalities to identify their competitive strengths and weaknesses,” says Michael Real, Senior Consultant with Colliers International. It ultimately creates benefits for taxpayers, “as areas of weakness are addressed through the implementation of effective tax policy initiatives by the municipality.”

For 2002, the study is being updated by BMA Consulting and expanded to include additional municipalities. Features are being added to make the database accessible by the client municipalities in a user-friendly manner.

Jim Bruzzese and Catherine Minshull are partners of Bruzzese Minshull & Associates – Management Consultants (BMA Consulting) www.bmaconsult.com

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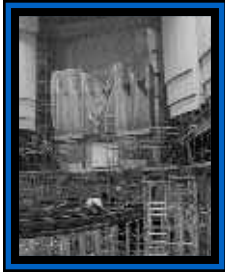
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Cultural renaissance



The first project out of the gate is **Roy Thomson Hall**. It closed to the public in March, and will open in August with much-improved acoustics (the subject of long study and planning). Assuming the federal contribution appears, it will also have a refurbished lobby, and new sponsor and donor lounge. The \$24 million enhancement project is being overseen by Toronto architects Kuwabara Payne McKenna Blumberg (KPMB) and acoustic expert Russell Johnson. Lead contractor is Canadian construction company EllisDon.

The **Canadian Opera Company** is optimistic that its long saga to build a world-class opera house in Toronto will soon reach a happy conclusion. A firm commitment of \$25 million from the federal government — matching the March equivalent-in-land donation from the province — would reignite the ambitious \$150-million



fundraising campaign, to include an endowment, quietly underway for a number of years. Already in discussion with Diamond and Schmitt Architects Inc., Toronto, the COC anticipates being able to turn sod and start construction at the landmark Queen Street and University Avenue site within a year of confirmation of government funding.

The **Royal Conservatory of Music** looks to a new \$36 million Performance and Learning Centre to build on the growing lustre of its Toronto home, McMaster Hall, on Bloor Street. It will replace the east wing of the building, which runs along the University of Toronto's Philosopher's Walk, with a newly-constructed 1000-seat multi-purpose facility for concerts, lectures and film, four floors of program and educational space, and a new-media technology centre.

The **Art Gallery of Ontario's** proposed expansion is predicated on a significant gift, now under active discussion, from publisher and art collector Ken Thomson. This would include a financial contribution towards updating the gallery to house the donation of his renowned private art collection. The



AGO is in preliminary discussions with architect Frank Gehry to design the changes, estimated to cost \$120 million, that would accommodate these significant works if and when agreement is reached. Expansion plans for the neighbouring Ontario College of Art and Design have attracted a lot of comment. Apparently, architects across the city are wondering how Gehry will integrate his designs with OCAD's proposed "big yellow portable on stilts".

by Ca

Since outgoing Ontario Premier Mike Harris made his unilateral announcement on cultural project funding this spring, a lot of people have been waiting breathlessly for the other shoe (filled with the federal million) to drop.

The main announcement on March 19 was billed as a move to create a corridor of world-class cultural tourism attractions running from Bloor to Queen streets along University Avenue in Toronto. It committed \$90 million in provincial SuperBuild funding towards six major cultural renovation and restoration projects worth close to \$500 million:

- \$30 million to the Royal Ontario Museum
- \$25 million in a land donation to the Canadian Opera Company
- \$24 million to the Art Gallery of Ontario
- \$7 million to the Royal Conservatory of Music
- \$2 million to the Gardiner Museum of Ceramic Art
- \$2 million to Roy Thomson Hall

While talks had been under way among the provincial and federal governments and organizations involved, the timing and pre-emptive nature of the announcement took many by surprise.

The plans for all projects depend on significant private sector contributions - some of which are already in hand.

They also depend on receiving matching funding from the federal government - something normally done through co-ordinated announcements.

Background

In 1999, responding to concerns and criticisms about crumbling provincial infrastructure - from roads to hospitals, heritage icons to arenas - the Ontario government announced SuperBuild, a \$10 billion, five-year program leveraging equal or greater private sector investment. Of that, \$300 million was for its Sports, Culture and Tourism Partnerships (SCTP) initiative. In its 2000 Budget, the federal government announced a \$680 million, six-year Canada-Ontario Infrastructure Program (COIP) with similar aims. It was widely expected that

hold?

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110 million of COIP's \$680 million commitment would be directed at cultural and recreational facilities in Toronto.

Other, these two initiatives represented the time in a number of years that government doors had been open to major investment in the cultural sector.

Provincial and federal governments made commitments to 122 sports, tourism and cultural projects. Then, negotiations stalled. There has been public speculation that Ontario's unwillingness to fund the National Ballet School was a sticking point in these agreements – and relations between Harris and the federal government had been difficult for some time.

February 25, a frustrated then Minister of Tourism, Culture and Recreation Tim Hudak announced that the province was ready to proceed. "We met our goal of having decisions made by last fall, but have had to wait to announce these decisions," Hudak stated. Despite assurances from my federal counterparts to the contrary, three months have passed and we still don't have any commitments from Ottawa."

A few weeks later, Harris made his "legacy" announcement on Toronto's cultural projects. In April, the province committed \$3.6 million to the Art Gallery of Hamilton, an integral part of the city's downtown renewal. There have been a number of other SCTP announcements. And there is a long lineup of other projects that have requested SuperBuild funding.

With a new Premier at the helm and hopes for improved relations. Negotiations are ongoing. The federal government has yet to confirm any decisions or timing, although proponents of all projects remain optimistic that the requested federal share will be approved in the near future.

On all parties involved, the answers cannot come too soon.

Michael L. Hancock, Toronto consultant in urban affairs and government policy, formerly headed the tourism agency relations branch of the Ontario Ministry of Culture, Tourism and Recreation.

A partnership which includes the City of Hamilton, Dofasco and the local steel community is behind the plans to re-clad and renovate the **Art Gallery of Hamilton**. The restoration and upgrading project, again by architects KPMB, will bring the building up to the stringent standards required to protect and better display its permanent collection and to host major exhibitions each year. Local labour and materials will provide a clear 'made in Hamilton' identity.



The **Gardiner Museum of Ceramic Art**, Canada's only specialized ceramic museum, will use the anticipated \$4 million in combined government funding to anchor a campaign goal of \$15 million. Its expansion will create a stronger street presence along prestigious Queen's Park Crescent, with additional gallery, studio and education space. KPMB architects have been retained to provide architectural services.

Love it or hate it, architect Daniel Libeskind's much-publicized crystalline design for the new Bloor Street façade of the stately **Royal Ontario Museum** has people talking. ROM hopes to begin the \$150 million Phase I of the 'Renaissance ROM' project in May 2003. On its completion in 2005, it will be followed by a second phase \$50 million renovation to the historic east and west wings. Described as a 'transformation', the project will include 40,000 square feet of new galleries, renovation of historic facilities and improvements to public amenities. Libeskind is working with Toronto architects Bregman + Hamman. Vanbots Construction Corporation has been selected to provide construction management services.



Opportunities for developers/investors

A decade from now, the real estate investment market will feel the impact of demographics again, says Mike Hanna, executive vice president, corporate development, of First Gulf Group.

"The pension funds are the dominant investor, buyer, lender and real estate force in the market today," he told delegates to the Association of Ontario Land Economists' March dinner meeting. "By 2013, 25 per cent of our population will be 65 or greater – and these pension funds will be net sellers of product as they need to fund their pension fund liabilities to an ageing population.

"I think a huge opportunity will exist. I'm not sure if the opportunity is to form a public REIT to acquire the properties, hopefully at higher cap rates and returns, or to align yourself with a deep-pocket foreign entity to acquire the product at discounted Canadian dollars – similar to oil and gas today."

Hanna traced the history of changes in the real estate market. As land supply, economic conditions, credit availability, tax and government policy changed, he said, there was a fundamental shift.

"Today, there are a lot fewer Canadian financial institutions lending in the market; there are fewer Canadian public real estate companies, as well as fewer large private real estate companies. Now US firms are entering into the market as we become the 51st state, i.e. Higgs, Pauls, GE Capital, AEW, and Kimco/RioCan."

He expressed concern that capital taxes for Canadian companies "put us at a competitive disadvantage with pension funds and REITs. The REITs' ability to obtain unsecured debentures allows them to move quickly on all purchases without the risk of needing financing."

To adapt to this changing market, private developers need to diversify their product line and expertise, he said. "First Gulf has become a Nursing Home registered builder, has been active in Design/Build for five years, and

By Rowena Moyes

emphasized its high rise division." Today, 48% of its Canadian investment activity is in industrial product.

"The market for privatization will grow, especially for roads, universities, airports, and public sector buildings. Municipalities are also very active and involved at all phases.

"We will become merchant builders for pension funds and REITs, and multi joint ventures and alliances between two or more parties will become prevalent."

Private developers must offer something the REITs and pension funds don't have, Hanna stressed. "Remember, they are seeking product also. All REITs, pension

funds, foreign developers and investors seek local knowledge and partners."

There is a market opportunity for rental housing developed in a condo structure for liquidity. But it may not last, Hanna said. "It is only there today because of interest rates and the cap rate on valuations, which is currently 7.5%."

Future opportunities include:

- student housing and joint ventures with universities
- redevelopment of downtown cores in Tier 2 cities
- urban brownfield redevelopments
- seniors housing (not regulated nursing homes), and
- redevelopment of older industrial areas by rezoning, to take advantage of lower development charges and existing infrastructure.

News Briefs

Canada to top growth

In its April World Economic Outlook, the International Monetary Fund predicted that Canada would have the strongest economic growth of any of the Group of Seven nations: 2.5% this year and 3.7% in 2003. Equivalent predictions for other G-7 areas were: U.S. (2.3 and 3.4), Japan (-1.0 and 0.8), and the European Union (1.5 and 2.9).

Data on green roofs

Interim study results show a "green" roof with plant material can reduce the overall heat entering a building during the day by more than 85% and that leaving the building at night by about 70%. The study by the Institute for Research in Construction, Environment Canada, the Climate Change Action Fund and roofing companies, is ongoing.

Healthy investment

Between mid April and mid May, the provincial government announced reinvestments of more than \$400 million at hospitals or health care facilities. These include (investment in Millions in brackets): St. Joseph's

Healthcare Hamilton (6.9), Hamilton Regional Cancer Centre (7.8), Ottawa Hospital (73), Sudbury Regional Hospital (20.4), North Bay (109), Scarborough Hospital (15.4), Credit Valley Hospital (19), Windsor Regional Hospital - Metropolitan site (19), Hotel-Dieu Grace Hospital in Windsor (20), St. Joseph's Health Care in London (21.6), London Health Sciences Centre (32), Kingston General Hospital (28), Lennox and Addington County General Hospital (11.2), and Thunder Bay Regional (29).

TO housing starts record?

Canada Mortgage and Housing Corporation has predicted that Toronto area housing starts will reach a record high of 47,000 units in 2002. This would be a 15% increase from the almost 41,000 starts last year. The jump expected in single family construction (up 13% to 19,000) is almost as healthy as that in condo projects (up 16% to 28,000). The growth will be spurred by a 3.7% growth in employment, 65,000 – 75,000 additional population growth, low rental vacancies and continued low mortgage rates, CMHC says.

Profession of the Land

By Gerald Young

In 1963, the year this Association was founded, a typical house cost \$17,500, a conventional mortgage was locked in for 25 years at seven per cent interest, and the average worker earned \$85 at the end of a 40-hour week.

Canada's flag was the Red Ensign. The Liberals under Lester B. Pearson had just taken office in April, after the decision to accept U.S. nuclear arms brought down John Diefenbaker's Conservatives.

That was the year U.S. President John F. Kennedy's life was ended by Lee Harvey Oswald's bullet. The Great Train Robbery in Britain netted a haul of \$8 million.

The tallest building in Toronto was still the Bank of Commerce tower, built in the 1930s. City Hall was the old sandstone building sitting just east of Manning Chambers and Shea's Theatre. Metro consisted of one city and 12 townships, towns and villages.

Malton airport operated out of some elderly brick and frame buildings and we walked across the tarmac to the planes. Construction had just started on the Bloor-Danforth subway line.

The Don Valley Parkway was about to be extended north to Lawrence. Highway 401 consisted of four lanes crossing Toronto, and still had not been completely built from Windsor to the Quebec border.

Bilingualism and biculturalism were generally unthought notions. Computers were used only by the largest corporations or government. But we were told by Canadian communications guru Marshall McLuhan that our world was indeed only a global village.

With the innocence of angels, in the midst of this awesome universe unfolding around us, some 40 or 50 rather dedicated individuals believed it was time to

bring together the diverse members of the Profession of Land, in a comprehensive body.

We wanted to do this because there were some dozen or so separate bodies for planners, property managers, real estate appraisers (four bodies in Ontario for appraisers alone!), realtors, municipal assessors, quantity surveyors, chartered surveyors and kindred professionals. Each of these individuals belonged only to their several professional organizations.

Bringing them together, we believed, would enlarge the scope, understanding and competence of the individual practitioner. Just as the Association of Professional Engineers, for example, was composed of structural, electrical, mechanical and aeronautical and other types of engineers joined in one organization, so too could the Association of Ontario Land Economists be composed of various disciplines joined in a Profession of the Land.

We incorporated this Association with letters patent, given by the Provincial Secretary on March 20, 1963, and the first meeting took place on May 27.

As you will know, the experiment has succeeded in bringing together numbers of diverse professionals who have exchanged their expertise for the individual and common good at meetings, seminars, and in various papers and public submissions. There have been spirited and vital exchanges, animated by many enquiring minds in the business.

We have not yet come as far as we had hoped. But there is today the same reason for bringing us together. We exist, if we really think about it, to help lead members of a fragmented discipline to the awareness of a truly representative Profession of the Land.

Honorary lifetime members

The Association of Ontario Land Economists recently honoured two long-time members for their dedication and service.



Gerald Young

BSc (Est Man), FRICS, AACI, MAI, PLE
Gerald Young was founding president of the AOLE, heading Council in 1963-5. He oversaw the early years while the association sought incorporation and began operations, and served as a Council member until 1977.

Born in Britain, he trained in Canada in 1943-4, with the Royal Air Force (RAF). At 21, Young became a flying boat captain with an air-sea rescue squadron in India and Ceylon. At the end of hostilities, he helped return British and Allied prisoners of war released from Singapore camps.

Seven years after emigrating to Canada in 1954, he partnered respected Toronto appraisal firm Stewart, Young and Mason, which evolved into Integris Real Estate Consultants after he retired.

Alan Mott

DFC, FRICS, PLE

Alan Mott joined the association in 1966 and today serves as its membership chair.

Mott was also a pilot with Britain's RAF during WWII. He was awarded the Distinguished Flying Cross for a stint which included more than 90 flights over Egypt and Germany.

A quantity surveyor by training, Mott emigrated to Canada in 1956. He rose through the development industry, working in several areas of Canada. When he retired from Olympia and York Development Corporation, he had recently overseen major projects in Dallas, New York, and Boston.

New Premier and Cabinet

Since the last report, here are the major milestones for spring 2002:

March 23: Ernie Eves wins the Tory leadership race and becomes the 23rd Premier of Ontario.

April 15: Swearing in of the new Cabinet, with new responsibilities for three of Eves' leadership rivals Elizabeth Witmer (Deputy Premier and education minister); Jim Flaherty (Enterprise, opportunity and innovation); Chris Stockwell (environment and energy, government house leader). Tony Clement retains his post at health and long-term care. Janet Ecker, who dropped out of the leadership race when Eves announced his intention to re-enter politics last fall, becomes Finance Minister.

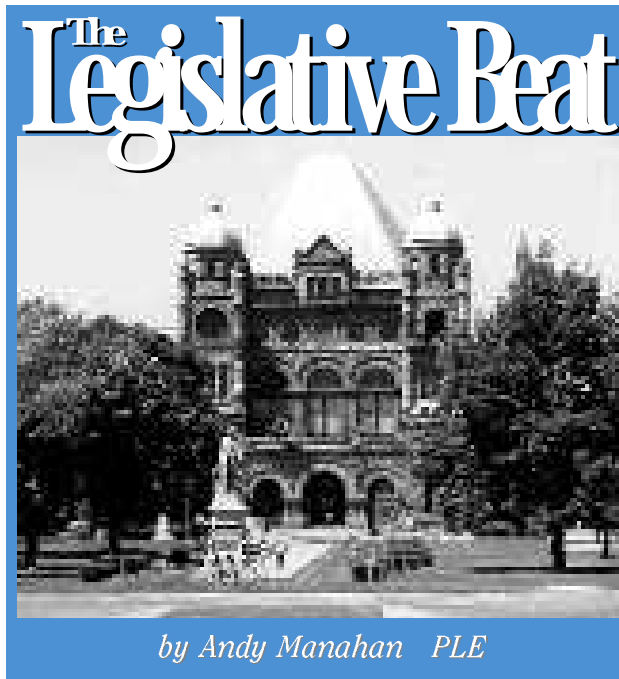
May 2: Two by-elections won by Tories. Ernie Eves took his new seat in the legislature by way of Dufferin-Peel-Wellington-Grey. Al McDonald won in a squeaker in Nipissing.

May 9: Speech from the Throne commits to review the education funding formula, consult more on the Hydro One deal, create tax-incentive zones to encourage businesses to invest in northern and rural communities and allow municipalities to offer tax-exempt bonds to facilitate more infrastructure development.

The Premier has decided to distance himself from his predecessor Mike Harris by being more consultative and by building better relationships with a number of groups, including teachers and nurses.

Sgro Report

On May 3rd, federal MP Judy Sgro, Chair of the Prime Minister's Task Force on Urban Issues, released an interim report titled "Canada's Urban Strategy: A vision for the 21st century." Sgro calls



for action on affordable housing, transportation, and a National Infrastructure Program with stable funding over a 15-year period.

Tina Molinari, Ontario's new Associate Minister of Municipal Affairs and Housing, accepted the report in Toronto. "We must invest strategically and work with a spirit of cooperation with all governments, including the federal government, to ensure that our cities continue to thrive," Molinari stated.

The Association of Municipalities of Ontario welcomed the report's corroboration that demands on services and programs are beyond the capacity of the property tax base. Municipal access to existing provincial and federal taxes has emerged as a key theme in the chorus for a 'new deal', as has improved consultation and coordination on legislation and programs.

Tenant Protection Act Threatened

In February, the Ontario Divisional Court decided that the City of Toronto does have the right to control demolitions and conversions of rental properties. Reactions have been strong. This case arose after the Ontario Municipal Board last year

found that Toronto's Official Plan Amendment No. 2 was improper, and in conflict with the Tennant Protection Act (1998).

When the City appealed, the Divisional Court found that the OMB exceeded its jurisdiction in deciding that OPA2 was illegal. The province did not intend to preclude municipalities from this kind of bylaw when it introduced the TPA, the Court said. A municipality may impose requirements parallel to those of a province, so long as it is possible to comply with both. The Fair Rental Policy Organization of Ontario (FRPO) and other organizations supporting a positive investment climate for private sector rental development are appealing the decision.

Oak Ridges Moraine

In March, Municipal Affairs and Housing Minister Chris Hodgson faced criticism from the Save the Oak Ridges Moraine (STORM) group, over plans to allow 4,150 new housing units in Richmond Hill. STORM had understood that these sensitive lands would not be developed, based on the Minister's November 1, 2001 announcement. Other environmental groups, however, support the overall scope of the moraine plan, including the 160 km long corridor, the 550 hectare park and the objective to protect 90 per cent of the moraine.

Development pressures on the moraine remain contentious. Witness the strong second place showing (36% of the vote) of rookie Liberal candidate, 26-year-old Josh Matlow, against Ernie Eves (47%) in the May 2nd by-election. Matlow's environmental platform focused on the value of family farms, opposition to gravel pits, water source protection, and the importance of controlling development on the Oak Ridges Moraine.

Andy Manahan is Development Promotion Representative, Universal Workers Union, Local 183.

The Land Economist

Federal coffers open

by Carol Hancock

Just after our "Cultural Renaissance" article was printed (see pages 4-5), the federal shoe finally *did* drop and it was filled with millions. And the shoe was actually a ballet slipper!

On May 31, Prime Minister Jean Chrétien announced federal funding decisions - and Premier Ernie Eves confirmed and slightly increased the Ontario government's March 19 commitment - for six major Toronto cultural infrastructure projects. Plus, there was a happy addition: funding from both governments that will deliver state-of-the-art facilities for the National Ballet School - the rumoured deal-breaker in earlier negotiations. This successful outcome is credited to the new spirit of cooperation and cabinet changes under Eves.

The announcement will bring up to \$232 million in combined federal and provincial funding to a jubilant cultural community and city, with quality of life, tourism and broader economic benefits being touted among the anticipated results:

- \$30 million from each government for the Royal Ontario Museum
- \$25 million from the federal government and land valued at \$30 million from the province for the Canadian Opera Company
- \$24 million from each for the Art Gallery of Ontario
- \$20 million from each for the National Ballet School - which



Agreement on the National Ballet School has released federal funds for cultural projects. (Rendering courtesy of the National Ballet School.)

- was missing from the provincial solo announcement in May.
- \$10 million from each for the Royal Conservatory of Music (up from the \$7 million earlier announced as the provincial share)
- \$2.5 million from each for the Gardiner Museum of Ceramic Art (up from the \$2 million earlier provincial commitment)
- \$2 million from each for Roy Thomson Hall

As of June 4, federal decisions on other projects, including the Art Gallery of Hamilton, are still pending.

The New Project

Project 'Grand Jeté', ballet-speak for 'big leap', is the apt title of the National Ballet School's long-awaited project to replace severely outmoded facilities.

The project will preserve two heritage buildings - the original Haveragel College (and former Canadian Broadcasting Corporation building on Jarvis Street), and neighbouring Northfield House, the home of Father of Confederation and

Ontario Premier, Sir Oliver Mowat. Consisting of both new construction and renovation, it will provide the kind of training, performance, academic and residential space needed to secure the reputation of the renowned school into the future.

Private sector developer Context Development, the City of Toronto and the CBC are partners in Grand Jeté.

The \$5.5 million already in hand from two lead donors will kick-start fundraising. Goldsmith, Borgal and Company, working with KPMB, will provide architectural and heritage restoration services.

The first phase of construction is targeted to start on March 2003. Total project costs are estimated in the \$100 million range. Completion is scheduled for March 2006.

Carol L. Hancock, Toronto consultant in urban affairs and government policy, formerly headed the tourism agency relations branch of the Ontario Ministry of Culture, Tourism and Recreation.