

# **Liveblog review of Sidewalk Labs' Master Innovation and Development Plan**

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## Background

## Background

On June 24, 2019, Google sister company Sidewalk Labs publicly released its long-awaited, and much-delayed, *Master Innovation and Development Plan*, its proposal for a “smart city” (though it doesn’t like to use that term) for the Eastern Waterfront, a community built “from the internet up” (though it no longer uses this phrase). In response, Waterfront Toronto convened a rushed series of public consultations ending July 31 (problems with which I detail in the Bonus posts that close out this document).

I have followed the many twists and turns in the Quayside saga since November 2017, when the two agencies debuted their ideas at a livestreamed town hall. As a scholar of knowledge and data governance, I was naturally interested in this project, which has turned out to be more interesting and more controversial than anyone could have imagined. I spent much of 2018 and 2019 in Europe, talking frequently with smart-city and internet scholars about Quayside and have been surprised by the degree of international interest in and bewilderment at the many twists and turns of what a Swedish colleague has called “an urban development thriller.”

Wanting to offer an informed opinion on the project, and also having to read it anyway for professional reasons, at my first free moment I began working my way through this daunting 1,500 page document. For the next four weeks, the MIDP occupied most of my working hours, as I sought just to figure out what was in it, and to get a handle on the implications of what was being proposed.

Almost immediately it became clear that there was no way that a normal person could possibly digest this document before the July 31 deadline, given both its length and the confusing way in which Sidewalk Labs has chosen to make its case, a theme I return to often in the following posts. So, I decided to record my impressions of the document as I worked my way through it, both for my own edification and to help others who may be intimidated by its size and opacity.

The following posts offer a page-by-page real-time analysis of the MIDP, highlighting what I saw as key points and concerns in it and key supporting documents as I worked my way quickly through the document (the speed also helping to explain the hopefully few formatting and grammatical errors you will encounter). It is best treated as a guide to the MIDP, its themes and problems. My analysis draws on my experience in studying data and intellectual property governance, my background in public finance and macroeconomics, and a professional background as a researcher for the Parliamentary Information and Research Service. This last job (1999-2005) included serving as an analyst for various parliamentary committees and gave me a keen appreciation for what makes a good report.

This document is structured as follows. The first part is my submission to the Waterfront Toronto consultations, in which I sum up my concerns with the MIDP. It is followed by a guest post by Dr. Natasha Tusikov, an assistant professor of criminology at York University, who outlines the five agencies Sidewalk Labs proposes in the MIDP.

The main body of this document consists of 43 posts analyzing the MIDP, key precursor documents (selected to provide context for my MIDP analysis), and concluding with Waterfront

Toronto's *Note to Reader*, issued as a guide to and critique of the MIDP. The final six posts offer a running commentary on Waterfront Toronto's consultation process.

Those wishing to read these posts in their natural habitat, which include the YouTube videos excluded from this print version, can find them at <https://blaynehaggart.wordpress.com/midp-liveblog-entries/>.

I hope you find this document useful.

Blayne Haggart  
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August 27, 2019

### About the author

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## Waterfront Toronto Submission

## **Bonus entry 5: My submission to Waterfront Toronto Quayside development consultations**

Posted on [August 1, 2019](#) by [bhaggart](#)

*Note: Waterfront Toronto's initial consultations on Sidewalk Labs' 1,496-page Master Innovation and Development Plan ended yesterday. The results will be used in some way to inform something that Waterfront Toronto has planned for the Fall. Maybe it'll be a report on the feedback itself, as indicated in its [Note to Reader](#). Maybe it'll be input into its official [response to the MIDP](#) (which is weird since the Plan Development Agreement joins Sidewalk Labs and Waterfront Toronto at the hip in the development of the MIDP, but, you know, whatever). Or maybe it'll be used to [“design the second round of public consultation planned for this Fall.”](#) Or maybe all of them! Or none of them! It's all very TBD, which is probably not the best look for an organization that might want to convince the public it can manage a multi-billion-dollar smart-city project.*

*Anyway, since I've been liveblogging the MIDP it made sense for me to submit something. I'm not yet finished the report; I have a backlog of about 20 more posts at the moment (it's a loooong report) but still have about 200 pages to go. Since Waterfront Toronto's surveys don't really allow for an easy way to get at the fundamental problems with the MIDP. I also didn't feel like wasting so much time filling out an anonymous survey (that the only way to participate online is anonymously is a problem in itself).*

*So I emailed them my views on the project. I have no idea whether they'll be accepted, arriving as they did in such an unorthodox manner.*

*Anyway, for the record, here's my take on the MIDP, as someone who's tried to pay very close attention not only to the report but the context in which it was written. In short, I believe the MIDP goes far beyond the RFP and fails to deliver a Quayside-only development plan. Between this failure and multiple process and substantive issues, the MIDP should be rejected.*

**[Further note, August 27: This submission was prepared on July 31, the deadline for submissions for Waterfront Toronto's Round One of consultations, and before it announced a renegotiation of the Master Innovation and Development Plan, which gives Sidewalk Labs until October 31 to respond to Waterfront Toronto's concerns.]**

### **Submission to Waterfront Toronto Quayside development consultations**

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**July 31, 2019**

This submission is based on an almost-complete review of Sidewalk Labs' Master Innovation and Development Plan. After having spent three weeks reviewing the Plan ([chronicled on my](#)

[blog](#)), I have read to page 63 of Volume 3, or page 1,313 of the overall consolidated document. In this submission, I address fundamental problems with Waterfront Toronto's consultation process; the inadequacy of Sidewalk Labs' proposed plan when measured against Waterfront Toronto's original Request for Proposals; and some of the more problematic aspects of a poorly thought-out development plan.

**For the reasons discussed below, I strongly recommend that Waterfront Toronto reject Sidewalk Labs' Master Innovation and Development Plan and sever its relationship with this company. If Waterfront Toronto remains interested in pursuing an innovative smart-city community plan, it must pursue the internal capacity to develop and evaluate such plans.**

## Flawed consultations process

This submission is lodged with the recognition that the consultation process that Waterfront Toronto has initiated to review this project is both compromised and fundamentally flawed. These flaws go beyond the substantive issues addressed in Waterfront Toronto's Quick Survey and its Substantive Survey. For this reason, I am submitting a written brief, with my name attached, rather than filling out an anonymous survey.

### Lack of review time for initial consultations

Sidewalk Labs released its Master Innovation and Development Plan (MIDP) on June 24. Waterfront Toronto initiated two rounds of consultations, one ending July 31 (today) and the other to be held sometime in the Fall. The first round of consultations, which consisted of a series of public meetings and information sessions held between July 8 and 25, and an anonymous short and long online survey.

The MIDP is a long, complex document that, if implemented, would involve extensive multi-level governance reforms and the implementation of currently non-existent technologies, or technologies that have not yet been proven at scale. It is based on assumptions regarding the future development of cities – such as the appropriate balance between cars (self-driving or otherwise) and public transit – that are policy-based, not technological. It invents terms, such as “urban data,” that are not in wide use (beyond these documents) and whose meanings are thus unclear.

It is, to be blunt, ridiculous bordering on absurd that Waterfront Toronto began its [“Public Consultations on Sidewalk Labs’ Proposal for Quayside”](#) only two weeks after the report was released, in the dead of summer. I have been reading, writing and blogging about it nearly non-stop for the past several weeks, and I will likely finish reading the whole thing tomorrow (August 1, one day after the first deadline). As for Sunday, July 28, Bianca Wylie, probably the person who’s paid the most attention to this file outside of Waterfront Toronto and Sidewalk Labs, had not yet finished reading and analyzing it. Choosing an arbitrary deadline 38 days after this report was released, in the summer, is a recipe for shallow or prejudged hot takes. Any public information that Waterfront Toronto will get from this process will be relatively useless.

As a barometer of public opinion, moreover, the anonymous nature of the surveys leaves the system open to being gamed by pro- or anti-Quayside partisans, will make it similarly useless.

### **Minimizing effective public input**

What's more, the exact nature of the Fall consultations and the overall timeline remains frustratingly opaque. [Waterfront Toronto's website cryptically notes](#): "Feedback received over the summer will help us design the second round of public consultation planned for this Fall."

However, it does not make clear what the exact topic of consultation will be. Waterfront Toronto's [Note to Reader](#), released days after the MIDP as a seeming first reaction to the MIDP, merely states that submissions received up to July 31 "will be summarized and shared publicly by the end of August 2019."

A [July 17 Financial Post article](#) that sources two senior Waterfront Toronto officials, reports that: "In September, Waterfront Toronto will publish a response to the MIDP pulling together criticisms and concerns based on public commentary and responses from the various levels of government." Then, "After Sidewalk Labs receives the formal response document from Waterfront Toronto, the public agency says it will hold a second phase of public consultations toward the end of 2019 to solicit public feedback on any substantial changes that Sidewalk makes as they turn the draft MIDP into a final document."

Finally, in correspondence with Waterfront Toronto, I've been told that the timing of the consultations is "TBD."

This lack of clarity for consultations on a multi-billion-dollar project is profoundly disturbing. Is Waterfront Toronto merely writing a report on these summer consultations? Is it designing consultations based on the summer sessions? Is it preparing a formal September response to Sidewalk Labs, with the public only allowed full voice on a final, take-it-or-leave-it proposal?

Based on the *Financial Post* story, as well as the aggressive timelines Sidewalk Labs has proposed for the project (Volume 3, p. 203), it looks like Waterfront Toronto will be basing its formal response to the MIDP on three weeks of flawed (to say the least) summertime "consultations."

If the *Financial Post* article is accurate, by delaying substantive public contributions until after Sidewalk Labs has released a final MIDP, Waterfront Toronto is denying the public the opportunity for meaningful feedback on the MIDP, since they will only be commenting on changes Sidewalk Labs would make. And at any rate, these consultations would have to address the quality of and recommendations in Waterfront Toronto's September report.

**At the very least, the process Waterfront Toronto is following needs to be made clear. An informed public's voice – beyond the July consultations – must be included in Waterfront Toronto's formal response to the draft MIDP.**

## Waterfront Toronto's impartiality

**Waterfront Toronto needs to explain the exact nature of its relationship with Sidewalk Labs.** As I detail in a [blog post](#), the Plan Development Agreement, which sets out “a roadmap for the planning phase of the Project involving the preparation and creation of a Master Innovation and Development Plan” (Preamble), requires that Sidewalk Labs and Waterfront Toronto jointly produce the MIDP. However, Waterfront Toronto Chair Stephen Diamond [claims](#), “Waterfront Toronto did not co-create the MIDP.”

This goes directly against what is in the Plan Development Agreement, as well as common sense. From the very beginning, as I detail in the aforementioned post, Sidewalk Labs and Waterfront Toronto have pursued a collaborative approach to governance:

a bold, first of its kind, and innovative approach to city-building to deliver transformative benefits in quality of life to a diverse set of residents, workers, and visitors in Toronto. This requires the collaboration of Waterfront Toronto and Sidewalk Labs to develop the MIDP. (Plan Development Agreement, Schedule J, 1.01(a)))

Diamond’s comments and Waterfront Toronto’s attempts at running a public consultation in the manner that it has come across as an attempt to present Waterfront Toronto as the independent arbiter. However, the PDA and Waterfront Toronto’s past collaboration on this project render it impossible for Waterfront Toronto to play this role. It would have been far better for Waterfront Toronto to admit that this is a collaborative effort and proceed on those grounds. Instead, it is now very difficult to believe that these consultations are a sincere attempt to gauge public opinion or to incorporate it into the review process.

## MIDP an inadequate response to the Request for Proposals

### Beyond Scope

The MIDP represents an inadequate, over-reaching response to Waterfront Toronto’s original Request for Proposals. The RFP officially focuses on the 12-acre Quayside Development (RFP, p. 6), although it is envisioned as “a pilot environment for the broader eastern waterfront revitalization” (RFP, p. 14).

The RFP, in other words, clearly saw Quayside as the main focus, with Waterfront Toronto reserving the right to advance Quayside-developed “solutions, processes and partnerships across the eastern waterfront “as those lands become available to Waterfront Toronto (as per the established protocols with the City of Toronto)” (RFP, p. 6).

Instead of a Quayside development that could potentially be rolled out into the entire Eastern Waterfront “as those lands become available to Waterfront Toronto (as per the established protocols with the City of Toronto),” Sidewalk Labs’ MIDP presents a comprehensive plan for developing Quayside and part of Villiers Island, and for regulating and rolling out technology for

a much larger part of the Eastern Waterfront, which it terms the IDEA District (Quayside plus what it refers to as the River District). While the MIDP claims that Quayside is the initial development, it is only the initial development in the way that installing a foundation is the initial part of building a house.

Moreover, Sidewalk Labs' emphasis on bringing Google's Canadian branch headquarters to Villiers West, which it would own, further suggests the extent to which this is an Eastern Waterfront, and not Quayside, development project. As the [urbanMetrics-supplied economic analysis of Sidewalk Labs' proposal](#) remarks, and as Sidewalk Labs reiterates throughout these 1,496 pages, Google's presence is designed to be the economic catalyst for this entire project:

**Notwithstanding the range of other urban innovations proposed**, this initiative alone presents an opportunity to cement the Eastern Waterfront as an innovative new district that could become an industry leader in advancing city-based technologies. (p. 15, emphasis added)

That Sidewalk Labs is not presenting a Quayside development that might be expanded into the Eastern Waterfront, but rather a comprehensive plan for development of a huge swath of said waterfront, is further reinforced by March 6, 2019, comments by Sidewalk Labs CEO Daniel L. Doctoroff. [In a Canadian Press interview](#), Doctoroff indicated that Sidewalk Labs will abandon the entire project if light rail is not extended to the Eastern Waterfront: "At the end of the day, if there is no light rail through the project, then the project is not interesting to us, to be perfectly honest."

In the MIDP Overview, Sidewalk Labs frames the light rail as part of its Quayside-plus plans to develop at "geographic scale":

Quayside alone is not large enough to support the financing of the proposed LRT extension, a major, new public work; the density across a larger area is needed to cover the projected cost. (Volume 1, p. 225)

Doctoroff's comments, combined with Sidewalk Labs' positioning of light rail in terms of its overall project, make it pretty clear that Sidewalk Labs is not proposing a Quayside development phase, but rather a comprehensive Eastern Waterfront development project, of which Quayside is only one district, not a project in and of itself as envisioned in the RFP.

**Based on this failure to follow the RFP, this MIDP should be rejected.**

## Substantive issues: Brief overview

I will be laying out my analysis of the substantive issues regarding the MIDP on my [blog](#) over the next several weeks. Due to the length and varied subject matter of the MIDP, this series will likely run until the end of August 2019. From a general perspective, however, I can make several points.

## Overly optimistic proposal

Almost all (if not all; I still have a few pages to go) of Sidewalk Labs' promised outcomes presented in the MIDP are based on absolutely nothing going wrong with anything. It presents no second-best scenarios, no assessments of the effect of particular parts of the plan not coming to pass. For a proposal that is based on using never-before-tried (either at all or at scale) technologies and convincing the three levels of government to change laws and regulations, the lack of such assessments is reckless.

Some of the most problematic assumptions are:

- Self-driving cars. This proposal has as a fundamental assumption in its mobility plans that self-driving cars will become a transportation mainstay by 2035. This might come to pass. However, as an engineer once told me, self-driving cars are five years away, and will continue to be for the foreseeable future. Moreover, their arrival would require not only technological advancements, but also policy and regulatory changes that would be made at the national, if not international, level. This fact would leave the success of Sidewalk Labs' plan dependent on factors outside its (if not fully Google's) control.
- A mass timber industry. The emergence of this industry would depend on regulatory changes as well as the industry proving viable at scale. Again, this might happen. Or it might not. Its success lies outside of Sidewalk Labs or Waterfront Toronto's control.
- Building currently illegal apartment units. Most of the economic efficiencies that Sidewalk Labs claim would allow it to build cheap affordable housing are based not on technological innovations, but rather on convincing the City of Toronto to change its laws to shrink the size of the smallest legal apartment. My first solo apartment was a minuscule studio in Toronto that could barely fit three people standing up. It was a legal apartment – my landlord was very conscientious. Personally, I can't imagine allowing the construction of even-smaller apartments, but more to the point, Sidewalk Labs' attempts to get this concession from the City of Toronto will be sure to attract vehement opposition from housing and tenants' rights activists.

The main point here is that it would be very easy to imagine one or all of these things failing utterly and completely for reasons almost totally out of Sidewalk Labs or Waterfront Toronto's control. That Sidewalk Labs does not introduce any plans for such contingencies means that we have to assume that the benefits of its proposals will almost certainly be smaller (perhaps much smaller) than they currently predict.

## No cost-benefit analysis

With the slight exception of an analysis of the weather's effect on outdoor activity, the MIDP does not include any attempts at quantifying the degree of "harms" that its technological solutions (in some cases, quite pricey solutions) are designed to solve. Heated sidewalks may be nice, but what is the current cost of not having heated sidewalks?

A more direct way to make this point is, why should Torontonians divert scarce resources to build the transit link that Sidewalk Labs claims is a deal-breaker rather than build the long-

needed downtown relief line? It's not that the case can't be made for one or the other; it's that Sidewalk Labs doesn't even bother, in the MIDP, to make the case.

Sidewalk Labs' failure to present such figures means that we have no idea, from reading this report, whether its proposals represent an efficient investment of public money.

### **Dramatic, inefficient expansion of bureaucracy**

Perhaps the most surprising part of Sidewalk Labs' plan is its proposal to create several new bureaucracies, including one that would either replace or rewire Waterfront Toronto itself.

The surprise comes from the shocking lack of specificity about the financial and human resources that these organizations would need to do the amazingly complex and varied tasks they would be asked to undertake. As it currently exists, Waterfront Toronto does not have the capacity to manage all the tasks Sidewalk Labs wants these new agencies to perform.

How many employees would be needed to run these organizations? Nothing in the MIDP addresses this question.

How much money would be needed to run them? Sidewalk Labs assures us, without providing any specifics, that user fees and a share of taxes can do the job? But this assurance is empty if it's not accompanied by any kind of analysis.

**Given its proposed dependence on user fees, Sidewalk Labs should provide a comprehensive tally of the extra taxes and user fees Quayside/Eastern Waterfront residents and users would be expected to pay.**

Neither, in a report single-mindedly fixated on arguing that the Eastern Waterfront and not Quayside is the proper financial and technological scale for this project, is it ever justified (either financially or logically) why the Eastern Waterfront – a relatively tiny piece of land in the scheme of the entire City of Toronto – is the correct scale for such bureaucratic changes.

### **Example: The Waterfront Transportation Management Association**

The (uncosted) Waterfront Transportation Management Association provides us with a good example of everything wrong with Sidewalk Labs' bureaucracy proposals.

As a subsection of the Waterfront Toronto-like agency supervising development, it would be responsible for coordinating “the transportation system in the IDEA district by deploying a mobility management system” (pp. 84-85). It would not have much of an effect at the Quayside level (Volume 2, p. 85).

Its roles would be varied, focusing mainly on the operational, technical and administrative:

- Creating a mobility subscription package
- Deploying a holistic mobility management system

- Managing and setting prices for the curbside and parking systems
- Procuring and operating new technologies, such as adaptive traffic signals, dynamic pavement, freight and deliveries, or other third-party systems and apps
- Integrating systems with third-party navigation apps
- Allocating space across the needs of mobility, access, safety, and the public realm
- Reporting on performance targets related to congestion, mode share, and customer service (p. 86)

It would also:

- Develop specific guidelines (p. 87);
- “Oversee planning, operations and maintenance” of all roads, hardware and software for parking, curb and traffic management;
- Set and enforce parking, curbside and road usage fees;
- setting speed limits;
- Manage street closures for construction or events;
- handle data properly;
- create a trip-planning interface/app Sidewalk Labs is all keen for;
- Snow and debris clearing “beyond heated pavement”;
- Constructing and financing roads or parking facilities; and
- Run the “advanced mobility management system”.

These are a lot of roles, and it will take many people to fill them. It would require workers to do both physical labour and maintain complex IT systems, systems that are much, much more complex than anything Toronto has today, in part because everything is interconnected.

Again, how much would this type of bureaucracy cost? Can this cost be justified for such a tiny parcel of land?

This is not a concrete plan for an actual organization, but a list of things that Sidewalk Labs needs to be done for its project to work. That Sidewalk Labs has not fully thought this through – that they have not come up with a plan, but some ideas – is suggested by the lack of attention to resources needed.

It is also reflected in the fact that its sole concrete suggestion for a WTMA is that the agency responsible for plowing the roads, maintaining the software, closing off roads for block parties and collecting fees “would include a steering committee with representatives from all three orders of government” (Volume 3, p. 70). It makes less than no sense that this form of governance – a recipe for inaction that contributed to Waterfront Toronto’s inability to move quickly on waterfront development in the first place – be placed at the operational level. As proposed, the WTMA would not be a policy-making body; there would be no need for a tripartite steering committee here.

This kind of thing is Federalism 101. That Sidewalk Labs isn’t aware of this type of politics demonstrates the extent to which this report is not ready for prime time.

## Sidewalk Labs as de facto governmental body

Sidewalk Labs sees one of its key roles as the de facto tech and infrastructure standards governor for the IDEA District. This would give it regulatory powers akin to those of a city, as it would determine the standards that residents and businesses would have to adopt.

This is a role that should only be conducted by an accountable body. Sidewalk Labs is not such an organization. Moreover, while Waterfront Toronto or its successor agency would have some official power in this area, nothing to date suggests that the organization is capable of dealing with issues of technological governance. Indeed, the [Auditor General of Ontario's December 2018 report into Waterfront Toronto](#) noted that neither Waterfront Toronto nor the Province of Ontario had sufficient capacity in this area.

In the case of Sidewalk Labs, its involvement in the Eastern Waterfront raises the strong possibility that, as a Google company, it will adopt Google standards and technologies, which may not be the most appropriate for the area. Rather than run a competition to see what type of standard the districts should adopt, as would a normal government agency, in the MIDP Sidewalk Labs says it would implement a Google internet network technology called Super-PON. This proposal, a clear conflict of interest from a Google sister company, should be a harsh reminder that Sidewalk Labs' primary loyalty will always be to Google. It would be unreasonable to assume that a de facto Google company like Sidewalk Labs would act otherwise. It suggests why it is a very bad idea to put companies in charge of standard-setting: the temptation for self-dealing is too great.

This conflict of interest from Sidewalk Labs highlights the fundamental flaw with the original Request for Proposals: it gave the responsibility for these powers to its private-sector partner. By asking a for-profit company to tell it how it should govern, rather than to help it carry out a plan, Waterfront Toronto abdicated its responsibility to the public.

## Unclear data commitments

As I will be covering in my blog posts, Sidewalk Labs' data commitments are much less than meets the eye. Its definition of "urban data" and "transaction data" serves to obfuscate more salient descriptions of data as "public" or "private." Its commitment not to sell personal data or to use it for advertising is undercut by its claim that it will only do so if given "explicit consent." The problem here is that, as Sidewalk Labs defines the term, urban data is data collected in public for which individual consent is very difficult. Consent must therefore come through some kind of collective regulation. This is not how most people would understand "explicit (individual) consent."

This type of commitment is no commitment at all; at best, it defers the actual discussion about what data can and cannot be collected for another day, once the MIDP has been approved.

## Conclusion

This paper represents a very incomplete analysis of issues arising from the MIDP, the process that led to it, and the current consultations process. As already stated, there are sufficient fundamental flaws with this process, as well as with what the MIDP promises to deliver, that it cannot be salvaged.

There is no independence between Waterfront Toronto and Sidewalk Labs. Sidewalk Labs has failed to deliver on what the RFP required. It has failed to fully account for the bureaucratic burden of its proposal while also failing to make clear, explicit commitments on data use. Waterfront Toronto does not have the capacity to implement a smart-city-style project. Finally, the consultation process does not give adequate voice to the public that Waterfront Toronto is supposed to serve. For these reasons,

**I strongly recommend that Waterfront Toronto reject Sidewalk Labs' Master Innovation and Development Plan and sever its relationship with this company. If Waterfront Toronto remains interested in pursuing an innovative smart-city community plan, it must pursue the internal capacity to develop and evaluate such plans.**

## **Outline of the five proposed waterfront agencies**

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan: Guest post: An analysis of all the new public agencies proposed in the MIDP

Posted on [July 21, 2019](#) by [bhaggart](#)

*I won't start posting about the actual MIDP for a couple of days (so much background reading...), but to whet your appetite, please enjoy this comprehensive guest post from [Dr. Natasha Tusikov](#) of York University. – bh*

[Previous Master Innovation and Development Plan liveblog entries available here](#)

Sidewalk Labs, the Google sister company, outlines its plans for the proposed smart city on Toronto's eastern waterfront in its [Master Innovation and Development Plan](#) (MIDP), released June 24, 2019. As part of its ambitious 1,500-page MIDP, Sidewalk Labs proposes the creation of five so-called "management entities" falling under a public administrator that would be responsible for managing the IDEA District on Toronto's eastern waterfront. The new public administrator would involve creating a public body, amending an existing government department, or, possibly considerably augmenting Waterfront Toronto's authority. As envisioned by Sidewalk Labs, the new public administrator would be a governmental body with relevant departments from the City of Toronto as stakeholders.

The public administrator would manage and oversee the Waterfront Transportation Management Association (WTMA), focused on mobility, and the Waterfront Sustainability Association (WSA), focused on sustainability. The public administrator would also act as sole trustee for one private body, the Waterfront Housing Trust (WHT), a public-private financing entity.

In addition, the public administrator would help coordinate the management the Open Space Alliance (OSA) and the Urban Data Trust. The OSA, which would focus on managing physical and digital infrastructure in public spaces, would be managed by a public-private body. The Urban Data Trust, which would govern all data collected and used within the IDEA District would exist first as an independent non-profit organization and then, potentially, evolve into a public agency.

Based upon a preliminary analysis of the Master Innovation and Development Plan, the following is intended to provide a concise overview of the five management entities that the public administrator would directly manage or facilitate coordination among public and private stakeholders. Although Sidewalk Labs devotes sections in chapters to each of the management entities, information on these entities and their duties is scattered across the entire MIDP.

This overview describes each proposed entity and also identifies key regulatory adjustments that would be needed to implement its plans. It also highlights the proposed sources of funding because funding will come from new fees (paid by residents or businesses) or by reallocating revenues. People will have to pay for this. Sidewalk Labs lists all its proposed regulatory adjustments and reforms in the Volume 3, Supplemental Tables, pages 224-232.

## Expanded Geographical Scope



The original Request for Proposal, released by Waterfront Toronto, the tripartite public agency that issued the bid, pertained only to the 12-acre Quayside region, although there was a possibility for the successful vendor to apply for an expansion or for the project to be extended into the wider Eastern Waterfront under certain conditions. In its MIDP, however, Sidewalk Labs proposed plans cover 190 acres of what its terms an “Innovation Development and Economic Acceleration” (IDEA) District. The IDEA District would have seven neighbourhoods (see Sidewalk Labs’ map). Sidewalk Labs argues that its ideas and proposed technologies would be most effective when deployed throughout the larger IDEA district (outlined in the map below in checked line). Villiers Island West is Sidewalk Labs’ proposed site for the new Canadian Google headquarters.

### The “management entities”

## Waterfront Transportation Management Association (WTMA)

### **Q: What is the Waterfront Transportation Management Association?**

As proposed by Sidewalk Labs, the WTMA would be established as a new public body under the IDEA District public administrator. The WTMA would be responsible for managing and operating physical and digital infrastructure relating to transportation within the IDEA district, most significantly deploying a real-time data-based mobility management system to coordinate all traffic.

### **Q: What stated need would the WTMA address?**

According to Sidewalk Labs, an innovative approach to mobility and transportation, including its proposal for real-time pricing for parking and passenger drop-off/pick-up, requires the

coordination and direction of a single dedicated entity. This single entity does not currently exist within Toronto as many of the functions that Sidewalk Labs proposes for the WTMA are undertaken by separate departments, such as the Transportation Services Division and the Toronto Transit Commission. Sidewalk Labs contends that bringing together these functions under a single entity—the WTMA—and adding additional functions like the mobility management system, will deliver more efficient, sustainable mobility services in the proposed IDEA District.

### **Q: What are the proposed responsibilities of the WTMA?**

The WTMA would be responsible for creating and operating a mobility management system. Working in collaboration with the City of Toronto's Transportation Services Division and the Toronto Transit Commission, the WTMA would:

- maintain and replace the proposed modular pavement system, which are hexagonal pavers used to construct streets (including heating or traffic signals);
- deploy a real-time mobility management system that monitors and coordinates all streets and traffic signals within the IDEA District in real time, gathering data on traffic volume, delays, weather, and emergency vehicles to coordinate traffic and provide real-time information on pricing (e.g., of parking or curbside drop-offs) and route closures;
- assume control over curbside policy and control over pricing of the use of curbs, areas currently the purview of the City of Toronto;
- oversee planning, operations, and maintenance of new mobility-related infrastructure, such as dynamic curbs (Note: dynamic curbs use lighted pavement or signs to make street spaces flexible to provide passenger loading zones during rush hour and public spaces at off-peak times for activities like pop-up street fairs);
- apply data analytics to employ real-time pricing on parking and curb usage, as well as manage and set those prices;
- procure and operate new technologies, such as adaptive traffic signals, dynamic pavement, freight and deliveries, and integrate systems with third-party navigation apps;
- set speed limits on speed-separated streets;
- undertake (or contract public or third parties to) construct and finance roads or parking facilities, and clear snow and debris; and
- create a mobility subscription package for IDEA District residents, which would include a TTC monthly pass and travel credits or subsidies across all modes, including bikeshare or ride-hail services.

### **Q: How would the WTMA be funded?**

Sidewalk Labs proposes that the WTMA's operations be financed by fees in a way that ensures the entity is self-sustaining. In particular, WTMA would collect fees for parking, curbside pick-up/drop-off fees, road user fees for ride-hail vehicles using the project's specially designed local streets, and charges for mobility services in relation to its operation of dynamic streets and curbs within the IDEA District. Revenue would also come from on-site parking garages and the sale of mobility packages.

### **Q: What would be required to implement the WTMA?**

Sidewalk Labs proposes to create the Waterfront Transportation Management Association as a public body under the proposed IDEA District Public Administrator which would require amending existing or creating new legislation. Certain policymaking and enforcement responsibilities would have to be devolved from Toronto's Transportation Services Division and Toronto Parking Authority to the WTMA, such as control over parking and curbs.

### **Q: What challenges does the WTMA raise?**

The creation of the WTMA as a new public entity would require amending existing or introducing new legislation. As envisioned, the WTMA would assume control over parking and curbside policymaking, pricing, and enforcement from the City of Toronto and the Toronto Parking Authority. How this devolution of duties and loss of revenue from parking within the IDEA District may affect the Toronto Parking Authority will have to be considered.

While Sidewalk Labs envisions one entity coordinating all transportation and mobility services within the IDEA District with a steering committee with representatives from all three levels of government, it's unclear how the WTMA would operate with existing departments within Toronto. Sidewalk Labs states that the WTMA would be largely (or entirely) self-funded through the collection of revenue from parking and curb pricing. However, given the breadth of its proposed duties, the WTMA will likely need ongoing public funding to fulfill its mandate. It's also unclear whether there is the political and public appetite for creating a new public agency to coordinate transportation issues within a single neighbourhood.

A risk that Sidewalk Labs clearly lays out in its master plan is that the WTMA would yield greater benefits at the scale of the River District and even more so at the IDEA District, which could not effectively be realized if it were deployed only in the smaller Quayside district. Waterfront Toronto's original Request for Proposal was for Quayside only, not for the much larger IDEA District proposed by Sidewalk Labs. Another significant challenge to the proposed WTMA entity is that if the transportation management system were restricted to Quayside instead of being extended across the IDEA District, according to Sidewalk Labs, the effects "would be limited, as there are simply not enough intersections to balance safety, congestion and trip choices" (2019, Ch. 1, p. 95). Sidewalk Labs clearly states that it wants to apply its proposals throughout the IDEA District instead of the much-smaller Quayside area that was the subject of the public consultations.

### **Key regulatory adjustments:**

In order to implement its dynamic curb and real-time pricing plans, and to set its own speed limits within the IDEA District, amendments would be needed to the *Ontario Highway Traffic Act*, *City of Toronto Act*, *City of Toronto Municipal Code*, the *City of Toronto Zoning Bylaw*, and the *City of Toronto Complete Streets Guidelines*. While these amendments may deliver useful services, permitting the IDEA District to have carte blanche to change rules on parking, speed limits, and street and curb usage could create an unhelpful patchwork of rules and regulatory bodies across Toronto.

## **Waterfront Sustainability Association (WSA)**

**Q: What is the Waterfront Sustainability Association?**

Sidewalk Labs proposes that the Waterfront Sustainability Association be established as a new public body under the IDEA District public administrator with the responsibility for administering private entities responsible for environmental sustainability, including energy and waste water.

**Q: What stated need would the WSA address?**

In Waterfront Toronto's Request for Proposal, it set a goal of making the waterfront area a climate-positive community. In response, Sidewalk Labs proposed the WSA to focus on environmental sustainability, including in regards to waste-water and storm-water management, and an advanced power grid.

**Q: What are the proposed responsibilities of the WSA?**

The Waterfront Sustainability Association would be responsible for operating and overseeing four advanced sustainability systems in the IDEA District: the thermal grid, waste management system, advanced power grid, and storm-water management system. This includes:

- issuing and overseeing operating contracts as needed;
- monitoring compliance with and enforcing service contracts with private third-party operators, including contractual rates;
- establishing a mechanism to hold operators accountable and fairly representing the interests of users in the district for systems that are not currently subject to public regulation; and
- compiling and reviewing key operator performance metrics, including in relation to sustainability objectives.

**Q: How would the WSA be funded?**

Each system operator (e.g., thermal energy) would be responsible for paying certain fees, such as covering the costs for the Waterfront Sustainability Association to maintain operational oversight. System operators would also pay fees to the lead developer for advanced systems (initially Sidewalk Labs and later the public administrator). Participating operators would fund the WSA through fees prorated based on each operator's revenue.

**Q: What challenges does the WSA raise?**

The creation of the Waterfront Sustainability Association as a new public entity, similar to the WTMA, would require amending existing or introducing new legislation. As with the WTMA, it's unclear whether there is the political and public appetite for creating a new public agency to coordinate sustainability-related issues within a single neighbourhood. A risk is that the Waterfront Sustainability Organization would not be self-financing through the collection of fees from system operators, but would require an ongoing source of public funding to fulfill its responsibilities.

### **Key regulatory adjustments:**

In order to implement its plans for sustainable storm-water management, permissions would be needed to the *City of Toronto Act*, *Ontario Energy Board*, *Ontario Water Resources Act*, and the *City of Toronto Wet Weather Management Guidelines*. For its thermal grid extensions, the plans would require permissions from *Toronto District Heating Corporation Act*, *Public Utilities Act*, and the *City of Toronto Act*.

## **Open Space Alliance**

### **Q: What is the Open Space Alliance (OSA)?**

As proposed by Sidewalk Labs, the Open Space Alliance would be a non-profit, non-governmental organization that would enter into public-private partnerships with the City of Toronto and private third-party entities (land owners/developers) to manage and coordinate various physical and digital infrastructure in public spaces in the Quayside, the River District, and the IDEA District.

### **Q: What stated need would the Open Space Alliance address?**

Sidewalk Labs says the Public Realm Advisory Working Group urged it to consider “an innovative governance model for public space” and to work with the City of Toronto’s Parks, Forestry, and Recreation department to “structure a sustainable management and funding plan that would ensure public ownership of parks while allowing for innovation in programming, operations, and maintenance” (Sidewalk Labs 2019, Ch. 2, p. 197).

### **Q: What are the proposed responsibilities of the Open Space Alliance?**

Sidewalk Labs proposes an ambitious range of roles that include maintenance of physical infrastructure, arts and cultural programing, piloting new technologies, and serving as a steward for open spaces across the IDEA District. In particular, the MIDP proposes that the OSA:

- be responsible for the ongoing maintenance and management of green storm-water infrastructure in the River District;
- play a central coordination function across programming, operations, and maintenance to maximize access and enjoyment of shared open spaces, including in former vehicular rights-of-ways;
- administer physical and digital infrastructure that could help people shape and program shared spaces involving, for example, civic technologists running pilots in open public spaces;
- work with building owners to install and manage prototypical architectural designs in outdoor spaces, particularly Sidewalk Labs’ proposed building raincoats that shelter sidewalks, fanshells that cover open spaces, and lantern forests that block pedestrians from wind between buildings;
- fund the procurement of technology services that could help improve programming, operations, and maintenance;

- fund and support technology-enabled arts and cultural programing, such as artist residencies and design competitions;
- coordinate, administer and oversee the proposed innovative systems, such as district-wide green infrastructure, digital and physical infrastructure for public artworks and film shoots, weather mitigation, digital maintenance technologies, and new tools for community programming;
- and, importantly, manage the physical and digital infrastructure delivered by Sidewalk Labs.

**Q: How would the Open Space Alliance be funded?**

Sidewalk Labs proposes the Open Space Alliance would be jointly financed and managed by public (e.g. Parks, Forestry & Recreation Division) and private stakeholders (e.g. land owners, local businesses) in partnership with the City of Toronto. Funding from the City of Toronto would be diverted from traditional city parks funding. Landlords and tenants in the IDEA District would fund OSA's operational and capital expenses. Specifically, developers would pay the Open Space Alliance an "upfront green infrastructure fee" and a monthly maintenance fee for the construction and maintenance of water management infrastructure within the developers' sites. In addition, the Open Space Alliance would receive revenue from sponsored events, special elements, and concessions.

**Q: What would be required to implement the Open Space Alliance?**

The Open Space Alliance would be created a non-profit organization. As proposed by Sidewalk Labs, it would be jointly governed and financed by the City of Toronto and private third parties, and the IDEA District community would also have input on the OSA's operations. A portion of municipal park funding would be directed toward the OSA, and likely funding from other public sources would be required to ensure its ongoing viability. The OSA is proposed to replace certain roles currently undertaken by the City of Toronto Parks, Forestry & Recreation Division, including operations and maintenance of public spaces.

**Q: What challenges does the Open Space Alliance raise?**

As proposed, the Open Space Alliance would be responsible for a broad array of services, from maintenance of storm-water infrastructure, and the operation of public spaces and outdoor architectural features across the IDEA District to the operation and coordination of physical and digital technologies created by Sidewalk Labs, and supporting cultural and community programing. This diversity of services would be a challenging workload for any department, even when carried out across a relatively small area such as the IDEA District. In addition, Sidewalk Labs' proposal that the OSA manage the physical and digital infrastructure delivered by Sidewalk Labs would appear to unfairly privilege one company over others.

The Parks, Forestry & Recreation Division at the City of Toronto would be affected as a portion of its funding would be diverted toward the OSA. This Division would also be affected as some of its roles and functions, such as the maintenance of public spaces, would be undertaken by the OSA within the IDEA District. The OSA would likely require an ongoing source of public

funding in addition to the fees collected from developers and land owners. What's unknown is the OSA's governance structure, its legal authority, the specifics of its funding, and its relationship to existing non-governmental and governmental bodies working in public spaces, cultural programing and digital infrastructure.

#### **Key regulatory adjustments:**

In order to implement its plans for the outdoor comfort system using building raincoats, fanshells, and forest lanterns, amendments would be needed to the *City of Toronto Municipal Code*.

## **Urban Data Trust**

#### **Q: What is the Urban Data Trust?**

As proposed by Sidewalk Labs, the Urban Data Trust would be an independent non-profit entity that would govern the collection and use of what Sidewalk Labs terms "urban data" in the IDEA District. Urban data refers to data collected from the physical environment, such as parks, and it includes both personal information from identifiable individuals and non-identifiable data. Although Sidewalk Labs uses the term "data trust," the company argues that it is not "a 'trust' in the legal sense" (Sidewalk Labs 2019, Ch. 5, p. 423). Instead this trust is a "legal structure that provides for independent stewardship of data," a definition of a data trust from the Open Data Institute, a U.K. non-profit (Open Data Institute 2019, p. 2).

#### **Q: What stated need would the Urban Data Trust address?**

Sidewalk Labs says that an important theme it heard during the public consultation was the public's concern with the ownership and stewardship of urban data. In response, Sidewalk Labs contends that the trust would create an accountable, transparent process to manage and approve the collection and use of urban data.

#### **Q: What are the proposed responsibilities of the Urban Data Trust?**

Generally, the trust would govern the collection, use, disclosure, and storage of urban data within the IDEA District. Applicants for data collection or use would make submissions to the trust to review and approval. This would involve reviewing the data to verify the applicant's compliance with all applicable laws and an assessment that weighs the activities' proposed benefits and the potential harms. The trust is also responsible for managing the access of publicly available data through data sharing agreements. The trust would have the authority to audit applicants as required and order the removal of data collection devices in the event of a violation.

#### **Q: How would the Urban Data Trust be funded?**

Applicants seeking to collect or use data in the IDEA District would pay a data collection and use-administration fee to cover the trust's costs. However, it would be likely that the trust would require ongoing funds from government to maintain its operations. Sidewalk Labs proposes that

the trust evolve into a public or quasi-public agency in the long term, and such an agency would most likely rely upon, at least in part, public funding.

### **Q: What would be required to implement the Urban Data Trust?**

In the short term, Sidewalk Labs proposes that the trust be created as an independent, non-profit, non-governmental agency. This entity would operate by establishing legal agreements with all applicants who seek to collect or use data pertaining to the IDEA District. Those agreements, together with a set of legally binding rules drafted by the trust in consultation with its public and private stakeholders, would govern how data is collected, stored, used, and commercialized, would monitor compliance with its rules, and would take legal action against non-compliance. In this phase, Sidewalk Labs proposes that the trust's focus in this phase would be Sidewalk Labs' own data collection projects.

In the longer term, should the trust be transformed into a public-sector agency or a quasi-public agency, legislation would need to be amended or introduced and an ongoing source of public funding secured.

The trust, in consultation with relevant stakeholders and regulatory bodies, including the Information and Privacy Commissioner of Ontario, would need to determine where the publicly accessible data would be stored, unless the trust would also act as the data repository.

### **Q: What challenges does the Urban Data Trust raise?**

How this trust would operate, its structure and regulatory powers, the source and scope of its legal authority, its possible sources of public funding, and its relation to other regulatory bodies and governmental departments within the city of Toronto and province remain unclear, as does the political and public appetite for creating a new public agency.

Another challenge in relation to the proposed data trust are the trustee's roles in creating and enforcing rules regarding data collection, storage, protection, and use, including commercialization. Depending on how the regulatory body is structured and its legal authority, the data trustees, whether public or private actors, could have considerable regulatory power.

While understandable, it's rather self-interested for Sidewalk Labs to submit that its projects should be first in line for consideration by a neophyte regulator that it proposed. More problematically, if the data trust goes ahead, Sidewalk Labs' involvement with the trust in the first phase would likely shape discussions of how (or even if) the temporary trust should evolve into something more permanent, perhaps in ways that serve Sidewalk Labs' interests at the expense of other interested parties.

## **Waterfront Housing Trust**

### **Q: What is the Waterfront Housing Trust?**

Sidewalk Labs proposes that the Waterfront Housing Trust be established as a private trust that would act as a public-private financing entity to administer below-market housing program in the IDEA District. The IDEA Public Administrator would serve as the Trust's sole trustee.

### **Q: What stated need would the Waterfront Housing Trust address?**

The City of Toronto is facing a serious shortage of affordable housing and one of Waterfront Toronto's priorities is housing affordability. In response, Sidewalk Labs proposes the creation of the Waterfront Housing Trust as a new financial vehicle to collect and distribute funding from a variety of sources, including a condo resale fee proposed for the IDEA District. The trust is intended to incubate alternative funding sources, including low-cost loans to reduce lending costs and improve funding predictability for developers of affordable housing.

### **Q: How would the Waterfront Housing Trust be funded?**

Individuals selling condos within the IDEA District would pay a percentage of the sales price to support affordable housing. Sidewalk Labs contends that the Waterfront Housing Trust would collect these funds and pair them with existing funding sources, and use the combined funds for an affordable housing strategy for the IDEA District

### **Q: What challenges does the Waterfront Housing Trust raise?**

As proposed, the Waterfront Housing Trust would aggregate funding from existing sources for affordable housing and pair this revenue with its new tax on condo resellers. Formal approval may need to be obtained from the entity currently responsible for distributing affordable housing funding.

#### **Key regulatory adjustments**

The Waterfront Housing Trust would have to seek authorization to build units smaller than indicated in the *Affordable Rental Housing Guidelines* of the City of Toronto Affordable Housing Office. Approval would be needed from the *City of Toronto Affordable Rental Housing Guidelines* and *Ontario Building Code*. Sidewalk Labs notes that the Waterfront Housing Trust would also need approval from the federal government and City of Toronto in order to receive funding for a portfolio of properties, rather than development by development.

## **Assumptions and concerns**

There are a number of unproven and unstated assumptions underlying Sidewalk Labs' proposal of five management entities and a super-Public Administrator for the IDEA District.

- Most seriously, there's an assumption that the current distribution of services and responsibilities among multiple government departments is necessarily inefficient. It's assumed that bringing together diverse responsibilities under one department will improve efficiency and responsiveness, especially when aided (somehow) with technology.

- There's also a risky assumption that user fees will be able to solely or largely support the creation and ongoing operation of these entities. However, there is no associated costing showing the estimated revenue from user fees or the projected costs of creating the new management entities.

## Where more bureaucracy equals innovation?

Sidewalk Labs' plan come with a heavy public bureaucratic burden, an odd thing to propose given that over the past several decades the move has been away from over-governance. It's hard to see, for example, the current Ontario government and small-c conservative mayor of Toronto, embracing five new "management entities" a super-Public Administrator to govern a relatively small area of Toronto's eastern waterfront.

For a plan that was supposed to provide "innovative" solutions to mobility and data governance, among other issues, there is a strong—and highly problematic—reliance upon traditional top-down governance mechanisms and public funding.

The issues discussed in this post should raise serious alarm bells for policymakers at the municipal, provincial and even federal levels of government, as well as among the general public, and force a reconsideration of this project.

## References

[Open Data Institute. \(2019\). \*Data Trusts\*.](#)

[Sidewalk Labs. \(2019\). \*Master Innovation and Development Report\*. Chapter 5: Digital Innovation.](#)

## The main MIDP posts

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 0: The Dark Tower of annoyingly long smart city reports

Posted on [July 15, 2019](#) by [bhaggart](#)

On June 24, 2019, after 20 months of sordid twists and turns – [high-profile resignations](#), the CEO who oversaw the whole thing [forced out by the Waterfront Toronto Board](#), accusations of [improper tendering processes](#), a data company hired to implement a data-driven smart city project that proved [surprisingly reluctant to discuss data](#) – that turned the whole process of preparing a smart-city proposal into something that one of our Swedish colleagues said resembled an “urban development thriller,” Sidewalk Labs finally released its [Master Innovation and Development Plan](#) for Waterfront Toronto’s 12-acre Quayside plot of land. [And, um, Villiers West \(20 acres\). All told, a huge chunk of the eastern waterfront \(190 acres\).](#) Prime real estate, as it happens.

And, oh, yes. Sidewalk Labs also proposes [restructuring or replacing Waterfront Toronto](#), the government agency that hired Sidewalk Labs in the first place. I’m not sure that this negotiation approach, the bureaucratic equivalent of killing your boss and then demanding a raise, was the kind of out-of-the-box thinking Waterfront Toronto expected when they hired the neophyte Google company to come in and shake things up. If this tactic does catch on, I propose that the act of hiring someone whose pitch explicitly involves demanding your dismissal be referred to as “pulling a Lando.”

Oh, and the report is over 1,500 pages long. And it doesn’t have a proper Executive Summary.

I also understand that the Sidewalk Labs plan [has been endorsed by some 30 Toronto civic luminaries](#), some of whom, such as “Alan Broadbent, CEO of Toronto-based commercial real estate lender Avana Capital and signatory of the letter,” apparently had not yet read the report in its entirety.

And who can blame them – it’s longer than *The Stand!*

Still, somebody should read this behemoth, if only to find out what, exactly, our City Mothers and Fathers are effectively endorsing. And so, over the next several days/weeks I will be going through the entire Master Innovation and Development Plan, highlighting key issues, and you’re invited along for the ride.

But first, in order to put Google’s Sidewalk Labs’ MIDP into the proper context, to see what Toronto’s civic leaders are supporting, we need to revisit a few other documents:

- the 2018 [Ontario Auditor General’s report](#) into Waterfront Toronto, including the problematic process that led to Sidewalk Labs winning the contest to propose a development plan for Quayside
- Waterfront Toronto’s [original Request for Proposals](#);

- Sidewalk Labs' [Project Vision and related appendices](#);
- Waterfront Toronto and Sidewalk Labs' July 31, 2018, [Plan Development Agreement](#); and
- Sidewalk Labs' October 2018 [digital governance proposals](#).

Then, it'll be on to the big kahuna: [the Master Innovation and Development Plan](#), with Waterfront Toronto's subsequent [Note to Reader](#) serving as the dénouement.

That's a lot of supplemental reading just to understand fully the main text.

Since I have to do this reading to help prepare my submission to the [Waterfront Toronto consultation process](#), it would be nice to have some company. My plan, for now, is to spend at least one post on each document, although I imagine I'll have to divide the MIDP into several posts. Each post will consist of a brief summary of what I think are the most salient points, followed by a list of key quotes divided by issue area. I'll be running one post a day, except for today, when you'll get two.

My aim is to create a resource for anyone who wants to bring themselves up to speed on documents that are not ... shall we say ... designed to be easily digested. Even by city luminaries weighing in on what could end up being the digital [Spadina Expressway of the 21<sup>st</sup> century](#).

Next up, the Auditor General of Ontario's 2018 report into Waterfront Toronto.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 1: The 2018 Auditor General of Ontario Report

Posted on [July 15, 2019](#) by [bhaggart](#)

[Previous Master Innovation and Development Plan liveblog entries available here](#)

I highly recommend the [Auditor General's Waterfront Toronto report](#) for those of you looking to understand how we ended up with Sidewalk Labs' controversial smart city proposal.

What emerges from the report is a picture of a small agency, hamstrung by a lack of authority and funding, running out of seed capital (p. 680). Then, in 2016, it latches onto the smart city idea as a way to allow it to fulfill its wider development mandate. In this telling, the Quayside parcel of land, which it controls, provides Waterfront Toronto with leverage to increase its ability to develop the overall waterfront, which, the report notes many times, it does not directly control.

Unfortunately, neither Waterfront Toronto nor the Province of Ontario come across as having had any idea about what creating a smart city actually involves. Waterfront Toronto was inexperienced in this area: “Up until the awarding of a project to Sidewalk Labs for the development of the smart city, Waterfront Toronto had primarily handled traditional mixed-use developments. As a result, it had limited experience in digital data infrastructure development” (p. 689). A smart city was “originally not part of Waterfront Toronto’s Development Plan” (p. 688), only showing up on its radar with the appointment of CEO William Fleissig in January 2016 (p. 688).

The reactive April 2018 creation of a part-time Digital Strategy Advisory Panel of “limited” effectiveness is a pretty clear admission that Waterfront Toronto lacked a basic understanding of digital issues. The same can be said for Ontario, which “lacks a policy framework to guide the development of a mixed-use smart city such as the one being contemplated for Quayside” (p. 653). In particular, they were unprepared to deal with such foundational smart-city issues “intellectual property” and “data collection, ownership, security and privacy” (p. 653).

### **Odd approval process**

And so we get a Request For Proposals process that raises one red flag after another. Some of the more dramatic involve Sidewalk Labs being given more information than other bidders, a rushed approval process and an unusual lack of consultations by Waterfront Toronto with its government stakeholders on Sidewalk Labs’ proposal.

Rather, the Auditor General notes briefly that the proposal instead “was being discussed at a senior political level.” The fact that the Waterfront Toronto Board felted pressured by the federal and provincial governments (p. 691), combined with critiques that Prime Minister Justin Trudeau’s government [favours “foreign tech giants over Canadian firms,”](#) as well as Trudeau’s

[presence at the initial announcement of Sidewalk Labs' Quayside application](#), raise questions about the role of politics in the selection of Sidewalk Labs.

At the very least, Trudeau's ongoing support for Sidewalk Labs should be an election issue. Of particular interest should be the circumvention of regular procedures by Waterfront Toronto, the political role of Ottawa in the process (a touchy question in the wake of the SNC Lavelin affair), and the poorly thought out consequences of depending on a foreign tech company to anchor your innovation sector: Being a branch plant economy in the digital age may not provide the same benefits as it did back when manufacturing was king ([e.g., Rodrik 2016, esp. p. 6](#)).

## Weak accountability

There's also the issue that approval of the MIDP "will not require the governments' approval and signing" (p. 694). "Only Waterfront Toronto's Board is required to approve the MIDP, and Waterfront Toronto is allowed to seek approval from any or all three governments at its discretion." (p. 694) Instead, governments can only influence Waterfront Toronto through the selection of their board members.

## Few specifics on data and surveillance

The Auditor General's report also notes that detailed information on how Sidewalk Labs and Waterfront Toronto's high-level principles on data, security, privacy and surveillance would be realized were "not included in the Plan Development Agreement. The Master Innovation and Development Plan (MIDP) and implementation agreements are expected to address this."

The report goes on to note:

Also absent is clarification on whether personal information, which Sidewalk Labs gathers, will be linked to its sister company's, Google's, existing collection of personal data in its users' accounts (p. 692).

While accurate at the time (December 2018), it's my understanding that the MIDP claims that Sidewalk Labs will not link its data with Google's.

## Looking forward...

As we will see when we get to the other documents, Waterfront Toronto's apparent lack of basic understanding of the central role of data governance, intellectual property and surveillance in the context of a smart-city development seems to have led it to turn decisions about how the rules should be set in this critical area over to a foreign, for-profit company whose main claim to fame is that it is intimately linked to Google, a company with a dubious track record when it comes to foundational issues like [privacy and telling the truth about what its products do](#).

## General notes

## An agency plagued by a lack of authority

Successful oversight requires that the overseer has the authority to ensure the job is done right. Unfortunately, Waterfront Toronto was never given this authority, and as a result, the development of Toronto's waterfront lands has largely continued to be driven by historical practices, the existing bylaws, and other regulations governing commercial and residential development. Waterfront Toronto has been able to rezone just over 150 acres of land from industrial to mixed commercial-residential use. ... (p. 648)

From day one, Waterfront Toronto was well aware of the constraints that it operated under . . . Waterfront Toronto, on several occasions, informed the three levels of government of the constraints, but few changes were made. Waterfront Toronto's communications to the public gave the impression that it was playing an irreplaceable role in the world-class transformation of Toronto's waterfront, a total of 2,840 acres. This was not our conclusion. (p. 648)

## Quayside: Waterfront Toronto's chance to shine

Waterfront Toronto's purchase of Quayside land between 2007 and 2009 created an opportunity for Waterfront Toronto to develop land in the way it sees fit. **This will be Waterfront Toronto's first development of its own land.** (p. 649, emphasis added)

## Waterfront Toronto's Quayside autonomy

It was proactive of Waterfront Toronto to seek out interested parties to procure an innovation and funding partner for Quayside. **This in effect gives Waterfront Toronto the autonomy that would have been beneficial for it to have had over the last 15 years.** (p. 649, emphasis added)

## Concerns with Sidewalk Labs Agreement

However, its new agreement with Sidewalk Labs raises concerns in areas such as **consumer protection, data collection, security, privacy, governance, antitrust and ownership of intellectual property.** These are areas with long-term and wide-ranging impacts that the provincial government, along with the City of Toronto, **needs to address from a policy framework perspective to protect the public interest before this initiative proceeds further.** (p. 649, emphasis added)

## Waterfront Toronto oversight problems

### Rushed agreement:

the Board of Waterfront Toronto was given just a weekend to discuss and understand the implications of the initial Framework Agreement before being asked to approve it. (p. 649)

The Intergovernmental Steering Committee also expressed concern about the lack of sufficient time given to the Board and the governments to review the initial Framework Agreement. **The committee itself was only made aware of the name of the successful bidder five days before the October 17, 2017, public announcement**, which involved the Prime Minister, the Premier of Ontario, the Mayor of Toronto, Waterfront Toronto and Sidewalk Labs.” (p. 649, emphasis added)

The Intergovernmental Steering Committee was briefed about the project and RFP in a June 2017 meeting, about three months after issuing the RFP. (p. 689)

### The Mayor's Office

had received ‘almost no information about the project’ according to an internal Waterfront Toronto email three weeks prior to the signing of the Framework Agreement. In addition, while Waterfront Toronto signed the Framework Agreement with Sidewalk Labs on October 16, 2017, the three levels of government expressed frustration according to the Intergovernmental Steering Committee meeting minutes that they did not receive a copy of the signed agreement until after November 2, 2017. (p. 689)

The Framework Agreement was presented by the Chief Executive Officer to Waterfront Toronto Board members on October 13, 2017, and the agreement was approved by the Board on October 16, 2017. On the same date, the Framework Agreement was signed by the Chief Executive Officer and the Chief Development Officer of Waterfront Toronto following Board approval. (p. 689)

Prior to receiving the formal draft agreement for its review and approval, the Board was given two briefings about the project on October 11 and 12, 2017. However, the two briefings were background information about the project and the RFP selection process and a high level briefing on the terms of the Framework Agreement. The three-member Investment and Real Estate Committee of the Board typically reviews similar agreements prior to recommending an agreement for Board approval. This Committee received an overview of the principles and draft terms of the Framework Agreement about one month prior to the submission of the agreement to the Board for approval and met with management a number of times to review issues. However, the Committee could not reach a consensus on whether or not to support the project. As a result, it did not issue a recommendation on October 13, 2017, to the Board on whether or not to sign the agreement. Not only

did the Board not receive a recommendation from its sub-committee, it had only one business day to review the agreement prior to providing approval. (pp. 690-691)

### No operational review of Waterfront Toronto

by May 2018, the federal, provincial and city governments had further committed to providing \$1.25 billion to Waterfront Toronto to cover the cost of flood protection of the Port Lands. This also extended Waterfront Toronto's operation to 2028 without the benefit of an operational review of Waterfront Toronto. (p. 649)

### \$US 40 million of Sidewalk Labs' initial \$US 50 million investment was contingent on \$1.25 billion in government funding

Sidewalk Labs' provision of \$50 million to further explore the development in Quayside was contingent on the three levels of government providing this \$1.25 billion toward Port Lands flood protection. (p. 649)

### Waterfront Toronto only controls Quayside. It can't promise anything beyond that. And yet...

A second agreement with Sidewalk Labs called the Plan Development Agreement, signed in July 2018, replaces the initial Framework Agreement and potentially opens the door to expand the Sidewalk Labs' project to the approximately 600 acres of land in the Port Lands. Waterfront Toronto does not have the authority to grant rights to lands beyond what it owns in Quayside. (p. 649)

From our review of information from July to December 2016, we confirmed that Sidewalk Labs' interest in Quayside from the start was being able to expand its project to the Port Lands. As noted in Section 6.2.1, Waterfront Toronto does not have authority to grant rights to lands beyond the lands in Quayside that it owns and that Sidewalk Labs is aware of this limitation. (p. 690)

### Waterfront Toronto has been asked to make development financially self-sustaining

Waterfront Toronto's mandate is to make ongoing waterfront development "financially self-sustaining." It has failed to do so and remains dependent on government funding. It only began pursuing strategies "to generate revenues from corporate partnership and to explore strategic philanthropy" in 2016. (p. 651)

Waterfront Toronto's projects went over cost, and were hampered by "poor oversight" and monitoring issues "due to poor documentation." (p. 651)

### Questionable procurement processes/Favourable treatment for Sidewalk Labs

Sidewalk Labs received more information from Waterfront Toronto prior to the RFP than other parties that would be responding to the RFP. (p. 652)

As well, Waterfront Toronto provided Sidewalk Labs with surveys, drawings, topographic illustrations of the waterfront area including Eastern waterfront, and other materials. Sidewalk Labs architects signed a digital data licence agreement with Waterfront Toronto to allow Sidewalk Labs to use the information it was provided. (p. 689)

Although Waterfront Toronto did not issue the RFP until March 2017, in August 2016, Waterfront Toronto also signed a non-disclosure agreement with Sidewalk Labs in order to receive information from it. Further, in September 2016, Waterfront Toronto met with a delegation from Sidewalk Labs and provided a site visit and tour of the waterfront area. (p. 689)

Sharing agreements were also signed with Sidewalk Labs and two other organizations, one of which was also shortlisted. (p. 652)

### **Waterfront Toronto's defence:**

Waterfront Toronto advised us that this sharing of information was before the issuance of the RFP and part of their regular market sounding process where they were trying to gauge market interest in the Quayside project. Further, Waterfront Toronto said the information provided did not give these potential bidders an unfair advantage over other potential bidders that did not receive the information and would have been provided to any interested party that would have requested it. (p. 689)

### **Rebuttal:**

Fair practice and equal treatment would suggest that all potential bidders receive the same information at the same time. (p. 690)

### Lack of proper government consultation

Unlike its previous operating practices, Waterfront Toronto did not adequately consult with any levels of government regarding the Sidewalk Labs project. (p. 652)

However, in issuing the original RFP for a funding and innovation partner for the smart city project, Waterfront Toronto did not ask the City to review the RFP or be involved in the evaluation and selection of the successful bidder. (p. 693)

## Shorter-than-usual timeframe

Waterfront Toronto gave respondents only six weeks to respond to the RFP for the smart city project. Six proponents responded, of which three were shortlisted. The unsuccessful respondents that we interviewed indicated to us that the six- weeks response timeframe for a project of this magnitude was too short. In comparison, in the past Waterfront Toronto has given bidders significantly longer to respond to more traditional tenders. (p. 690)

## A very political deal

Unlike its previous operating practices, Waterfront Toronto did not adequately consult with any levels of government regarding the Sidewalk Labs project. ... Waterfront Toronto did not adequately consult with any [relevant government departments] prior to signing an initial agreement on October 16, 2017, and beyond. **This was being discussed at a senior political level.** (p. 652, emphasis added)

we found internal Waterfront Toronto emails indicating that the Board felt it was being ‘urged—strongly’ by the federal and provincial governments to approve and authorize the Framework Agreement with Sidewalk Labs as soon as possible. The October 17, 2017, public announcement by the Prime Minister, the Premier, the Mayor, Waterfront Toronto and Sidewalk Labs about the signing of the Framework Agreement was arranged on October 12, the day before the Board received the final Framework Agreement for review and approval. (p. 691)

The Quayside proposal brings into play multiple overlapping jurisdictions (e.g., transportation, construction, economic development, privacy, planning, waste management), with little adequate consultation:

Prior to the signing of the Plan Development Agreement, Waterfront Toronto had not adequately engaged these ministries or divisions in consultation on the potential impact of the smart city project on the sectors they oversee. (p. 693)

- Question: **Do the other levels of government believe that consultations around the MIDP sufficiently reflected their interests in these policy areas?**

## Data collection and use: murky waters

The Plan Development Agreement also proposes new data governance approaches, such as the use of a data trust, where data is stored by a third-party organization. However, the agreement does not provide specifics on data governance. (p. 692)

Also absent is clarification on whether personal information, which Sidewalk Labs gathers, will be linked to its sister company’s, Google’s, existing collection of personal data in its users’ accounts. (p. 652) [although see update in main text above]

## Treatment of intellectual property: vague

the Plan Development Agreement is generally vague as to ownership, use and commercialization, leaving many of the details to be determined in the MIDP and subsequent implementation agreements. If the Plan Development Agreement is terminated, then it is likely that Sidewalk Labs will retain ownership of any intellectual property it has developed to date, but Waterfront Toronto would receive a perpetual, royalty-free licence of site-specific (only in Quayside) intellectual property. (p. 694)

## Digital Strategy Advisory Panel: “limited” effectiveness; busywork; resignations

Based on discussions with Panel members, the Panel’s effectiveness in providing management guidance on key issues in the smart city project has been limited. (p. 652)

Members assessed some meetings as primarily focused on administrative work, such as project background and confidentiality, and technical and scheduling issues. (p. 652)

There have also been two resignations due to concerns over lack of transparency and apathy on the part of Waterfront Toronto over residents’ concerns over data privacy. (p. 652)

Various members of Waterfront Toronto’s Digital Strategy Advisory Panel raised concerns with respect to the proposal including the following:

- the location of the storage of data—within Canada or outside Canada (whereby Canadian privacy laws can be bypassed);
- the access to and use of data stored in the trust; and
- what proportion of the data collected will actually be stored in the trust.” (p. 692)

## Waterfront Toronto and Sidewalk Labs: Jointly responsible for future Requests for Proposals

The current agreement between Sidewalk Labs and Waterfront Toronto requires the two parties to jointly issue requests for proposals (RFPs) to developers if the project goes ahead. (p. 653)

Waterfront Toronto had revised its procurement policy in June 2018, making it easier to procure goods and services without a competitive tender process and no requirement to document the rationale for awarding the contract to a single or sole supplier. (p. 693)

## Ontario doesn't have an effective framework to guide a smart-city project like this

the Province lacks a policy framework to guide the development of a mixed-use smart city such as the one being contemplated for Quayside. (p. 653)

This framework should address:

- intellectual property;
- data collection, ownership, security and privacy;
- legal issues;
- consumer protection issues;
- infrastructure development; and
- economic development. (p. 653)

## Waterfront Toronto's response to the Auditor General's report on data privacy issues was quite limited:

At the same time, people are interested in issues about data privacy and what role technology should have in our lives. (p. 654)

Waterfront Toronto commits to consulting with the three levels of government “and giving the governments an opportunity to review and comment on any key documents before they are approved by the Waterfront Toronto Board. (p. 654)

The provinces' response does not address the Auditor General's call for a smart-city framework.

## The Auditor General's Quayside-related recommendation (p. 695):

“that the **provincial government**, in consultation with partner governments:

- conduct further study on the activities of Waterfront Toronto and Sidewalk Labs in the planning and development of the smart city in Quayside and the broader waterfront area;
- reassess whether it is appropriate for Waterfront Toronto to act on its own initiative in making commitments and finalizing a long-term partnership arrangement with Sidewalk Labs or whether a separate governance structure is needed that allows for more direct provincial oversight;
- establish an advisory council comprised of smart city/digital data infrastructure experts (e.g., information technology, privacy, legal, consumer protection, infrastructure development, intellectual property and economic development) to provide proactive advice
- on the development of a policy framework to guide the establishment of a smart city in Ontario;
- conduct public consultations to consider in the development of a policy framework for a smart city in Ontario;

- consult throughout government on the roles and responsibilities government ministries and agencies could have during the development, implementation and operation of a smart city;
- to protect the public's interest, establish the policy framework, through legislation, for the development of a smart city in Ontario that addresses: intellectual property; data collection, ownership, security and privacy;
- legal; consumer protection issues, infrastructure development and economic development; and
- communicate openly and transparently with the public on what to expect from a smart city project.”

The province commits only to studying these issues.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 2: Waterfront Toronto's Original Request for Proposals

Posted on [July 17, 2019](#) by [bhaggart](#)

[Previous Master Innovation and Development Plan liveblog entries available here](#)

I've [previously written, with Zachary Spicer](#), about the problems with Waterfront Toronto's original Request for Proposals, namely that they outsourced the decision-making about data and intellectual property to the Google company Sidewalk Labs. As I mentioned in my [previous entry](#), the Ontario Auditor General's report confirmed our initial suspicion that Waterfront Toronto had no clue, when they began all this, about the importance of data and intellectual property in the context of an innovation-focused smart-city project.

This is particularly problematic since smart cities are smart through their use of data. To be absolutely clear, the collection, control and use of data is the whole point of a smart city. It's all about the data; it's all about the surveillance. Leaving these to the side is like designing a rooftop swimming pool and treating any water-related issues as something to be worked out later. (Spoiler: It will not end well.)

And innovation – the embrace of which was a key rationale for this whole unfortunate project – is intimately tied up with intellectual property. As we'll see below, Waterfront Toronto left it to their commercial partner to set the terms on which Waterfront Toronto and Canada would benefit (or not) from any Quayside-related IP. For a government agency that, [as we learned from the Auditor General's report](#), was required (and failing) to come up with independent revenue sources, not to have a plan to capture the economic benefits of any IP developed in Quayside was remarkably short-sighted, to say the least.

The [Auditor General's report](#), and my [last post](#), deal with the many irregularities and oddities surrounding the issuing of the [Request for Proposals](#). However, although I've already focused on the key parts of a smart city in my previous analysis – data and IP – it's probably useful to revisit the Request for Proposals to see how well what Sidewalk Labs' Master Innovation and Development Plan reflects what Waterfront Toronto initially requested.

### Beyond Quayside

On the big land grab, Waterfront Toronto clearly indicates that the 12-acre Quayside is the focus of this tender. However, in the RFP it also reserves to itself the right to advance Quayside-developed "solutions, processes and partnerships across the eastern waterfront "**"as those lands become available to Waterfront Toronto (as per the established protocols with the City of Toronto)"** (p. 6, emphasis added). Sidewalk Labs' push to control the entire eastern waterfront has its roots in the RFP.

## Fundamental problems

In reviewing the original RFP, it becomes quite clear that the origins of this entire mess – the confusion, Sidewalk Labs’ overreach – are rooted in Waterfront Toronto’s Quayside RFP. The RFP outsources almost every key governance aspect – from specific issues like data and intellectual property governance to more foundational things such as the definition of targets and key performance indicators, to the “Partner” (e.g., p. 14).

The fundamental flaw in the RFP can be traced to one objective in particular, that

the Partner will work closely with Waterfront Toronto to … Create the required governance constructs to stimulate the growth of an urban innovation cluster, including legal frameworks (e.g. Intellectual Property, privacy, data sharing), financial considerations (including investment opportunities and revenue sharing expectations), deployment testbeds and project monitoring (KPI’s, reporting requirements and tools to capture data). (p. 17)

It is, to put it lightly, a terrible, unbelievably horrible idea to let the company responsible for designing a smart city define the parameters under which it will work and by which it will be evaluated. Although these and other requirements envision a partnership with Waterfront Toronto, and although Waterfront Toronto sees itself as responsible for reviewing, for example, proposed technologies and methodologies, nothing Waterfront Toronto has done in the past few years suggests that it has the expertise to be an effective contributor to this project in this area. The creation of a part-time Digital Strategy Advisory Panel of limited effectiveness can’t make up for this fundamental lack of expertise.

If Waterfront Toronto knew what it was doing regarding data, IP and the very scope and definition of the project, it wouldn’t have had to ask an outside group to define it for them. That doing so, especially in the absence of any in-house ability to understand that the project, would create an enormous, insurmountable conflict of interest for the successful partner, does not seem to have occurred to Waterfront Toronto.

(More evidence that data governance wasn’t on Waterfront Toronto’s radar: the word “data” as something produced and used by this innovative project appears only twice in the main text, both on page 17: “The Partner shall “Create the required governance constructs to stimulate the growth of an urban innovation cluster, including legal frameworks (e.g., … data sharing) … and project monitoring (KPI’s, reporting requirements and tools to capture data).””)

## The communications lead

And on the easiest deliverable – ensuring that Waterfront Toronto serves “as the communications lead” (p. 15) for this project – Waterfront Toronto has clearly failed to do so. We don’t need to consult the MIDP to know that Sidewalk Labs has controlled the narrative from the very beginning.

Really, this all reads like it was written by an agency that wanted to get in on the Smart City game but had no real idea what doing so would entail. The tell is their outsourcing of everything to do with IP and data governance to the company that stands to profit enormously from data and IP. Even without getting to the MIDP, and even without knowing about the Auditor General's damning report, it's hard not to argue that this RFP should never have been issued. It does not make Waterfront Toronto look good. At all. It makes them look like an easy mark.

What follows below are the key parts of the RFP, against which I'm going to compare the MIDP. Near the end I just quote whole parts of the RFP because it'll be helpful (to me, at least) to be able to refer quickly to the main criteria.

## **Waterfront Toronto, “Quayside: Request for Proposals: Innovation and Funding Partner for the Quayside Development Opportunity,” RFP No.: 2017-13, March 17, 2017.**

**Note:** Waterfront Toronto was looking for a company with a development plan, and one with money or connections that could get them money.

### **Part A: Overview of the Opportunity**

The initial proposal should include a “benchmark climate positive approach that will lead the world in city building practices” (p. 6)

- “showcase advanced technologies, building materials, sustainable practices and innovative business models that demonstrate pragmatic solutions toward climate positive urban development.” (p. 6)
- “highly sustainable, mixed-use, mixed-income neighbourhood … as well as addressing the need for mobility and accessibility.” (p. 7)
- Contribution to emerging tech and urban innovation clusters (p. 7)

### **Confusion of scope**

Toronto’s eastern waterfront, with more than 300 hectares (750 acres) of land subject to future revitalization (see Figure 1), presents a unique opportunity for governments, private enterprise, technology providers, investors and academic institutions to collaborate on these critical challenges and create a new global benchmark for sustainable, inclusive and accessible urban development. (p. 6)

The RFP officially focuses on the 12-acre Quayside Development (p. 6), although it is envisioned as “a pilot environment for the broader eastern waterfront reviatlization” (p. 14).

The acquisition of more land seems to have played a part in Waterfront Toronto’s thinking:

As the directing agency of the waterfront lands, Waterfront Toronto, therefore, reserves the right to” advance Quayside-developed “solutions, processes and partnerships across the eastern waterfront **“as those lands become available to Waterfront Toronto (as per the established protocols with the City of Toronto)** (p. 6, emphasis added).

## What the partner needs to deliver

- “a clear vision and action plan for creating a vibrant, climate-positive and prosperous community”
- “a national and global model to encourage market transformation towards climate-positive [i.e., greenhouse gas-reducing] city building.” (p. 6)
- Between 500-800 units of “Affordable Rental Housing” (p. 9)
- work with Waterfront Toronto “to identify progressive solutions to deliver high-quality, moderately priced, purpose-built rental housing” (p. 9)
- “beautifully designed public spaces, compelling cultural amenities, innovative solutions, active programming, and integrated transportation and mobility infrastructure” that people will want to visit year-round. (p. 9)
- Provide “an environment in which an urban innovation cluster can be established and thrive.”
  - Leverage “demonstration spaces, project testbeds, and industry-academic partnerships” to do so.
  - “help create opportunities for job creation, entrepreneurial enterprise and the growth of established industries” in the surrounding community. (p. 9)
- A funding model to deliver funding for future waterfront projects

## Relationship with Waterfront Toronto

The Partner will work directly with Waterfront Toronto in the conceptualization, business planning and implementation stages of the Project . . . This includes identifying and defining the necessary technologies, infrastructure, strategies, measurable outcomes and downstream partners that will ensure the Project’s success. (p. 7)

Of course, if only one partner has the relevant experience and understanding of the project, that partner will end up driving the project.

Waterfront Toronto will review technologies and methodologies proposed by Sidewalk Labs (p. 11). However, given Waterfront Toronto’s lack of expertise in this area, it is unlikely that they have the ability to actually provide any meaningful input in this area.

## Relationship with data and ICT

The project will leverage the strength of existing world-class digital infrastructure within the waterfront to realize fully the benefits of emerging technologies – including but not limited to the Industrial Internet of Things (“IIoT”) analytics, and

artificial intelligence (“AI”) – to support data-informed decision-making for residents, visitors, investors, employers, and service providers. (p. 8)

In the Project Vision and Business Implementation Plan (Appendix C), data governance is not mentioned.

## **Intellectual property**

**Transferability:** Describe the projected transferability of the Project’s best practices, solutions and intellectual property beyond Toronto’s waterfront. How will the Project demonstrate the capacity to drive market transformation? (p. C2)

## **Lack of government money identified as a problem**

A lack of government funding requires “new and innovative partnerships, funding and investment models.” (p. 9)

## **The original timeline**

First, undertake

broad market engagement to secure infrastructure design and delivery partners for critical infrastructure elements. This may include working with multiple sectors and industries who are involved with various aspects of designing and delivering sustainable communities; including technology and systems firms, utilities, transit authorities, lenders, materials suppliers, constructors, and others who are active in the infrastructure development process. (p. 11)

Then, engage

innovative real estate development teams with the vision, capacity, and commitment to deliver a distinctive and ambitious, mixed-use community that is consistent with Waterfront Toronto’s high design and performance standards, and aligned with the vision and objectives of the Project. (p. 11)

## **Light rail**

The provision of light rail transit (“LRT”) in a dedicated right-of-way, as part of a revitalized Queens Quay, has been approved through a Class Environmental Assessment (available in the Electronic Data Room) and will ultimately connect the eastern waterfront to the downtown core. Waterfront Toronto is actively pursuing funding options to extend the LRT along Queens Quay East, including private sector contributions and a phased implementation plan that could include interim bus rapid transit (BRT). (p. 12)

Note that light rail is provided in terms of the context of the lands to be developed, not as something for the partner to address.

## The actual land

It is intended that the future developers will be responsible for removing existing structures, as part of the redevelopment plans. (p. 12)

# VII. Partner Scope and Deliverables

## Vision

identify and define the necessary technologies, infrastructure, strategies, measurable outcomes and downstream partners that will ensure the delivery of a globally significant demonstration project that addresses the challenges” of “sustainability, resiliency and urban innovation; complete communities”; and “economic development and prosperity. (p. 14)

“The Partner will work with Waterfront Toronto to (Note: following lists are from pp. 14-15):

- Review and refine the work undertaken by the Team. Waterfront Toronto and the Partner will then further engage the Team to finalize the goals for the Project as they relate to financial, sustainability and innovation objectives.
- Create the overall vision and goals for the Project with the Team. This will include, but not be limited to, deep-dive workshops, industry consultations, additional market sounding and community engagement efforts as appropriate.
- Define measurable outcomes ... including the necessary Key Performance Indicators (“KPI’s”) and measurement techniques to evaluate success.”
- Analyze and articulate the potential risks and viability of implementing the vision.
- Identify potential barriers to implementation and assist in preparing the necessary mitigation strategies to overcome those barriers.
- Evaluate feasibility to transfer best practices and lessons learned from the Project to future developments and other jurisdictions as an exemplar of best practices and breakthrough solutions of global significance.
- Identify and engage additional potential partners in downstream opportunities as they relate to investment, horizontal infrastructure development and vertical development opportunities.
- Collaborate on developing strategies, tactics and methodologies for establishing and promoting ongoing thought leadership related to the project and its objectives.
- Create a clear, compelling vision statement and communications materials that will be shared with stakeholders and potential additional participants in the Project.
- Support and collaborate with Waterfront Toronto, **which will serve as the communications lead**, to ensure the significance of the Project and its desired outcomes are effectively communicated. [emphasis added]
- Provide financial support and required materials for community and stakeholder engagement undertakings. The Partner will be an active contributor in these discussions.

## 2. Sustainability, Resilience and Urban Innovation

“The Partner will work with Waterfront Toronto to assess and confirm that the solutions and technologies proposed by Arup will help create a sustainable community (striving to achieve a climate positive outcome), and help to meet the carbon reduction targets of all three orders of government (Government of Canada, Province of Ontario, City of Toronto):

- Conduct a thorough economic and technical critical analysis of the solutions and technologies recommended by Arup to achieve our climate positive objectives for the Project. This review should also include alternative and additional technologies for consideration, as appropriate, which will then be factored into the evolved models and projections prepared by Arup.
- Refine the sustainability objectives, strategies and targets for the Project. In addition to the work already completed, specific efforts will be taken to identify the potential roadmap for these solutions to be included in future phases of eastern waterfront revitalization.
- Define an approach to delivering the confirmed carbon reduction strategies, solutions and technologies, including a schedule/phasing plan (including, but not limited to energy, transportation, waste, materials and water) to support the overall objectives of the Project as they relate to Waterfront Toronto’s broader revitalization mandate.
- Contribute appropriate financial resources and/or solution components to support building and district level solutions for the eastern waterfront including pilot projects that demonstrate innovative, emerging technologies.
- the Partner will help refine and update Waterfront Toronto’s Minimum Green Building Requirements to ensure that they reflect the principles of our Resiliency and Innovation Framework, and support the aspirations for the Project and future phases of revitalization.” (p. 15)

## 3. Complete Communities

### a) Mixed-income and Affordable Housing

“The Partner and Waterfront Toronto will explore and create a development model that leverages the strong demand for market condominiums and rental housing to deliver enhanced affordable housing options and mitigate housing inequality.”

“Waterfront Toronto has a mandate to set aside sufficient land to accommodate 20 percent of residential units as Affordable Rental Housing. **We anticipate the Project can achieve a broader mix of housing affordability beyond this mandate.**” (p. 15; emphasis added)

- Develop a viable and implementable delivery model for additional mixed-income housing, particularly moderately-priced workforce rental housing that engages the private sector and requires minimal government funding.
- Explore using new smart technologies, building systems, materials and design approaches that can help lower the cost of construction, utilities and operations, while advancing our low carbon/climate positive objectives.

- Identify financing strategies for a pilot mixed-income housing development that integrates market rate, workforce and Affordable Rental Housing units.
- The Partner will support Waterfront Toronto as it champions this model with governments.”

### **b) Transit**

“The Partner will actively participate in planning and securing funding for integrated transit solutions and the related public realm together with Waterfront Toronto and in partnership with other landowners and developers in the Bay Street to Cherry Street corridor.

- Assist in developing a viable and implementable model for sustainable transit along the eastern waterfront into the Port Lands that can be supported by a combination of government and private sector funding.
- Assist in championing this model with governments and approval agencies having jurisdiction over transit delivery.
- Contribute appropriate financial resources and/or solution components to support transit solutions for the eastern waterfront including pilot projects that demonstrate innovative, emerging transit technologies.”

### **c) Amenities**

“The Partner will work with Waterfront Toronto to identify appropriate and required retail, cultural and community amenities for the Project and adjacent precincts to ensure the creation of a vibrant complete community.”

### **d) Design**

“The Partner and Waterfront Toronto will work together to achieve new standards for architecture and the public realm that leverage Waterfront Toronto’s history as a leader in delivering quality of place and high impact designs that attract creative talent and increase overall project value.

“The partner will work with Waterfront Toronto to ensure an integrated design process is used to deliver sustainable technology that includes innovative building design and architectural expression.”

## **4. Economic Development and Prosperity**

- “Identify and engage institutions locally, nationally and internationally as long-term partners in the Project. This will include applied research opportunities as well as developing physical and virtual campuses, as appropriate.
- Identify, engage and evaluate entrepreneurial companies that are developing new technologies consistent with delivering the goals and objectives of the Project.
- Create the requirements for an urban innovation collaboration and innovation space with the appropriate programming and partners (including industry and academia) within the

Project. This will include developing a full business plan for this environment, and may include outreach to additional public and private stakeholders to secure the necessary capital.

- Assess the viability of creating a catalyst fund that will invest in emerging companies that are engaged in the Project to assist them in overcoming barriers to scaling up. If such a fund is deemed to be of significance and viable, work with Waterfront Toronto to identify and secure funders and design the framework for delivery.
- Create the required governance constructs to stimulate the growth of an urban innovation cluster, including legal frameworks (e.g. Intellectual Property, privacy, data sharing), financial considerations (including investment opportunities and revenue sharing expectations), deployment testbeds and project monitoring (KPI's, reporting requirements and tools to capture data).
- Land revenues and the timing of payments to Waterfront Toronto, or other sources of revenue as proposed by the Partner.
- Ownership and sharing of intellectual property resulting from the Project.” (pp. 15-17)

## **Appendix A: Background Information & Project Requirements**

Pages A4-A5:

### Developing a WTEI Workforce Development Plan

The Partner will attend a preliminary meeting with Waterfront Toronto and WTEI representatives to discuss the WTEI program, and to **develop a WTEI Workforce Development plan, which may include:**

- Customized Recruitment – including working with the City of Toronto’s Partnership to Advance Youth Employment (PAYE) program and the United Way Toronto & York Region’s Career Navigator Program, to identify
- jobs, training and work based learning opportunities for youths between the ages of 18-29.
- Opportunities for registered apprenticeships, accessing newly trained youths through the Central Ontario Building Trades’ (COBT) Hammer Heads Program.
- Opportunities to develop customized skill training initiatives.
- Other learning, networking and skill development initiatives/workshops.

The Partner **will be required to commit to the following:**

- Assign a liaison to work with a WTEI representative to further develop the WTEI plan details and an implementation plan, including opportunities, timelines and key performance indicators;
- Meet with the WTEI representative on a quarterly basis to provide updates and feedback on the WTEI plan implementation;

- Report progress and outcomes to Waterfront Toronto’s Project Manager in charge of the assignment on a quarterly basis for the term of the project; and
- Work with Waterfront Toronto and downstream vendors and/or partners to further adapt this program as new opportunities arise.

## **Appendix C: RFP Particulars (Submission Requirements and Evaluation Criteria)**

Section C, Rated Criteria covers the criteria Waterfront Toronto used to evaluate the initial submission (pp. C1-C7). It's a lot to transcribe, so I won't. But it's worth reading in its entirety.

From this section, here are a few issues of interest:

### **A. Project Vision & Business Implementation Plan**

The Project Vision and Business Implementation Plan should not exceed 25 pages (including images, diagrams and tables) (p. C2)

Interesting inclusion:

#### **e. Broader Eastern Waterfront Revitalization:**

Describe how your vision relates to the broader waterfront revitalization efforts. (p. C2)

#### **A5. Approach to Business Case and Financial Requirements (p. C3)**

**a. Legal Structure Approach:** Describe how you would approach the following:

**i. Roles and Responsibilities:** Provide an initial proposal of roles and responsibilities for Waterfront Toronto and the Partner, understanding that Waterfront Toronto intends to remain an active partner and investor in this and future phases of the Project through to its completion.

**ii. Legal Structures & Documents:** Describe required legal structure and documents required to implement the partnership.

**iii. Risks & Benefits:** Propose how risks and benefits will be shared. How will you create an assessment tool to allocate risks between Waterfront Toronto and the Partner?

**iv. Intellectual Property:** Provide a preliminary framework for a potential management approach for Intellectual Property introduced to or developed through the Project, and any revenue sharing between Waterfront Toronto and the Partner.

**v. “Off-Ramps”:** How could the venture be unwound in the event that the Project is not achieving its goals?

**vi. “On-Ramps”:** How could new partners / participants be included in the Project? Are there any ownership/equity considerations?

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 3: Sidewalk Labs CEO Project Vision Open Letter

Posted on [July 18, 2019](#) by [bhaggart](#)

[Previous Master Innovation and Development Plan liveblog entries available here](#)

Before getting to the meat of Sidewalk Labs' original response to the RFP, it's worth noting that what they've released is accompanied by a letter from Sidewalk Labs CEO Daniel L. Doctoroff. [In the letter](#), dated October 17, 2017, Doctoroff includes a pitch that invites public consultation:

We've decided to release the vision we laid out in our response, both in the interest of transparency and to start what promises to be a history-making public conversation. We hope all Torontonians—and city-lovers far and wide—will join in. Which urban challenges are most urgent? Where can technology prove useful in finding solutions, and where is it not the right tool? Which of our ideas are great, which are crazy, and what did we miss?

We need your ideas, your aspirations, your critiques, your concerns. We hope you'll email us, call us, tweet at us, and, if possible, join us in person at a series of public conversations, beginning with a Community Town Hall in early November.

As it happens, it was this initial November 2017 Town Hall meeting that interested both Dr. Natasha Tusikov and me in studying smart cities, data governance and the Quayside project. Smart cities are “smart” because of how they collect data via surveillance. And so we were surprised and a bit alarmed when reps from a Google company and from a government agency that wanted to set up a smart city spent so much time on fanciful infrastructure projects and so little time on data and surveillance issues, and none that I can recall on intellectual property.

As we livestreamed the meeting, we couldn't for the life of us square the insistence at the Town Hall that individual privacy would be respected with our understanding that a smart city only works if everything is being observed. Would the price of heated sidewalk be the observation of our every movement? But even if you didn't want to go that far, it really did seem like neither Google's Sidewalk Labs nor Waterfront Toronto wanted to talk about data, emphasizing the physical instead of the virtual.

It turns out that this was a pretty accurate assessment of the situation. The April 2018 creation of the Digital Strategy Advisory Panel was an admission by Waterfront Toronto that they had been caught off-guard by the public interest in the digital and data aspects of what is almost entirely a digital- and data-driven project.

As for the other partner, the August 14, 2018, *Toronto Star* headline – [“Sidewalk Labs unveils plans for timber towers, raincoats for buildings in Quayside, but Torontonians must wait for data](#)

[details](#) – perfectly captures how Sidewalk Labs carried itself. Ten months after it was awarded the Quayside contract, Sidewalk Labs didn’t want to talk data.

When you have the world’s foremost data-driven company, subsidiary or no, constantly talking about heated sidewalks and timber skyscrapers, you have a problem. After all, Sidewalk Labs, a company with hardly any track record to speak of, was hired to develop some of the most valuable property in North America because it was a Google company, a data company, not for their prowess with an axe.

## Can children vote? Consultations as PR exercise

As for the Quayside consultations, it’s hard not to conclude that they were largely a PR exercise. Consider in particular two elements of the [13-point list of “different ways you can get involved!” according to Sidewalk Labs and Waterfront Toronto](#):

10. Send your child, ages 9-12, to a free YMCA-Sidewalk Toronto Summer Kids Camp to learn about the waterfront and explore ideas for its future.
11. Apply for our Sidewalk Toronto Fellows Program for Torontonians, ages 19-24.

Granted, touting a “weeklong Summer Kids Camp” in which “campers will have the opportunity to learn, play, and explore as they develop their own ideas” as a serious form of community consultation on a multi-million-dollar urban planning megaproject may be exactly the kind of innovative thinking only a Google company could come up with. Or maybe it’s just as much of an absurd and condescendingly patronizing feint as it seems.

As for the Sidewalk Toronto Fellows Program for young adults, these twelve selected fellows will “travel with us to three international cities over six months to explore the future of cities and technology and prepare a public report.”

Let’s quickly unpack this program, since (spoiler alert) it’ll become important when we get to the actual Master Innovation and Development Plan. To put the ages of these young adults into perspective, if these fellows are in university, they would be second-to-fourth-year undergraduates, MA students and, at the top end, recent MA graduates. Now, I have known and worked with many bright undergrad and Masters students, but the key word here is *students*. They’re still learning about how the world works. In a few years they might be experts, but not yet.

Also, taking a dozen students to three international cities on Sidewalk Labs’ dime isn’t a consultation; it’s a field trip, complete with a heaping side dish of conflict of interest. That Waterfront Toronto and Sidewalk Labs would try to pass off these initiatives as anything other than cheap PR stunts is, frankly, insulting. And it’s certainly not a consultation.

## Analog consultations for a digital project

One final thing. Google is one of the world’s leading online companies, a world-dominating tech behemoth. It knows the internet. Sidewalk Labs, a Google company, was hired because of its

ability to think digital, to build a city “from the internet up,” to take an oft-repeated phrase from their Project Vision document (up tomorrow).

So where were the online consultations? Where was the innovative use of Google tech, to allow Torontonians to discuss amongst themselves and with Sidewalk Labs/Waterfront Toronto what kind of smart city they wanted? Here is the world’s greatest online company pitching a new form of digital smart city, willing to talk about the innovative use of every physical building material imaginable. The only place where they didn’t talk innovation was in designing these consultations. Instead, physical roundtables, with the agendas tightly controlled by Sidewalk Labs and Waterfront Toronto, dominated their consultation process.

The digital aspect of consultations for what is intended to be the world’s greatest digital city, by a subsidiary of the world’s greatest digital company, consisted only of an invitation to “Go online to learn about Sidewalk Toronto, watch our videos, review documents, and complete surveys.” And livestream events.

Contrast this with the [Brazilian government’s two-phase online consultations leading to its 2014 Marco Civil internet governance law](#). As Dr. Tusikov and I [describe it elsewhere](#):

The first stage solicited public input, which responded to clearly stated topics set by subject experts, designed to be partly educational. Crucially, this was not just a one-way street: They used an online platform to allow for collaboration among contributors.

In the second stage, the public responded to a draft legal text, which they could compare to the first-stage discussions.

Even better, they did so using WordPress pages, and participants were able to interact with each other online, sharing ideas. And it was incredibly successful, creating legitimacy and contributing to sound policy in a technically complex area for what was the world’s first Internet Bill of Rights.

This is not rocket science. One wonders if this type of back-and-forth consultation was too outside-the-box for Sidewalk Labs.

## **Limiting public engagement**

That’s not to say that the consultations did not serve a purpose. By limiting public engagement to a few relatively easily controlled public events and by minimizing online engagement, Sidewalk Labs and Waterfront Toronto were able to maintain the top-down control over this project that has been present since its inception.

Sidewalk Labs CEO Daniel L. Doctoroff may be [very fond](#) of [invoking Jane Jacobs](#), but everything about Quayside screams central planning and control. That they have been forced to publicly address pesky questions about who will run Quayside, the scope of the project and how data and privacy will be governed is a tribute to the community activists who have kept the

heat on these two organizations from day one. Any accountability in this process has emerged despite, not because of, the Quayside “consultations.”

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 4: Sidewalk Labs' Project Vision

Posted on [July 19, 2019](#) by [bhaggart](#)

[Previous Master Innovation and Development Plan liveblog entries available here](#)

Reading [Sidewalk Labs' Project Vision document](#) – essentially an extended excerpt from its submission to Waterfront Toronto's Request for Proposals – alongside [Waterfront Toronto's RFP](#) brought to mind several thoughts.

- 1. Sidewalk Labs is responding to the questions it was asked.**

This doesn't necessarily make Sidewalk Labs' plan a good one, but it does demonstrate that its plans did not come out of the blue. To the extent that Sidewalk Labs' plan is flawed, Waterfront Toronto deserves a significant amount of blame for opening the gate to a proposal like this in the first place.

- 2. Sidewalk Labs (and by extension Waterfront Toronto) did not play fair when releasing their Project Vision document.**

In the letter that accompanied the release of Sidewalk Labs' "Project Vision" Sidewalk Labs CEO Daniel L. Doctoroff claimed: "We've decided to release the vision we laid out in our response, both in the interest of transparency and to start what promises to be a history-making public conversation."

As part of the proposal, Waterfront Toronto required that applicants submit a "Project Vision and Business Implementation Plan," not to exceed 25 pages. Sidewalk Labs released the first 19 pages of this document, covering the Project Vision part of the document:

**A1. Vision**

**A2. Sustainability & Innovation Submission**

**A3. Complete Communities Submission**

**A4. Economic Development & Prosperity Submission Requirements**

These sections, as I'll detail in my next post, mainly amount to a whole bunch of promises centered on cool-sounding [vapourware](#).

Unfortunately, the meat of these proposals, mainly how these cool-sounding projects would be organized and run, was covered in the very next section, A5. Approach to Business Case and Financial Requirements, which is not included.

Here's some of what's in that excluded section (quoting from the RFP):

- Legal Structure Approach:** Describe how you would approach the following:
- i. **Roles and Responsibilities:** Provide an initial proposal of roles and responsibilities for Waterfront Toronto and the Partner, understanding that Waterfront Toronto intends to remain an active partner and investor in this and future phases of the Project through to its completion.
  - ii. **Legal Structures & Documents:** Describe required legal structure and documents required to implement the partnership.
  - iii. **Risks & Benefits:** Propose how risks and benefits will be shared. How will you create an assessment tool to allocate risks between Waterfront Toronto and the Partner?
  - iv. **Intellectual Property:** Provide a preliminary framework for a potential management approach for Intellectual Property introduced to or developed through the Project, and any revenue sharing between Waterfront Toronto and the Partner.
  - v. **“Off-Ramps”:** How could the venture be unwound in the event that the Project is not achieving its goals?
  - vi. **“On-Ramps”:** How could new partners/participants be included in the Project? Are there any ownership/equity considerations?

As a result, there is almost nothing in the vision statement on the key question of data governance, which makes it impossible for an outsider to evaluate seriously their vision document. Instead it's all awesome coolness, from a Google company, a company that has a poor record on follow-through on its big projects ([hi, Google Fiber!](#)) and killing off socially useful but profit-challenged products (I'm still upset about Google's euthanasia of [late, great Google Reader](#)).

And my handy Preview search function tells me that intellectual property is not mentioned a single time, including in the 172-page appendices (Sidewalk Labs does love to pad its documents).

3. **To get the contract, Sidewalk Labs promised the moon, leaning heavily on its Google connection to make the case that it can deliver, even without any track record.**

Seriously, they really promised the (vapourware) moon. They promised so many things that I decided to detail every single promise in their vision statement in my next post. Spoiler: they made **a lot** of promises.

4. **This whole exercise should've been conducted within government and not outsourced to a for-profit corporation.**

Sidewalk Labs' “success metrics” make this point. The most interesting thing about them is their banality. Why did Waterfront Toronto need an outside company to tell it that “cost of living (with 11 subsets around rent, transportation, and more), carbon emissions, walkability, park access, job growth, civic participation, and time saved commuting” (p. 17) should be important

measurements? Although “smart cities” and “data” sound intimidating, they’re not rocket science. A city, no matter how “smart,” still involves people living in and using spaces, and moving from Point A to Point B. If a development organization can’t figure these things out, we have a problem.

### **5. Scope overreach**

While Waterfront Toronto was relatively up-front that the goal was to establish Quayside *and then* scale up (somehow) to the entire eastern waterfront, Sidewalk Labs’ Vision document seems to make clear that most of their (many, many, many) promises could only come true if they were implemented on the scale of the eastern waterfront. In their defence, Sidewalk Labs has been (relatively) consistent on this point (if you plow through all of these documents). And given that, according to the [Ontario Auditor General’s report](#), Waterfront Toronto has been looking for a way to better involve itself in the wider waterfront development, Sidewalk Labs’ insistence that so much of its awesome stuff could only work at the scale of the waterfront, could be seen as being a means to this end. In other words, what looks to the outside world as problematic scope overreach might be seen by Waterfront Toronto as a feature, not a bug.

### **6. Sidewalk Labs’ “standards layer” represents a bid for it to become a central governing body of Quayside (etc.). It also goes far beyond what the RFP asked for.**

Among the ocean of promises and hype in this document, Sidewalk Labs’ discussion of how it approaches both regulation and working with relevant government authorities is most illuminating.

In Sidewalk Labs’ version of the smart city, the city – Quayside and the Eastern Waterfront – is the platform. And so, when Sidewalk Labs says it needs to set the “standards level,” “the rules for residents, administrators, and developers using and building atop the platform” (p. 18) it’s effectively asking to co-govern Quayside and the Eastern Waterfront. Sidewalk Labs wants to set the building codes to fit its view on what is best for... all Torontonians? Efficiency? Development? Equity? In Sidewalk Labs’ world, the notion that there could be conflicting and equally legitimate opinions on such issues doesn’t arise. Instead, it’s uncontroversially assumed that Sidewalk Labs will set the rules, and these will objectively be the best ones possible. There are no politics in the city of Sidewalk Labs’ dreams.

Accomplishing all of this will require a high level of central planning and standardization, no matter the language of flexibility found in this document. Consider modular, “flexible” buildings, a key element of Sidewalk Labs’ plan. For these to work, they require, as Sidewalk Labs recognizes, that all the buildings be “interchangeable.” As a result, “this interchangeability [in buildings] requires a high degree of standardization, including dimensions, basic services provided in each building, and the interior components themselves.” (Appendix, p. 118)

In short, “highly flexible” buildings of the type promised by Sidewalk Labs will only be flexible within the parameters set by Sidewalk Labs. This isn’t Jane Jacobs-style urban innovation: it’s central planning on a Soviet scale.

My completely uninformed prediction: We're going to end up with ugly same-looking building blocks.

And talk of working with other government authorities brings us to ...

#### 7. Proof, pudding, eating

**On situations in which Sidewalk Labs' plans touch the responsibilities of other governments or agencies:** "In all cases, the best strategy is to start conversations early and recognize the perspectives and interests of potential partners. Sidewalk will work with these entities to develop approaches that meet their fundamental needs while also creating the flexibility necessary to innovate." (p. 26)

I'll guess we'll see the extent to which Sidewalk Labs' MIDP takes into account the "fundamental needs" of other organizations.

Next post, Sidewalk Labs' promises to Toronto. It's going to be a long one.

## **Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 5: Enter the gondola! Every Sidewalk Labs promise to Toronto in its Project Vision document, and the one thing they won't do**

Posted on [July 19, 2019](#) by [bhaggart](#)

[Previous Master Innovation and Development Plan liveblog entries available here](#)

The fun thing about [vision statements](#), particularly those written by tech companies, is that they're not necessarily constrained by reality. Think Elon Musk's Hyperloop vision. [As Jalopnik's Aaron Gordon noted](#), "in a mere two years we've gone from a futuristic vision of electric skates zooming around a variety of vehicles in a network of underground tunnels to—and I cannot stress this enough—a very small, paved tunnel that can fit one (1) car."

Overpromise, underdeliver.

Best to keep this in mind when reading things like the [Vision Statement](#) from Sidewalk Labs – a company that has yet to do almost any of the things it has promised Toronto.

But what promises! Below is a list of the promises made by Sidewalk Labs in their Project Vision document. I might've missed a few over the document's 196 pages; I didn't mention some types of promises, such as to partner with a particular company to achieve a stated goal/promise; and there is a bit of overlap among some of them. That said, it's pretty clear that a whole lot of [imagineering](#) went into this document.

These promises are the hooks that Sidewalk Labs is using to convince the public that their Quayside and (if all goes according to plan) eastern waterfront plan is just awesome. Heated sidewalks! Timber skyscrapers! Some of the proposals are far-fetched (as one engineering professor told me, self-driving cars are five years away, and will be for the foreseeable future), while others may not be.

At the end of the day, these promises, while bright and shiny, are merely a sideshow to the main issue: who will set the rules – who will be the effective government – in Toronto's Eastern Waterfront. Failure is a fundamental part of innovation. And if you want to build an innovation lab, you have to expect that a lot of your ideas will fail. Or that business conditions will change, rendering your previously fantastic idea unprofitable. This last point is particularly important if a smart city is being implemented by a for-profit company.

What's more, in the software industry (Google's home base), overpromising and underdelivering is a huge part of the business model. Most of these promises are [vapourware](#) – products that Sidewalk Labs would *like* to develop but that don't currently exist and may never exist. That's par for the course.

But that's also why the question of who will be setting the rules is so important. Anybody can come up with brilliant, futuristic ideas. Turning the keys to the city, including rule-setting and de facto taxation powers, over to a foreign, for-profit company with no experience in running a city? That's something else entirely.

But we'll get back to the governance issues in later posts. In the meantime, here is an incomplete list of Sidewalk Labs' promises, and one thing they don't want to do. Enterprising journalists might want to check out this list and determine which proposals have a chance at success, which ones don't, and exactly would be required (in terms of technology and regulations) to make them work. Evaluating whether Sidewalk Labs is making credible promises, on a proposal-by-proposal basis, would go a long way to injecting some substance into the Quayside debate.

Also, I want a gondola. Seriously – it had better be in the ultimate Master Innovation and Development Plan. #teamgondola

## **“THIS IMAGE IS FOR ILLUSTRATIVE PURPOSES ONLY AND DOES NOT REFLECT ANY PLANNING PRODUCT”\*: What Sidewalk Labs promises to do for Quayside and the Eastern Waterfront...**

*\*(Illustration label, Appendix, p. 111)*

### **Sidewalk Labs finds a catchphrase and makes a promise**

Quayside will be “the world’s first neighbourhood built **from the internet up**” (p. 15)

A Neighbourhood **from the Internet Up** (Appendix title)

Building new neighbourhoods **from the internet up** is a remarkable opportunity to embed emerging digital capabilities into core infrastructure from the start. (p. 12)

A neighbourhood **from the internet up** combines the advantages of a global city with a close-knit community. (p. 17)

AT THE HEART OF SIDEWALK’S APPROACH to building a neighbourhood from the internet up is viewing it as a platform that integrates the physical environment with digital technology, creating the core conditions for urban innovation. (p. 18)

In this way, the public realm in a neighbourhood **from the internet up** will be a throwback to cities past. (p. 24)

The public realm in a neighbourhood **from the internet up** will not be confined to one area. (p. 25)

UTILITIES IN A NEIGHBOURHOOD **FROM THE INTERNET UP** will be off the streets and easily accessible, housed in a system of utility channels that prevent old infrastructure and messy road work from impeding innovation. (p. 28)

Sidewalk's approach to making Quayside the first neighbourhood **from the internet up** centres around five planning goals ... (p. 42)

An enormous benefit of building a neighbourhood **from the internet up** is that needed sensing technology can be built in from the start. (p. 68)

## The vision thing

When people look around Quayside, they might see a retail shop turning into artist housing as part of a flexible building pilot. Or a self-driving shuttle dropping off passengers during a test ride. Or a community group using a digital kiosk to provide feedback on a local planning discussion. Or a new urban innovation institute, home to a campus of entrepreneurs itching to solve the toughest problems facing cities. (p. 15)

Several things will make this project globally significant. First, the firsts: the things that have never been done. The Eastern Waterfront will be the first district where the only vehicles are shared and self-driving, where buildings have no static use, where streets are never dug up. (p. 16)

Nowhere else will mobility innovation meet streets designed for it. Nowhere else will housing be more affordable based not on policy alone but on how things are built. And nowhere else will all this innovation exist in a single place. (p. 16)

## Economic development

Sidewalk will work with local institutions such as the University of Toronto and Ryerson University to establish an urban innovation institute, bringing together academia, industry, government, and entrepreneurs to address the growth challenges facing cities. This applied research institute can create a talent pipeline and a real-time knowledge-exchange with pioneering companies, just as Stanford does with digital startups in Silicon Valley, and Cornell Tech does with engineers in New York. (p. 31)

The urban innovation institute “will support cross-discipline, graduate-level degree programs, a broad range of faculty research with areas of deep specialty, such as application of artificial intelligence, and research and curriculum with potential reach into policy, governance, finance, and other relevant disciplines.” (Appendix, p. 70)

...the cluster will extend beyond core mobility products. New companies in areas like financial services, operations, infrastructure, technology, and energy will

gather or emerge to provide related services. Insurance companies might use the data-rich environment to explore new underwriting models. Cleantech companies might deploy new types of charging stations for self-driving electric vehicles. (p. 31)

Sidewalk will partner with large tech employers and local institutions to establish an advanced skills training program—a target identified in the recent federal budget—where workers can develop high-demand skillsets for the digital economy. (p. 31)

Sidewalk will work with the Waterfront Toronto Employment Initiative to identify talent from the surrounding neighbourhoods for technology training programs, as well as broader employment opportunities created by the cluster. (p. 31)

by offering programs geared toward school children, the training effort can inspire the next generation of technology entrepreneurs in addition to training today's workforce. (p. 31)

once this living laboratory expands to the scale of the Eastern Waterfront, Toronto will become the urban innovation anchor for the world, generating new economic activity from unexpected places. (p. 31)

Sidewalk estimates that, at full build, the Quayside neighborhood will house more than 5,500 jobs and generate more than 50 million CAD of annual property taxes. (p. 32)

depending on the scope of the development program agreed upon by Sidewalk and Waterfront Toronto for the Eastern Waterfront, its impact on jobs and tax generation when fully built could be ten times that of Quayside. (p. 32)

Sidewalk will explore ways for early-stage companies to deploy innovations to “alpha” communities of early adopters who opt in, leading to faster testing and iteration of new urban innovations. (p. 33)

Sidewalk will also look to provide early-stage companies with makerspace to test new materials or manufacturing capabilities ... (pp. 33-34)

Sidewalk will create opportunities for marquee North American VCs (and their talent networks) to participate directly in the funding of innovations. (p. 34)

In Quayside, Sidewalk’s team will scan the marketplace and engage relevant early-stage companies. (p. 34)

Sidewalk will provide a co-working space for students, entrepreneurs, and academics who want to advance the state of the art in urban technology. (Appendix, p. 70)

Sidewalk will engage local manufacturers on circular economy concepts, devising pilot projects where appropriate, if it is determined to be a priority by Waterfront Toronto in the context of the overall project. (Technical Appendix, p. 168)

Sidewalk will explore approaches to tagging reusable components, if it is determined to be a priority by Waterfront Toronto in the context of the overall project. (Technical Appendix, p. 169)

At the Urban Innovation Institute:

A dedicated staff will nurture the developer community and make connections between groups. A dedicated technical staff deeply versed in the details of the digital layer will be able to advise on its use, help new developers get up to speed, debug issues, and take lessons from this process back to the platform development team to effect improvements to the platform and APIs themselves. (Appendix, p. 70)

### **Energy and the environment: Climate change**

In Toronto, deploying similar innovations, Sidewalk believes it is feasible for Quayside to approach carbon-neutrality, and for the Eastern Waterfront to realize Waterfront Toronto's climate-positive goal. (p. 32)

Through the microgrid, "enabling the Eastern Waterfront to export clean thermal energy to downtown neighbourhoods and achieve Waterfront Toronto's climate-positive ambition." (p. 21)

### **Energy and the environment: Energy production**

a thermal grid that taps multiple existing sources of energy for circulation and reuse, making it possible to heat and cool buildings without fossil fuels (p. 18)

capture enough renewable energy through an advanced microgrid to meet Waterfront Toronto's goals for onsite power generation. (p. 18)

realize Waterfront Toronto's target of 10 percent onsite power generation using roof and façade photovoltaics, as well as battery storage. Between these efforts, Sidewalk expects to reduce draw from the Toronto Hydro electric grid by 75 percent per capita versus existing conditions. (p. 22)

Sidewalk will seek to pilot in Quayside, and scale up across the Eastern Waterfront, a multi-source district heating and cooling system called the thermal grid. Unlike systems that only rely on a single source, the thermal grid will tap and export multiple sources of waste or free heat and cool in the area: geothermal, waste heat from sewers and the Portlands Energy Centre, deep lake cooling, and the capture and reuse of waste heat and cool from within the buildings themselves. (p. 23)

Sidewalk will pilot a thermal grid in Quayside using waste heat from building and ground sources, but tapping the large sources of waste heat and Lake Ontario cooling will require the scale of the Eastern Waterfront to be economical. (p. 24)

## **Energy and the environment: Housing**

adopt Passive House building standards that go beyond LEED to manage the thermal load that is the largest cause of energy demand in buildings.” (p. 18)

A cluster of Passive House buildings at Quayside will climb the learning curve and make it possible for the Eastern Waterfront to be entirely Passive House at no incremental cost. (p. 21)

To reduce construction waste, Sidewalk will experiment with more eco-friendly building materials, such as tall timber. (p. 18)

## **Energy and the environment: Waste disposal**

Sidewalk will implement the smart disposal system in Quayside, including macerators in kitchens, smart chutes with PAYT capability for inorganic waste, a robot-powered waste movement system, and an onsite anaerobic digester at either the neighbourhood or the building scale. (Appendix, p. 96)

### **The waste-disposal details:**

- pilot a smart disposal chain in multifamily buildings that consists of sensor-enabled waste separation for recycling and onsite anaerobic digestion for composting, dramatically reducing landfill waste. (p. 18)
- a robotic sorting system that diverts more than 90 percent of waste without the hassle of manual separation. (p. 21) Robots will transport solid waste underground and out of sight. (p. 21)
- Sidewalk will deploy a digitally enabled smart chute system that will help pay-as-you-throw waste regimes succeed in multifamily buildings by making it possible to differentiate between recyclables and trash. (p. 22)
- handle organic waste through a separate system culminating in an onsite anaerobic digester. Such a system will require minimal additional effort from users but will achieve vastly better outcomes— at a minimum, a 90 percent landfill diversion in household waste. (p. 22)

## **Energy and the environment: Water disposal**

“an intuitive purple-pipe pilot will help tenants reuse greywater.” (p. 18) “While Sidewalk will explore onsite rainwater capture and treatment for potable uses, the Ashbridges Bay Wastewater Treatment Plant could easily supply the entire Eastern Waterfront (including Quayside) with nonpotable water” (p. 24). The system would work “indoors as well as outdoors, … so residents

and workers become familiar with the idea of not using drinking water for all domestic purposes.” (p. 22)

### **Energy and the environment: Bio...**

Sidewalk would be pleased to work with Waterfront Toronto toward a formal biophilia plan, if it is determined to be a priority by Waterfront Toronto toward a formal biophilia plan, if it is determined to be a priority by Waterfront Toronto in the context of the overall project. (Technical Appendix, p. 171)

Sidewalk has a track record of working with advanced, healthy, bio-based materials, and is eager to work A2-A Innovation Category) with Waterfront Toronto towards a strategy for their use. (Technical Appendix, p. 171)

### **Heated sidewalks**

retractable canopies in public spaces and heated bike and pedestrian paths to melt snow. (p. 19)

### **Housing**

In Quayside, Sidewalk plans to deliver modular buildings using advanced manufacturing to save time and money during construction. (p. 18)

Sidewalk will also demonstrate a flexible building typology, Loft, with a strong shell and minimalistic interior that makes it quick and easy to convert building uses. (p. 18)

In its Quayside iteration, a Loft pilot could contain parking space that transitions to other uses once shared mobility reduces private car use. (p. 27)

Sidewalk has also been experimenting with more sustainable building materials, including mycelium insulation and tall timber skeletons, and intends to pilot such structures in Quayside as a first step to adoption in the Eastern Waterfront. (p. 22)

Sidewalk proposes to make Quayside a living laboratory for housing policy innovation that delivers a mixed-occupancy community that mirrors Toronto’s socioeconomic diversity. (p. 27)

From a business perspective, flexible building design and modular construction methodologies reduced barriers to entering a market, with 12.5 percent savings on commercial fit-out costs. (p. 33)

Sidewalk will also pursue models of partial [housing] ownership that have proven to be successful in Toronto and abroad. (Appendix, p. 126)

Sidewalk is exploring potential materials innovations in Structural Insulated Panels (SIPs), a standard construction material. (Appendix, p. 112)

## Infrastructure

Connectivity will be ubiquitous in Quayside, consisting of high-speed wired communications over fibre and copper; high bandwidth wireless communications over Wi-Fi and cellular technologies; and long-range, low-bandwidth connectivity using low-power wide-area network technologies. (p. 24)

Sidewalk will deploy a shared wired and wireless backbone that creates seamless coverage and service competition. Each access point will offer wireless connectivity via current and emerging standards, including (1) Wi-Fi (2) LTE and (3) LoRa (long-range, low-power radio), leveraging software-defined radios to optimize coverage and throughput. (Appendix, p. 68)

Quayside will have multiple overlapping communications networks—an opportunity to evaluate relative value. (Appendix, p. 70)

Sidewalk will combine cloud software, sensors, and controls into a new ‘active stormwater management’ system that will reduce the size and cost of future stormwater infrastructure needed in the Eastern Waterfront. (Technical Appendix, p. 170)

At district scale:

a system of utility channels to accommodate all networked utilities. These will provide space for electric wires, telecom conduits, and water and district heating pipes, as well as space for small-scale robots to travel between building basements and under walkable streets. The channels will enable the fast provision of new types of utilities as they emerge, and will make it easy to maintain systems without disruptive utility work. Finally, the robot lanes provide the network that will allow a new type of urban freight system to emerge, beginning with solid waste handling. (p. 23)

## Public spaces

a public realm management system, enabled by sensor arrays, that monitors air quality, asset conditions, and usage, helping managers respond quickly to emerging needs, from broken benches to overflowing waste bins. (to “enable tests of reservable outdoor spaces for short-term uses, such as pop-up shops”) (p. 19)

a next-gen bazaar, a tech-enabled makerspace with activity stalls that can be refreshed quickly. (p. 19)

a series of blue “water rooms”—from floating theatres to homes—will create new life on the lake. (p. 21)

Sidewalk’s analysis suggests that managing wind, sun, and precipitation can double the number of daylight hours when it is comfortable to be outside (see inset graphic). (p. 28)

Sidewalk will pilot flexible space allocations using embedded LED lights, enabling a temporary bike lane to become a pedestrian laneway on demand, for instance. (p. 28)

a dynamic range of local, independent, and diverse amenities to activate the public realm, support residents and workers, attract visitors, and contribute to high-quality placemaking. … provid[ing] radical flexibility at much lower cost, attracting the most innovative amenity concepts from across Toronto and North America. Critically, it will lower the barrier for new entrants and enable the community gathering places that have become increasingly important in the digital age. (p. 29)

Sidewalk believes the Eastern Waterfront can aspire toward the 51 percent green space coverage found in one feasibility study site—though even half that would represent a significant improvement over the 13 percent of land currently dedicated to green space in greater Toronto. (p. 33)

Sidewalk will endeavour to offer residents garden space within the site to invigorate the community. (Technical Appendix, p. 164)

Sidewalk will work with Waterfront Toronto to create a proposed set of standards for local food procurement and employment within the site. (Technical Appendix, p. 163)

Sidewalk would be enthusiastic about including food start-ups as part of the start-up ecosystem Sidewalk – hopes to foster at Quayside and on the Eastern Waterfront. (Technical Appendix, p. 164)

Sidewalk will explore ways to encourage the sale of “uglies” in the site, and will seek to gather and redistribute useful waste in all forms as part of a holistic waste management program. (Technical Appendix, p. 164)

## **Social cohesion**

a neighbourhood assistant tool to facilitate social cooperation and public feedback. (pp. 19-20)

Quayside residents will be able to use the neighbourhood assistant for maintenance or sanitation requests, for instance, or to report an issue with their local playground. (p. 30)

Sidewalk expects to meaningfully increase volunteer rates over the Toronto average. (p. 33)

## **Social services and quality of life**

Sidewalk's Care Lab is actively developing digital tools to integrate primary care and social services for city residents. (p. 20)

integrate primary care and social services data to deliver more proactive healthcare to city residents. (p. 30)

Sidewalk will work with local providers to build a digital social service tool that can enable more personalized care. (p. 30)

In Sidewalk's feasibility studies, ... Sidewalk achieved a projected 100 Walkability score, ... Walking, cycling, and shared electric vehicles cut harmful transportation emissions by a projected 67 percent compared with the surrounding metro area. Advances in telehealth and the expansion of hyper-local pop-up clinics made access to healthcare more convenient. ... Sidewalk expects similar targets to be achievable on the Eastern Waterfront. (p. 33)

Based on its feasibility studies, Sidewalk expects Torontonians to reduce cost of living by 10 percent or more in a revitalized Eastern Waterfront, with a large share of savings coming from the 1,400 CAD per month families spend on transportation. (p. 32)

## **Standards-setting**

Sidewalk seeks to explore the effectiveness of different types of building controls, which are among the most potent ways to reduce energy consumption, but which still lack standardization and scale. (p. 22)

New predictive modelling techniques and real-time monitoring can enable a shift to an outcome-based building code. (p. 27)

## **Transportation**

A mobility system as convenient as private cars at much lower cost. (p. 19)

a self-driving transit shuttle, a strategy identified in the Quayside Draft Vision Document. (p. 19)

An adaptive traffic light pilot (being incubated by Sidewalk's Semaphore Lab) will use sensing technology to detect pedestrians and cyclists and prioritize their safe movement through congested intersections. (p. 19)

A managed parking pilot (being developed by Sidewalk's portfolio company Flow) will direct cars to available parking, reducing the emissions and congestion caused by circling. (p. 19)

A mobility-as-a-service platform will help users take advantage of all mobility options, and will facilitate an on-demand shared ride system. (p. 19)

When a mobility-as-a-service pilot in Quayside scales across the Eastern Waterfront, it not only enables families to abandon auto-ownership without sacrificing convenience,

it also combines with self-driving shuttles to turn every corner into a transit stop. (p. 21)

“an urban freight transit system, using robots to make deliveries via utility channels.” (p. 19) “an internal delivery system to all businesses and residents in Quayside, and will seek to expand a successful system to the entire Eastern Waterfront.” (p. 29)

“Across the waterfront, the streets will restrict conventional vehicles, with a mobility network primarily serving pedestrians, cyclists, and taxibot transit.” (p. 21) “with a target operational date of **summer 2018.**” (Appendix, p. 154; emphasis added, target missed)

For visitors who have no good driving alternative, Sidewalk is developing parking technology to make fast curbside drop-offs and pick-ups easy. (p. 28)

Through these efforts, Sidewalk expects Quayside to achieve a world-class level of car-free urban mobility, with ownership rates of less than 20 percent among Quayside residents—lower than most of downtown Toronto. That rate will save families thousands of dollars a year, reduce the neighbourhood’s carbon footprint, and cut the number of necessary parking spaces in half, opening more space for the critical elements of a complete community: affordable housing, the public realm, and local amenities. (pp. 28-29)

reinvent urban mobility using the most revolutionary technology development in transportation since the jet engine: the self-driving vehicle. (p. 29)

Some single-person self-driving vehicles might eventually be integrated into an elevated transport system, **such as a gondola.**” (p. 29; emphasis added, because who wouldn’t want a gondola?)

On the Eastern Waterfront, Sidewalk will pilot a personal rapid transit skyway system. It will combine overhead transport with lightweight vehicles and structures, and technology to make services personalizable. This could take the form of individually dispatchable gondolas, self-driving pods … that might be able to travel on land and connect at tower-launching stations to aerial skyway cables or guideways. Advances in battery and material technology might also make it

possible for lightweight overhead ramps to carry small-scale, self-driving vehicles as well as bicycles. (Appendix, p. 152)

a new urban traffic system for the Eastern Waterfront called the Ground Traffic Control System. Building on the adaptive traffic signals and parking technology tested in Quayside, as well as onboard navigation in self-driving vehicles, GTCS will optimize routes to balance individual and system efficiency, dramatically enhancing the performance of urban streets. (p. 29)

On the Eastern Waterfront, Sidewalk estimates a substantial increase from the 10 percent of trips taken by foot or bike in Toronto today, and a sizeable reduction in the city's 66-minute average daily commute. (p. 32)

The street grid will be designed specifically for pedestrians, cyclists, and shared, self-driving vehicles. And the neighbourhood will immediately be open for controlled pilots of self-driving cars, including a shuttle between Quayside and Cherry Beach. (Appendix, p. 144)

While the majority of Quayside's mobility needs will be met by Sidewalk's suite of land-based solutions, ferries will offer valuable service to the larger Eastern Waterfront site. ... New high-speed ferry vessels would be smaller and meet current damage stability criteria set by Transport Canada. (Appendix, p. 153)

Sidewalk's app will ensure that users are not locked into one interface for all of their trips to and from Quayside. (Appendix, p. 142)

Incremental changes can make the Parliament and Cherry Street underpasses more attractive, but Sidewalk also envisions a significant investment to create a visible, attractive, and iconic link to the waterfront. (p. 28)

### **... and one can't/won't**

**Waterfront Toronto request:** “Invest 2% of annual profit in sustainable food R&D fund”

**Sidewalk Labs response:** “At this time, Sidewalk is unable to make specific commitments to a sustainable food R&D fund, which will depend on the nature of the financial partnership between Waterfront Toronto and Sidewalk, however Sidewalk is interested in working with WT to support sustainable food practices. (Technical Appendix, p. 164)

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 6: Comparing the July 2018 Plan Development Agreement and the original 2017 Framework Agreement

Posted on [July 22, 2019](#) by [bhaggart](#)

[Previous Master Innovation and Development Plan liveblog entries available here](#)

**Previously, on *MIDP Theatre*...**

This is the sixth entry in our ongoing “urban development thriller,” so it might be time for a recap. When we last tuned into the ongoing Quayside/Eastern Waterfront drama, Waterfront Toronto had just wrapped up its [Request for Proposals process](#) for Quayside (which it owns) and (maybe, perhaps) the Eastern Waterfront (which it is in charge of developing but doesn’t own). In the end of a process marred with significant irregularities, including the Ontario [Auditor General’s finding](#) that the government bureaucracies were sidelined, with the project “being discussed at a senior political level,” Waterfront Toronto awarded Sidewalk Labs the right to come up with a plan for Quayside, or maybe also the Eastern Waterfront. [In attendance at the award ceremony](#): Prime Minister Justin Trudeau, then-Ontario Premier Kathleen Wynne, and Toronto Mayor John Tory, as well as Alphabet (née Google) CEO Eric Schmidt.

The oddness continued as Sidewalk Labs [released a part of its RFP submission](#), which was [long on shiny vapourware](#) and short on data and intellectual property governance, the meat and potatoes of this (or any) smart city project. In not releasing the sections of the proposal that dealt with these issues (likely section A5. Approach to Business Case and Financial Requirements), Sidewalk Labs and Waterfront Toronto focused (or attempted to focus) the public conversation on possible technological outcomes, even though these outcomes are by definition uncertain. After all, the whole point of this project is to encourage innovation, which involves trying out lots of weird projects, many of which will fail.

Sidewalk Labs’ RFP response wasn’t the only thing that it and Waterfront Toronto refused to show the public. Also MIA was the October 2017 [Framework Agreement](#), which was not released until July 2018, when it finally emerged alongside the Plan Development Agreement, which it superseded.

Which brings us to the “[Plan Development Agreement Between Toronto Waterfront Revitalization Corporation and Sidewalk Labs LLC](#),” released at 4 pm on July 31, 2018. Or more precisely, to a comparison of the two agreements.

Or to be even more specific, the *Toronto Star*’s [six-page table outlining differences between the two agreements](#) (it’s embedded near the bottom of the page). We’ll get It’s all worth reading, but a few things stood out:

## **Geographic scope**

The original scope was for “Quayside and lands in the ‘Eastern Waterfront’ as they become available to WT.” In the revised Plan Development Agreement, explicit mentions of the Eastern Waterfront disappear, replaced by a mention of expansion to “Designated Waterfront Areas. ... Except for Quayside, no lands in the DWA are automatically included in the MIDP. Inclusion of lands outside of Quayside is based on justification with a business case” (p. 1).

That said, the Eastern Waterfront remains in the mix; the MIDP will involve “both plans for the Quayside Parcel and plans at scale” (i.e., the Eastern Waterfront) (Schedule B, 1.03).

So, the Plan Development Agreement doesn’t take the Eastern Waterfront off the table; it just clarifies how it might be included later. And as we will see when we finally get to the MIDP, it certainly didn’t change Sidewalk Labs’ covetousness regarding these huge tracts of land.

## **Data governance**

The original Framework Agreement “was mostly silent on issues of privacy and data-sharing” (p. 5), which is a big tip-off that when it issued its RFP Waterfront Toronto was almost completely ignorant about the fuel that runs a smart city, and Google’s Sidewalk Labs, which certainly knew better, did not think to enlighten them.

It’s increasingly hard not to think that Waterfront Toronto proposed their Quayside project because they wanted something sexy to kickstart their fortunes, without understanding what they were doing.

## **Roles and responsibilities**

Initially, Waterfront Toronto was supposed to be more active in the beginning of the project, “then fall into a supporting role to SWL as Master Developer during implementation.” In the Plan Development Agreement, Waterfront Toronto’s role has been upgraded, making “it clear that WT is the steward of the public interest, the revitalization lead, and to work in collaboration with SWL in creating the MIDP and throughout any implementation, including community and government consultations” (pp. 2-3).

As for Sidewalk Labs, its originally envisioned role as “Master Developer” in the Framework Agreement did not make it into the 2018 Plan Development Agreement. Instead, “Steps beyond planning and oversight of MIDP are subject to further approvals. SWL’s role in any vertical development or infrastructure to be defined in MIDP creation phase” (p. 3).

Given Waterfront Toronto’s odd response to Sidewalk Labs’ MIDP – releasing a 60-page “Note to readers” (we’ll get to it eventually) that challenges many points within the MIDP – suspicion regarding the extent to which it has actually led this process would be understandable.

## **“A man without land is nobody.”**

The Framework Agreement “had several clauses that contemplated options or requirements to transfer or make land available to SWL for purchase”; these were removed in the Plan Development Agreement, “and makes it clear that the \$50M does not constitute payment towards land” as originally intended (p. 4).

From the very beginning, Sidewalk Labs’ \$US 50 million was showcased as an expression of the sincerity of its interest in Toronto, which would be used to fund consultations with the people of Toronto. If people had known that this was effectively a downpayment on these lands, Sidewalk Labs and Waterfront Toronto would have lost an enormous amount of goodwill. The whole project would’ve been seen as a land grab by a rapacious American corporation cloaked in disingenuous platitudes to Jane Jacobs.

### **Eastern Waterfront development on hold, sort of**

The Eastern Waterfront may not officially be part of the up-front plans, but both Waterfront Toronto and Sidewalk Labs are acting as if it is still part of the deal, sort of. The agreement assures that “During the MIDP creation stage, neither WT nor SWL will negotiate any planning or development transactions in the Designated Waterfront Area that would be an alternative to, or interfere with, the project (i.e., exclusivity is expanded, and mutual) (s. 11.01)” (p. 6)

In my next entry, I’ll get to some of the other highlights of the Plan Development Agreement proper.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 7: The July 2018 Plan Development Agreement

Posted on [July 22, 2019](#) by [bhaggart](#)

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

[In my last post](#) I highlighted the similarities and differences between the original October 2017 Framework Agreement and the July 2018 Plan Development Agreement, as laid out by the *Toronto Star*. Today I'll focus on the Plan Development Agreement, with an eye to how it frames what will be in the MIDP.

Below are some notes on what stood out to me in the PDA. In particular, I highlight the odd co-governance relationship between Sidewalk Labs and Waterfront Toronto and the tellingly named “public engagement” strategy that falls short of best practices we would expect of *public consultations* (as opposed to engagement).

In Part I, I cover the overall plan for the MIDP. Part II discusses governance issues, Part III talks public engagement, and I highlight a few odds and ends in Part IV.

The Plan Development Agreement also includes a Schedule (Schedule I) that addresses digital governance issues.

### **PART I: The plan**

#### A roadmap for a roadmap

The Plan Development Agreement is designed “among other reasons, to establish a roadmap for the planning phase of the Project involving the preparation and creation of a Master Innovation and Development Plan for the Project” (Preamble). In other words, it is a roadmap for a roadmap.

At the risk of sounding like a broken record, this is not the type of agreement that an organization that understands what a smart city is and how data “works” and how innovation happens should sign. If Waterfront Toronto had truly understood the project scope, they would've been able to know what to ask for in the first place. They could've gone straight to the proposal to develop Quayside according to principles that they themselves had set out. Instead we got a Request for Proposals to receive a proposal to create a proposal to develop Quayside (and more!).

The Plan Development Agreement reminds us that Sidewalk Labs was only established in 2015 (Article 1.01.a). In other words, it is a very, very young company with no track record. Again,

it's hard to avoid the thought that the only reason it landed this contract is because it's a Google company, and we're in a moment in which people believe that data-driven companies have some special insight into the world (spoiler: they don't). No experience necessary.

In a sense, it's a match made in heaven: a government agency with no experience in data/intellectual property/smart city governance working with a company with no track record in high-level urban development. What could go wrong?

## MIDP Scope

Article 1.01 of Schedule B sets out the purposes of the MIDP, including improving quality of life, economic opportunity (as well as making Toronto “a global hub for urban innovation”), and addressing climate change, among other issues.

### What the MIDP will do

“The MIDP will address the principal commercial terms for the potential implementation of the MIDP. The main agreements between the Parties to implement the MIDP are referred to herein as the ‘**Principal Implementation Agreements**’” (2.01(a); emphasis in original). Other agreements may be necessary (2.01(b)).

**Land, IP and infrastructure:** The Principal Implementation Agreements will include an agreed-upon methodology for valuing Quayside land, which could be affected by “the program set out in the MIDP.” Also on the table: “an ‘intellectual property methodology’ or ‘infrastructure methodology’” to address profit-sharing from these two aspects (2.02(a)-(d)).

**Development:** It will also ensure that any third-party development (“design and construction of any above-grade buildings”) on Quayside “will be led by Waterfront Toronto and undertaken jointly by Waterfront Toronto and Sidewalk Labs.” “The MIDP and/or Principal Implementation Agreements will identify those circumstances and conditions under which Sidewalk Labs will act as vertical developer” (2.03(b)).

### MIDP “Pillars”

Article 1.02 of Schedule B sets out nine “pillars,” which the MIDP is to address:

- Mobility (transportation);
- Public realm (the outdoor environment);
- Building plans;
- Community and city services;
- Environmental sustainability (e.g., addressing climate change);
- Digital platform (covers embeddedness in the physical environment, emphasizing adaptability over time, open for use to everyone, privacy-protecting standard for personal privacy. Note: mentions “urban data,” a term that is not in Canadian law and which Sidewalk Labs seems to have invented for this project);

- Privacy and data governance (emphasizes planning targets (massing, density, phasing and zoning) that reflect sound planning principles);
- Pre-MIDP-approval pilots and early actions;
- Housing affordability (covering programs, policies, business models, and existing programs that make housing more available and affordable);
- Economic development
  - Creation of an Urban Innovation Institute
  - Establishment of Google’s Canadian headquarters
- Holistic development and planning, linking all of these pillars, creating “strategies around project phasing, occupancy, statutory and regulatory matters, and implementation.”
  - Article 1.04 highlights that regulatory and other changes will be needed.

## PART II: Governance

### The buck stops with Waterfront Toronto and Sidewalk Labs

The MIDP will be subject to the approval of each of Waterfront Toronto, in its sole, absolute and unfettered discretion (including the approval of its board of directors and any Additional Approvals on which Waterfront Toronto elects to condition its approval...) and Sidewalk Labs, in its sole, absolute and unfettered discretion . . . . (3.01(a))

No other officials need apply (sorry, Toronto city councillors). It’s all in the hands of Sidewalk Labs and the Waterfront Toronto Board of Directors.

### Digital issues

Waterfront Toronto is given the responsibility to oversee “digital governance elements of the MIDP, including through the Digital Strategy Advisory Panel in accordance with the Digital Governance Framework Principles” (1.03(iv))

This is a lot of pressure on a part-time panel, especially one whose own members have [remarked to the Ontario Auditor General](#) that their “effectiveness in providing management guidance on key issues in the smart city project has been limited,” in the Auditor General’s words, and has been hit by [several high-profile resignations](#).

### Choose your own evaluation scheme

Of particular interest from a governance perspective, the MIDP will include (Schedule B, 1.01):

- “planning targets (massing, density, phasing and zoning) that reflect sound planning principles”;
- “a financial plan and economic targets that set minimum expectations of land value and rates of return that work at different scales; and
- “performance measures that if met justify replication of the development and innovation plan.”

As previously discussed, this requirement effectively turns Sidewalk Labs into a co-equal governing authority. Instead of the lead government authority setting the terms regulating how the project will be run and evaluated, this is being done by Sidewalk Labs in conjunction with Waterfront Toronto. And given that (as we will likely see) that the final MIDP seems to be a Sidewalk Labs-authored document, to which Waterfront Toronto had to issue, a week later, a reply of its own, my suspicion is that these provisions effectively mean that Sidewalk Labs is setting both the targets and the evaluation criteria. But again, this is what the RFP envisioned.

### Merging of the regulator and the regulated

Schedule F sets out that the creation of the MIDP is a collaborative process, not the child of either Sidewalk Labs or Waterfront Toronto, but of the two organizations working together. Furthermore, “Any public communications and materials related to the MIDP must be jointly approved by both Parties.” (1.03(c))

In Schedule J (1.01), this blurring of responsibilities between buyer and seller, governor and governed, is justified because they “have entered a bold, first of its kind, and innovative approach to city building to deliver transformative benefits in quality of life to a diverse set of residents, workers, and visitors to Toronto. This requires the collaboration of Waterfront Toronto and Sidewalk Labs to develop the MIDP.”

The ability to set the rules is an enormous source of power.

Another way of saying what this section says is, the missing ingredient in promoting urban innovation and quality of life, from the beginning of time until now, has been that for-profit companies weren’t given sufficient power to help set the rules governing a city.

## PART III: Public engagement

### Public and government engagement: Promise of consultation

The MIDP will be developed through a process of co-creation and collaboration between the Parties, informed by a robust public engagement process and close collaboration with the City of Toronto and other governmental agencies and stakeholders. (Schedule B, 1.04)

It would be interesting to hear from City councillors and “other governmental agencies and stakeholders” to see if they feel that they were suitably engaged in “close collaboration” with Sidewalk Labs in the preparation of the MIDP. At the very least, I will be reading the MIDP with an eye to mentions of such collaboration.

### Public engagement

Section 2.01(c) of Schedule J sets out the forms of public engagement to be used by Sidewalk Labs and Waterfront Toronto in promoting the Quayside project:

- Public roundtables (“Opportunity for the public to be kept up-to-date on the Parties’ progress, to work in small facilitated groups, and to help shape the Parties’ plans and goals, challenging assumptions and refining their thinking during key phases in the creation of the MIDP.”)
- Design jams/Design charrettes (examining specific elements of the “potential plan”)
- CivicLabs (brainstorming of possible solutions to be piloted by the parties)
- Neighbourhood Meetings (“to share updates on the MIDP, answer questions and seek feedback.)
- Pop-Ups
- Six advisory working groups (to be run by Sidewalk Labs)
- Reference Panel (36 people selected from across the city “to help provide policy and planning guidance and insights.)
- Sidewalk talks (talks from experts on urban issues “that are relevant to the Project but not Project related”)
- 307 Lakeshore (showcase “living technologies, cultural programming, and interactive exhibits and workshops to learn more and help shape the MIDP)
- Social media outreach

Schedule J (2.01(d)) also sets out a three-pronged social-media strategy, involving information provision by Sidewalk Labs and Waterfront Toronto, soliciting feedback, and getting in touch with “a diverse set of online constituencies,” as well as using it as advertising for “in-person events.”

What stands out about this process, [as I've previously noted](#), is how analog it is. It is biased toward in-person gatherings and information sessions. There is a lot of public engagement here, and relatively little public consultation. With the partial exception of social media, most of these events are biased toward information sessions, with citizens reduced to reacting to Sidewalk Labs proposals, rather than being the catalyst for planning policy. (And even their social-media strategy has a bias toward providing information rather than encouraging conversations.) Neither does it leverage the interactive potential of the internet to meet the gold standard of public consultations, namely the Brazilian Marco Civil consultations that [Dr. Natasha Tusikov and I have discussed elsewhere](#). The Quayside consultations are the type of consultations that you undertake when you're involved in a top-down urban-planning exercise.

And regarding social media, I would've hoped by now that public agencies would realize that Facebook, Twitter and Instagram have become so hopelessly degraded as public fora that they aren't suitable venues for meaningful, informed public engagement. Instagram is for pictures, Twitter is for rapid-fire snark, and Facebook... well, Facebook is where civil conversation goes to die. They are not how you meaningfully engage with citizens.

## PART IV: Odds and ends

### Intellectual property

When it comes to deciding who will benefit from intellectual property in this project, the Plan Development Agreement kicks the can down the road to the MIDP (2.02(d)).

Waterfront Toronto is supposed to work with Sidewalk Labs “to develop the financial model and implementation phasing for the Project that seeks to make the Project financially viable and developing the business case for the MIDP, taking into account land value, Intellectual Property and infrastructure plans and any related standards or requirements.” (1.03(iii))

Interestingly, trade secrets, the hottest form of intellectual property these days, and the key form of intellectual property protection used by companies like Google to protect their proprietary algorithms is not mentioned in Schedule G, “Intellectual Property Terms,” when listing the various “Types of intellectual property.”

Also described as a type of intellectual property is data, which is not recognized as being covered by intellectual property in Canadian law.

Schedule G also mentions a particular type of IP, “Site-Specific IP”; “non-MIDP Site IP” and “Co-Created IP”; the first and third require definition by Sidewalk Labs and Waterfront Toronto.

## **Ending the relationship**

Article IX sets out the situations under which this adventure could come to an end (9.01):

- Mutual agreement;
- If either side isn’t able to get approval for the MIDP by an agreed-upon date, or if one informs the other that approval failed;
- An irreconcilable dispute;
- A “funding suspension” if Sidewalk Labs decides that this isn’t going to work (9.03);
- An agreed-upon date if the Principal Implementation Agreements aren’t approved.

## **Sole-sourcing**

Not sure how much of a deal this would be, but am highlighting it just in case:

“Implementation Agreements will generally contemplate competitive procurement processes, with limited exceptions allowing for Sidewalk Labs or its affiliates to provide Purposeful Solutions, but only on a fair and demonstrably arms’-length basis.” (Schedule C, 1.02)

Tomorrow: One final detour to discuss data governance, and then it’s all MIDP, all the time!

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 8: The Plan Development Agreement's digital governance framework; Sidewalk Labs' Digital Governance Proposals for DSAP Consultations

Posted on [July 23, 2019](#) by [bhaggart](#)

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

Last year I decided it would be fun to read [Stephen King's entire \*Dark Tower\* series](#) for the first time.

King and *Dark Tower* fans know that to get the most out of the seven proper *Dark Tower* novels, you need to read a bunch of King's other books, which are only quasi-related to the main series. [In a particular order](#). Being a completionist, getting to Book II meant that I had to first read *The Eyes of the Dragon* (fun!), the short story "The Little Sisters of Eluria" (diverting!), and, um, *The Stand*. Which, as most people know, is a fantastic read, but also So. Very. Long.

In other words, it was a lot of reading just to get back to the main event. Enjoyable? Most definitely. Worthwhile in the end? Yes. But a long way to go nonetheless.

All of this to say that this is my final, throat-clearing post before I actually start reading the actual [Master Innovation and Development Plan](#). And while these reports share only an alphabet in common with King, I hope that reading them will illuminate our final destination in much the same way that my pre-[Drawing of the Three](#) reading did the subsequent *Dark Tower* books.

Anyways, on to the issues at hand. In this post I'll be covering the digital aspects of the pre-MIDP Sidewalk Labs and Waterfront Toronto output. First, a quick summary of Schedule I of the [Plan Development Agreement](#), "Digital Governance Framework Principles." I've focused on more concrete deliverables rather than fuzzy statements of intent on the assumption that the former are more easily trackable than the latter, which could be fulfilled by doing almost anything. These will give me a yardstick with which I can evaluate the final agreement.

There is a lot of wiggle room in these principles. For example, claims that they will only collect, use, retain and disclose data "necessary for the provision of the services and [the benefit of] individuals" could also be rephrased by saying that they will collect, use, retain and disclose any data needed to provide these services. As always, the devil will be in the details.

Other than that, for the moment I'll note that they have a strong bias toward using transparency and informed consent to ensure that peoples' data rights are protected. They also claim to favour "Meaningful ... opt-out provisions." Reconciling the ubiquitous surveillance proposed in all previous with such an opt-out would be a neat trick.

Then, I'll highlight some important points from Sidewalk Labs' [October 2018 “Digital Governance Proposals for DSAP Consultation.”](#) a 41-page PowerPoint presentation that stands as its most thorough (to that date) public statement on how it thought data should be governed.

## Part I: The Digital Governance Framework Principles

- They will follow the laws of the country. (um, huzzah?)
- Identification and assess “with respect to risk to human or democratic rights” “any form of surveillance of individuals,” and will be “remedied where necessary.” (Schedule G, Article 1) (see: devil, details)
- Identifies an individual’s “rights to access and review their data”
- Commits to the transparent “collection, use, retention and disclosure of personal data”
- Will only collect, use, retain and disclose data “necessary for the provision of the services and [the benefit of] individuals.” Another way of saying this, however, is that they will collect, use, retain and disclose any data needed to provide these services.
- Will use de-identification and other technologies “to ensure privacy is protected”
- Based on “informed consent”
- “Meaningful … opt-out provisions”

Note: This approach places significant responsibility on the individual: The company provides all the information (transparency), and it will be up to the individual to know and understand enough about what data is, how it is collected, and how it will be used to make sound decisions.

That's a big ask, given that even most data experts don't fully understand these issues, and that people are being asked for consent for companies to use their data in ways that affect other people, potentially negatively. All this to say, even “informed consent” isn't the silver bullet we often think it is.

And of course the main point here should be that these are all empty promises until they're actually defined in a concrete proposal.

### Data governance

“Clear and robust structures of accountability for the safe use of data including open protocols and rules”

“Algorithmic transparency to avoid bias or marginalization”

“Reasonable limits on use of even aggregated data” (not defined)

### Explore “novel ownership structures for **non-personal data**”

Note: Again, these commitments mean nothing until they are actually defined. As for the “novel ownership structures,” we can jump ahead a bit and note that this is referring to “urban data,” a phrase that doesn't exist in Canadian law or in the data scholarship or data-policy debates (and

which Sidewalk Labs can define to fit its own interests), and a “data trust,” which as [Dr. Natasha Tusikov notes](#), would not be a “trust in the legal sense.”

Innovation: Making up phrases that sound like they mean something other than what they mean!

### Data sovereignty

They will follow the law of the land.

Note: While it’s nice to know they aren’t going to commit to breaking any laws, it also means that they won’t go beyond the law to actually localize Canadian data in Canada.

### Network governance

Systems and platforms that are open by default (Schedule G, Article 4).

### Secure data and resilient infrastructure “and solutions”

Note: Again, the details will matter.

### The Digital Strategy Advisory Panel

The mandate of the Panel is to provide Waterfront Toronto with objective, expert advice to ensure that principles of ethical use of technology, accountability, transparency, protection of personal privacy, data governance and cyber security are upheld.

Its recommendations are non-binding.

Note: [As I’ve noted in previous posts](#), the Auditor General of Ontario has noted that the (part-time) Digital Strategy Advisory Panel has had “limited” effectiveness (in the words of one of its own members).

## Part II: Digital Governance for DSAP Consultations

This document reads like a public relations exercise, touting the people they’ve consulted, including, Dr. Ann Cavoukian, the former Information and Privacy Commissioner of Ontario and Privacy by Design consultant, who famously resigned as a Sidewalk Labs advisor at about this time because of concerns over privacy. ([She has since softened her stance against Sidewalk Labs, embracing parts of the MIDP.](#)) There are no links to other reports, so it’s unclear where they came up with some of their more consequential ideas, particularly “Urban Data” and the “Civic Data Trust.” This thinness makes it difficult to evaluate on its own terms.

## Profit source?

From the outset we knew that the monetization of data would not be part of our business model. (p. 4)

This comment responded to the fact that since October 2017 neither Sidewalk Labs nor Waterfront Toronto had been forthcoming about how the for-profit Sidewalk Labs would make its money on this project.

## Privacy by design?

Sidewalk Labs leans heavily on “Privacy by Design” (p. 8). Teresa Scassa, Canada Research Chair at the University of Ottawa, data law expert par excellence and Digital Strategy Advisory Panel member, [offers a useful critique of this proposal](#) (spoiler: it’s much less than meets the eye).

As an added bonus, her line “The second point I tried to make in my 5 minutes at the Thursday meeting was about data governance” is telling regarding the amount of oversight the Digital Strategy Advisory Panel is able to provide. No matter how brilliant its members (and I’m a huge admirer of many of them), they’re still doing this on a part-time basis, meeting once every few weeks or months. An outside, part-time panel is no substitute for in-house experience.

- “Independent governance is necessary to protect personal and public interests across areas of data stewardship, privacy, access, and, security—in addition to government enforcement of Canadian and Ontario privacy laws and regulations.” Everyone should be subject to the same rules (p. 10).

## Let’s make up some concepts! Sidewalk Labs’ Civic Data Trust and Urban Data

From the beginning, one of the problems in evaluating Sidewalk Labs and Waterfront Toronto’s Quayside proposals is that they kept moving the goalposts. Two posts ago, I noted how Sidewalk Labs’ original \$US 50 million ante was portrayed as [an investment in consultations](#), or in the [“initial planning and testing phase of the project.”](#) In July 2018, it came out that it was also originally intended as a possible land downpayment, but then the Plan Development Agreement nixed that. It’s hard to keep up when you’re dealing with Billy Flynn-levels of creative confusion.

Here, we get two new terms that we’ve never seen before: a “Civic Data Trust,” and “urban data” (pp. 11-16).

[Others, such as Dr. Tusikov](#), have discussed issues and concerns with these two terms, and this proposal spends some time outlining each concept, but for the purposes of preparing to examine the MIDP, the main point to keep in mind is that both of these terms are not found in Canadian law. Neither are they in common usage among data scholars. In fact, they seem to originate with Sidewalk Labs. A quick Google Scholar search reveals no examples of term “civic data trust” before 2019. Categorizing data as “urban” and “non-urban” is likewise an innovation (it’s

mentioned briefly in the Plan Development Agreement). (Sidewalk Labs defines urban data as “data collected in the physical environment” (p. 37)). In contrast, Canadian law tends to focus on personal information, not “urban data.”

What this means is that Sidewalk Labs can define these two terms any way they want. Their definitions in those documents will be consequential.

Noted: The Civic Data Trust would be responsible for obtaining some form of “community consent” (p. 38), which would seem to be a departure from the emphasis on individual consent.

Schedule I (above) of the Plan Development Agreement refers only to the need for “Meaningful, informed consent and opt-out provisions.” This part is probably linked to their idea of urban data, which would “not apply to Urban Data in most cases.” Such data would be made “freely and publicly available as a default matter and/or controlling access” (p. 38). It does make me wonder when, how and why Sidewalk Labs came up with the category of Urban Data in the first place, rather than using concepts based in the Canadian law that both Sidewalk Labs and Waterfront Toronto profess to hold so dear.

## Responsible Data Impact Assessment

This document also proposes a Responsible Data Impact Assessment, to be done “at the design phase, prior to data collection or use” (pp. 17-21).

Again, how this is treated in the MIDP will be important. For now, the key point is that this is yet another example of Sidewalk Labs setting up the standards by which it will evaluate projects in which it will likely have an intimate interest. As with much of these proposals, including those under the “Governance Case Studies” section (pp. 22-25), it’s not the idea of a risk assessment that’s problematic; it’s the way in which it will be carried out. We need details, which hopefully will be provided in the MIDP.

## Not a smart city, or an adaptable city, but one with different priorities

The “Open Digital Infrastructure and Services” commits to open architecture and standards rather than “a centralized, monolithic platform” (p. 30), that will be open to “a wide range of players” (p. 29).

Parts of the “Open Digital Infrastructure and Services” repeat the [vapourware promises](#) of Sidewalk Labs’ [Project Vision document](#) (e.g., the list on p. 27; “Enabling innovation by a wide range of players,” p. 29), but one thing that stood out to me was its mission-statement recap section, also on p. 27:

From the start of this project, we imagined a set of new experiences that could be possible in a new type of city. Streets that prioritized safety, pedestrians, and cyclists . . . Buildings with a far more diverse and vibrant mix of uses . . . Significantly reduced carbon emissions.

This statement highlights the fact that the Quayside project is as much about setting priorities as it is about introducing cool tech and sensors. Sidewalk Labs isn't just selling a surveillance-driven datafied city. The above statement outlines the priorities Sidewalk Labs has for the city. They are a statement about how the city should be governed. And while they look pretty inoffensive, they amount in this context to *governance by stealth*, an attempt to change the city's political priorities via infrastructure plans.

While it seems like we're all discussing, say, algorithm-driven traffic flows, we're actually discussing what rules should govern our cities, and who should be setting them. And the one thing that characterizes all of the Waterfront Toronto and Sidewalk Labs documents we've looked at up until now is that it assumes a particular set of priorities. This assumption effectively takes the discussion of whether these priorities are the right ones off the table.

This gets to the problem with the above statement: it assumes that the desired outcomes are going to be uncontroversial and can therefore be left to the experts. It assumes that they are beyond politics.

One of the most important lessons I learned in my six years working for various federal parliamentary committees is that people of good faith (and almost all of the politicians I worked with fit this description) can have dramatically different visions about what policies Canada should adopt, and that what is uncontroversial to one person will be hugely troubling to another. That's why we have politics and Parliaments: to work these things out in an open, democratic manner.

I certainly thought that a lot of what I heard from parliamentarians was *wrong*, but I never doubted that these perspectives came almost always from a desire to make Canada a better place. And even when I heard something that I thought was wrong, I tried to keep in mind that maybe (just maybe!) they knew more than I did, and that that I might be the one who's wrong. That's politics; that's policymaking.

The last thing any city should do is to assume that everyone shares the same prioritization of means and objectives. These are political discussions and should be treated as such. Instead, Sidewalk Labs is proposing its own set of priorities, sidestepping the debate over whether or how these priorities should be pursued.

### **Data Localization: No, thank you.**

Sidewalk Labs isn't going to do that (p. 35).

### **Quayside as a data source for Google?**

They give a flat "no." (p. 38)

We'll see. I've read ahead and (spoiler) they leave themselves a lot of wiggle room. Sidewalk Labs

commits to not disclose personal information to third parties, including other Alphabet companies, **without explicit consent** (MIDP Overview, p. 84, emphasis added).

Not sharing without explicit consent is way different from a hard “no.” And as suggested by our above discussion about urban data and civic data trusts, to say nothing of their way of playing with the meaning of words like “no,” you can be pretty sure that regular people and Sidewalk Labs have very different ideas about what “explicit consent” actually means.

### Sidewalk Labs’ role and general governance

- Sidewalk Labs: will be the provider of “some critical infrastructure and core services,” with “other players provid[ing] the lion’s share of technology.”
- Governments: they enforce privacy laws
- Data Trust: it will oversee the collection and use data, possibly with some government involvement.

That’s it for now. One more sleep until the MIDP!

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 9: Open Letter from Waterfront Toronto Board Chair, Stephen Diamond regarding Quayside

Posted on [July 24, 2019](#) by [bhaggart](#)

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

Well, it looks like I got my first payoff to doing the background reading only two paragraphs into the Master Innovation and Development Plan (MIDP) *cover letter*.

I'm speaking of the [June 24, 2019, "Open Letter from Waterfront Toronto Board Chair, Stephen Diamond regarding Quayside."](#) In it, Diamond states that:

It is important to know that Waterfront Toronto **did not co-create the MIDP**. While Waterfront Toronto and Sidewalk Labs did work together earlier in the process to do research, generate ideas, and consult the public, the roles of the two organizations then separated, allowing Waterfront Toronto to focus on creating a robust framework for review and evaluation of the MIDP. Sidewalk Labs' responsibility is to prepare and submit the MIDP. (emphasis added)

Let's turn to Schedule F, "Collaboration Principles," of the July 2018 Plan Development Agreement, shall we?

Article 1.01, "Day-to-Day Collaboration," states (emphasis added):

- a) **Planning and development of the MIDP** and the Principal Implementation Agreements **will be managed through a jointly formed committee** (the "Project Management Committee") consisting of **one senior project management representative of each of Waterfront Toronto and Sidewalk Labs**.
- b) Under the day-to-day direction of the Project Management Committee, Waterfront Toronto and Sidewalk Labs will:
  - i. Overseeing **digital governance elements of the MIDP**, including through the Digital Strategy Advisory Panel in accordance with the Digital Governance Framework Principles;
  - ii. Collaborating with Sidewalk Labs with respect to the achievement of the vision and goals of the Parties as summarized in Section 1.02 of Schedule B hereto, including with respect to sustainability, buildings, community and city services, public realm, mobility and digital platform; ...

- iii. **work as an integrated team**, with the key employees of Waterfront Toronto engaged in the creation of the MIDP (the “WT Team”) working together with the key employees of Sidewalk Labs working on the creation of the MIDP (the “Sidewalk Team”);
- iv. work to capitalize on their respective skills and will agree on the members of the WT Team and Sidewalk Team;
- v. establish and manage working groups and “Pillars” as set out in the MIDP Scope;
- vi. ensure **that each major functional working group will include at least one representative or their approved designate from each organization**;
- vii. **develop an open approach to collaborative working, with the Parties seeking to share and discuss work with sufficient opportunity for receiving and incorporating feedback**; and
- viii. develop and operate through specific work programs, milestones and reporting formats for the creation and formation of the MIDP, including performance management, will be devised in a manner acceptable to both Waterfront Toronto and Sidewalk Labs.

Then there’s Article 1.03, “Role of the Parties,” which also gives Waterfront Toronto a much larger role than the one claimed by Waterfront Toronto Chair Stephen Diamond (emphasis added):

- (a) Waterfront Toronto will have the following responsibilities and roles in connection with the creation of the MIDP:
  - i. In accordance with the MOU, and subject to the approvals necessary for applicable Business and Implementation Plans, acting as revitalization lead in the public interest;
  - ii. In accordance with the MOU, preparing Business and Implementation Plans, as set out in more detail in Section 4.01(a);
  - iii. **Working with Sidewalk Labs to develop the financial model and implementation phasing** for the Project that seeks to make the Project financially viable and developing the business case for the MIDP, taking into account land value, Intellectual Property and infrastructure plans and any related standards or requirements;
  - iv. Overseeing **digital governance elements of the MIDP**, including through the Digital Strategy Advisory Panel in accordance with the Digital Governance Framework Principles;
  - v. **Collaborating with Sidewalk Labs with respect to the achievement of the vision and goals of the Parties as summarized in Section 1.02 of Schedule B hereto, including with respect to sustainability, buildings, community and city services, public realm, mobility and digital platform**; ...

Too complicated, perhaps? I give you Article 1.05, Master Innovation and Development Plan – Joint Objectives (emphasis added):

(a) In furtherance of their shared goals and vision, **the Parties will work together collaboratively, diligently and in good faith to jointly prepare the MIDP** in accordance with the MIDP Scope, including the MIDP Targets set out in Schedule B, and all other terms of this Agreement.

In other words, the Plan Development Agreement, which was supposed to govern the, well, the Development of the Plan, seems pretty clearly to *require* a significant degree of close collaboration between Waterfront Toronto and Sidewalk Labs. It does *not* (at least as far as I can see) limit Waterfront Toronto's participation to a review and evaluation role.

The question of the extent of Waterfront Toronto's involvement in developing the MIDP is significant and gets to the heart of the fatal conflict of interest at the heart of this proposals. Diamond's statement, as well as the timing of Waterfront Toronto's *Note to Reader*, are both designed to convey the impression of impartiality that is at odds with the Plan Development Agreement. Waterfront Toronto is trying to pass itself off as an independent evaluator. However, the Plan Development Agreement's language and requirements seems to implicate it deeply in the creation of the very plan it wants to review.

Of course, this is exactly the type of problem you end up when the regulator effectively merges with the regulatee. The creation of the Digital Strategy Advisory Panel was a tacit admission that Waterfront Toronto lacked an in-house understanding of the fundamentals (data, digital, intellectual property, surveillance) of the smart city project they'd commissioned. Similarly, Waterfront Toronto's attempts to claim that it is not implicated in the design of the MIRP tacitly grants the point that the original Waterfront Toronto team was flouting well-established governance principles.

In the upcoming consultations (the round that will feed into their report closing, as it happens, on July 31), Waterfront Toronto needs to clarify, at the very least and with physical evidence:

1. The nature and degree of collaboration with Sidewalk Labs on:
  - the development of the various pillars (1.01(a)(v));
  - the development of the MIDP's "digital governance elements" (1.01(a)(iv));
  - the development of the "financial model and implementation phasing" (which covers intellectual property) (1.01(a)(i))
2. The operational definition of "integrated team" (Schedule F, 1.03(b)(i)) and "collaborative working" (Schedule F, 1.03(b)(v)); and the names and responsibilities of the Waterfront Toronto employees in "each major functional working group" Schedule F, 1.03(b)(iv)).

3. How, given that the Plan Development Agreement required that the MIDP be prepared jointly and collaboratively (1.05(a)), the final plan included several major points that Diamond writes raises concerns for Waterfront Toronto.
4. Why, how, and on whose authority, if Diamond is being accurate, the Plan Development Agreement was interpreted in such a way to separate the roles of the two organizations in a way that pretty clearly was not envisioned in the original agreement. What changed?

And then there are the big questions:

- Why is collaboration now seen as a problem? More directly, why was it ever seen as something positive?
- If Waterfront Toronto determined that close collaboration as required by the Plan Development Agreement was no longer working (when did that happen?), why did it not renegotiate the agreement?
- Who can we believe in all this?

It's not clear to me how Waterfront Toronto, based on the Plan Development Agreement, can credibly distance itself from Sidewalk Labs' plan. Waterfront Toronto is not, and has not been from the very beginning, independent of Sidewalk Labs.

This lack of independence has been the whole point of the exercise from the very beginning. The goal was to create “a bold, first of its kind, and innovative approach to city-building to deliver transformative benefits in quality of life to a diverse set of residents, workers, and visitors in Toronto. **This requires the collaboration of Waterfront Toronto and Sidewalk Labs to develop the MIDP**” (Plan Development Agreement, Schedule J, 1.01(a)), emphasis added).

The failure to follow through on the (fundamentally flawed) Plan Development Agreement while not acknowledging that it was flawed in the first place is yet another indication that the problems with Quayside are embedded in the original RFP, from which the Plan Development Agreement emerged. Flawed in terms of process and substantive issues, it never should have been issued.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 10: The MIDP Overview I: Format and first impressions

Posted on [July 25, 2019](#) by [bhaggart](#)

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

And so we get ... finally ... to the main event. As you'd expect from an overview of a three-volume report, [there's a lot to cover in the Overview](#), far more than would comfortably fit in a single post. It's also, as I note below, heavily back-loaded, so it also doesn't make sense just to do a straightforward, page-by-page analysis.

As a result, I'm going to highlight a few key points of interest over several posts. First, some comments on the Overview's overall format and some general impressions.

### **Not designed to be easily read**

As a former parliamentary committee staffer, I've written my fair share of reports. As an academic I've read even more. Good reports lead with a summary of purpose and findings. If they're built on consultations, they include an appendix listing every relevant meeting. The report is divided into discrete sections, with recommendations (if needed) serving as their logical endpoint. Recommendations are summarized in a separate section.

These kinds of reports are, in short, designed to be read and understood.

Based on my experience, I'm fairly confident that the Overview of Sidewalk Labs' long-awaited, and long-delayed, Master Innovation and Development Plan, was not designed to be read, but to overwhelm.

### **200 pages of preamble, 39 pages of substance**

The Overview starts off with a 201-page public-relations preamble designed to bedazzle with the possibilities of a Smart City; in other words, much of it is a recapitulation of Sidewalk Labs' original [Project Vision](#) with a few substantive additions sprinkled throughout.

These two hundred pages are followed by 39 pages in which they get down to business. At the end of the day, Sidewalk Labs' ask is extensive but pretty straightforward, and they do an able job of summarizing it in those 39 pages at the end of the Overview. Anyone wanting to understand exactly what Sidewalk Labs is proposing – and, more importantly, what it is asking for – should start on page 203, and maybe dip into the previous pages as needed.

## Not designed for easy analysis

On format, this is a 254-page document released online initially on June 24 only as a 127-page pdf, which meant lots of zooming and moving the document around the screen. On July 15, Sidewalk Labs [released a “printer friendly version”](#) of the whole report, although only in separate files. So, those of you who waited before diving in, congratulations – your reading experience will be better than mine was.

There are no hyperlinks within the document, meaning that endnotes (always more difficult to consult than footnotes) and references to other places in the document or the report rely on written prompts. As a result, this document, from a subsidiary of the world’s leading online company, is less technologically advanced than your typical *Lonely Planet* guidebook.

There is no executive summary. There’s not even an overarching table of contents for the entire report (in one place, I mean), let alone an index. There is no master pdf, to allow for easy comparisons between chapters. (I may not have access to Google’s resources, but [I’ve put one together](#). It comes out to 1,496 pages, but there are a lot of blank and photo-only pages in there. Substantively, it’s much shorter, but you have to wade through the sales rhetoric to find the substance. If I have time later, I’ll see how long it actually is once its many superfluous design elements are eliminated.)

That’s not to say there aren’t some telling points in those first two hundred pages, but you have to wade through a lot of vapourware to find them.

In reviewing this document, I’m going to try to ignore the platitudes and starry-eyed “coulds” (this aspirational term appearing 101 times in the Overview) to focus on exactly what Sidewalk Labs is proposing.

## First impressions

- Although the Plan Development Agreement, as I noted in Entry 9, stated that the MIDP was supposed to be a jointly undertaken exercise, **the MIDP is branded solely as a Sidewalk Labs’ production.**
- In the Foreword, Sidewalk Labs CEO Daniel L. Doctoroff claims that the MIDP “reflects 18 months of input from more than 21,000 Torontonians; all levels of government; dozens of meetings with local experts, non-profits, and community stakeholders; and the research, engineering, and design work of more than 100 local firms” (p. 13). **No list of meetings is provided. No complete breakdown of participants by activity is provided.** Nor, for example, are we provided with the names of Sidewalk Labs’ Resident Reference Panelists. All we get, in Part 2 of the project Background (pp. 54-65), is a high-level overview of aggregate numbers.
- **Sidewalk Labs seems to have deviated very little from its original Project Vision** or from the priorities laid out in the [Plan Development Agreement](#), finding that the public sentiment is largely in accord with its vision.

- The most significant change to its plans, other than **its explicitly Quayside-plus focus, seems to be a commitment not to monetize Quayside (etc.) data or provide it to Google “without explicit consent,” a timber skyscraper-sized loophole.** However, it is also **demanding to be paid for this qualified act of generosity**, or what it refers to as making “a number of constraining unilateral commitments with regard to the commercialization of data.” It has, we are informed, “structured the business model, in response to feedback from a range of stakeholders, in ways that limit its opportunity for upside elsewhere – by forgoing revenue streams that might be less directly connected to the public interest or sought by more conventional companies.” As a result, it argues that it should be compensated with supplemental performance payments (p. 238).
- While the MIDP Overview is much more direct in everything from its plan for remuneration (also: Sidewalk Labs finally reveals how it plans to make money from Quayside!) to exactly how much land they want to develop (tl;dr: Quayside isn’t enough for us to stay interested), it **still overemphasizes, via those first 200 pages, all the cool things they “could” develop.**
- **Sidewalk Labs is proposing a best-case scenario that almost certainly won’t come to pass.** Some of this tech is not going to work out because that’s the nature of innovation. That’s why it would be a mistake to base one’s analysis of their proposal on what their proposed technologies (most of which don’t yet exist) *could* do, and not on the governance aspects of this proposal, and on Sidewalk Labs’ suitability as either a partner or co-regulator. At the very least, Sidewalk Labs should cost alternative scenarios in the other volumes; if they don’t, an independent body needs to do this.
- Along those lines, the claimed benefits for this project assume that everything works perfectly. What I want to know: To what extent will Sidewalk Labs’ assumed economic, social and environmental gains be compromised if, for example:
  - Timber skyscrapers don’t work or aren’t approved?
  - automated cars don’t work out?
  - the City balks at prioritizing waterfront light rail?
- **Absent cost-benefit calculations:** The Overview does not provide a cost-benefit analysis of many of the technologies they are proposing. For example, delivery trucks may be a real bummer, but what is the relative cost compared to Sidewalk Labs’ proposed underground tunnels, or even to, say, smaller delivery trucks of the kind I saw everywhere during my year in Germany? The absence of this systematic analysis necessarily leads to an overstatement of the touted technological benefits of its proposal.
- IDEA District or bust: Sidewalk Labs **won’t play ball if this project isn’t expanded beyond Quayside**, and most of its touted benefits are based on them getting everything they’re asking for.
- Sidewalk Labs **really, really, really wants light rail to be extended to the Eastern Waterfront**, and they’re willing to, um, loan the city money to do it.
- **Truly, the era of smaller government is over:** Sidewalk Labs sure is proposing a lot of new government oversight mechanisms (read: bureaucracies), including **the restructuring or replacement of Waterfront Toronto**. I believe the kids call that a “power move.”
- Sidewalk Labs underplays the **role of standards-setting** in this document. There’s a lot of power and influence to be had in creating, say, the standards for automated shipping

and delivery containers and systems that will only work efficiently if deployed on a scale much larger than the Eastern Waterfront.

- **Huge scope expansion:** The Plan Development Agreement and RFP were pretty clear that it would be Quayside first, and then, possibly (probably?) other parts of the Eastern Waterfront. Sidewalk Labs seems to be treating their Innovative Design and Economic Acceleration (or IDEA, because of course it is) District as a single package. Basically, **they're reframing the deal by renaming the land to fit their preferred geography.** None of Waterfront Toronto's previous related documents, as far as I know, have referred to "The River District."
- **Sidewalk Labs'** pretty obvious effort to reframe the scope of the project to cover far more than Quayside has created a situation in which it is asking (or demanding) more than Waterfront Toronto can provide on its own.
  - **However,** one can discern a strategy at play. As the [Auditor General of Ontario remarks](#), **Waterfront Toronto's original goal** with the RFP, seems to have been to **leverage its control over Quayside into more-direct control over the entire Eastern Waterfront** (in order to develop it).
  - **Sidewalk Labs' plan fulfills this objective, although maybe not in a way that Waterfront Toronto foresaw.**
  - This type of takeover was always going to be bureaucratically messy, but my reading of the original RFP leads me to think that Waterfront Toronto intended to have its private-sector partner help to ease the way for Waterfront Toronto's consolidation of control over the Eastern Waterfront — again, in order to develop it, which is its mission, after all. In this sense, **Sidewalk Labs' proposal might be seen as a huge win for Waterfront Toronto.**
  - The MIDP may or may not be a good plan. While this distinction is hugely consequential for residents, from **Waterfront Toronto's perspective, the fact that this plan exists may be all that matters to them.**
- **A centrally planned community:** "The innovations are designed to work together to create diverse, thriving, mixed-income neighbourhoods" (p. 37). If these innovations are designed to work together, what happens if one or more innovations (e.g., self-driving cars) turn out to be infeasible?

That's enough for now. More tomorrow.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 11: The MIDP Overview II: Project Background

Posted on [July 26, 2019](#) by [bhaggart](#)

[Previous Master Innovation and Development Plan liveblog entries available here](#)

[The Overview](#) consists of a Foreword (pp. 26-27) not listed in the table of contents) and four sections, three of which correspond to the other three volumes and one of which provides the background to the whole project.

Also, lots and lots and lots of pretty pictures.

This post provides a part-by-part overview of the Overview's first section, Project Background. Fun fact: the Overview's Table of Contents doesn't list every part in this (or subsequent) sections! Huzzah for transparency!

Subsequent posts will cover the remainder of the Overview, followed perhaps by some more targeted analyses. Then it'll be on to the other volumes. Let's dive right in.

### **Section A: Project Background**

Five things to know about the Sidewalk Toronto Project (pp. 36-37; not listed in the Table of Contents)

Summary of the MIDP's three volumes (pp. 38-39; not listed in the Table of Contents)

*Part 1: Toronto Waterfront: A Historic Opportunity for Inclusive Growth (pp. 42-53)*

Four pages devoted to pictures and eight devoted to seize-the-moment rhetoric and building up (pun unintended) Waterfront Toronto, which, we are informed in a moment of [pure Lionel Hutz over-reach](#), was "Born to raise the bar on urban development" (p. 46).

*Part 2: Seeking a "Unique Partner" to Help Set New Standards for City Building (pp. 54-65)*

Most of this section (and the report to this point) reads like a sales pitch, including pitching a parade of horribles to which this particular smart city design is the solution, but it does hold two interesting tidbits.

## *Downplaying your main calling card: From “from the internet up” to “from the community up”*

First, Sidewalk Labs engages in a bit of historical revision. Sidewalk Labs’ original pitch was centered almost entirely around their desire to build a city “from the internet up”; the phrase appears ten times in Sidewalk Labs’ [original Project Vision](#). The phrase and outlook were obviously core to Sidewalk Labs’ entire identity and *raison d’être*: Sidewalk Labs CEO Daniel L. Doctoroff [penned a Medium post in 2016 titled “Reimagining cities from the internet up.”](#)

Fast forward to 2019, and “from the internet up” is nowhere to be found in the entire MIDP. Instead, this company – which was hired for its internet prowess/connections to Google – instead claims that it “aims to create the open conditions for ongoing improvement — recognizing that the best solutions to urban challenges come not from the top down but **rather from the community up**” (p. 63, emphasis added).

Given that Sidewalk Labs is still a Google company whose vision still boils down to networking everything it can get its hands on, this change reads more like an attempt to couch the technical aspects of what they want to in less-threatening language. It’s on the level of all the serene illustrations they produced for this project: if you were just given these images (or their new catchphrase), you’d never guess Sidewalk Labs wanted to build a digital utopia.

It would be interesting to hear from the horse’s mouth why Sidewalk Labs has so thoroughly disowned its main contribution to the smart-city marketplace.

## *Sidewalk Labs justifies itself*

Second, one of the most interesting parts of the Overview’s first part is Sidewalk Labs’ discussion of why it is the right company for the job (pp. 59-65). They boil it down to three reasons:

1. Sidewalk Labs has access to Google money, which gives it a longer period for its projects to become profitable.
2. It has many bright and experienced people working for it.
3. Google (note: not Sidewalk Labs) has “an uncommon ability to catalyze economic development” (p. 65).

Playing devil’s advocate, I’d wonder:

1. Sidewalk Labs can’t lose money forever, and its de facto parent company, Google, has a reputation for cutting bait on major infrastructure ([Google Fibre](#)) and public-interest ([I.P. Google Reader](#)) projects that don’t fit with its corporate (money-making) vision. What is their profitability time horizon?
2. The company itself doesn’t have a track record. Richard Florida [may vouch personally for Dan Doctoroff “and key members of his team”](#) but what happens if he or another key person leaves over the next 10-15 years?

3. Sidewalk Labs argues that its catalyzing of an economic cluster “is anchored by the relocation of Google’s Canadian headquarters to the eastern waterfront as part of a new innovation campus.” How much of the anticipated economic effects from this project would be driven by Google, and how much by Sidewalk Labs? I hope these numbers will be provided in a later volume.

*Part 3: Launching the Sidewalk Toronto Project and a Robust Public Engagement (pp. 66-83)*

This section provides a very high-level overview of Sidewalk Labs’ consultation process, which I covered briefly in a [previous post](#). It highlights the following engagements (pp. 67-68):

- “dozens of community meetings and programs”
- “a series of large-scale roundtable meetings”
- Advisory Working Groups (p. 71; no names listed)
- “a series of public talks”
- “Sidewalk Toronto Residents Reference Panel, a group of 36 residents from every corner of the city and diverse backgrounds. Across six Saturday sessions, spread over nine months and dozens of hours, the panelists received an in-depth look at many aspects of the Sidewalk Toronto project and provided a detailed set of recommendations, helping to shape the plan in the best interests of all Torontonians” (see below)
- “Sidewalk Toronto Fellows Program,” [which I’ve discussed previously](#), along with why their inclusion doesn’t pass the true-consultation smell test
- a YMCA kids camp, which, [c’mɒn](#)
- Six topic-specific advisory boards “filled with local experts”
- “hundreds of one-on-one or small group meetings”
- Displaying urban innovations at Sidewalk Labs’ 307 space in Summer 2018
- Outreach to under-represented groups, including a design workshop for members of the Indigenous community, and travelling “to middle schools to ask children and youth for their ideas”

The report also mentions Waterfront Toronto-run consultations on digital-focused elements and “design jams” (pp. 68-69).

Missing: a comprehensive list of meeting dates, times and/or attendees.

Regarding the Sidewalk Toronto Residents Reference Panel whose members aren’t identified in the report, [In an article for Now magazine](#), Cybele Sack, who participated in the Reference Panel, raises serious doubts about its representativeness, including Sidewalk Labs’ aversion to discuss data governance in favour of “safer examples to frame the conversation. Let’s talk about potholes, they said, or how to make sure an older woman can have extra time to cross the street. Who would object to that?”

Parts of the process, she writes, “felt like a sales job – we were instructed not to choose whether we wanted this project or not, but to provide specific feedback on elements of it.”

Conspicuously absent from this section, from the subsidiary of the company that runs Google Groups and that wants to build a city “from the internet up,” was any mention of online engagement beyond livestreaming (which gets a few mentions only in the consultation timeline, p. 70) and posting documents online. No innovative online community forums, no hangouts. [The Brazilian government showed more digital creativity and willingness to engage in an actual conversation with people in its internet-governance consultations](#) than did Sidewalk Labs and Waterfront Toronto.

Again, the picture that emerges is of a company that is less interested in building a city “from the community up” and more one that wants the illusion of consultation while maintaining maximum control over the narrative and outcomes.

This section also highlights seven themes that emerged from these consultations, themes that tend to reflect issues that Waterfront Toronto and Sidewalk Labs had previously identified in the [Project Vision](#) (Sidewalk Labs) and the [Plan Development Agreement](#) (the Pillars; Schedule B) documents. It says how it will achieve these goals, invoking a mix of actual policies, aspirational technology, new institutions, and claims about what their proposals will accomplish. Most of this is covered in greater detail in later sections, so I’ll leave it until then.

### **Sidewalk Labs’ Intentions for the Sidewalk Toronto Project (pp. 84-85, not listed in Table of Contents)**

#### *[Sidewalk Labs lists its \(heavily qualified\) “won’ts”](#)*

In which Sidewalk Labs foreswears selling or using for advertising “personal information,” which I include in quotes because one of the things Sidewalk Labs is up to in these documents is redefining different types of data according to its own idiosyncratic definitions. We’ll get to that in a later post.

Even better, they qualify this seemingly unambiguous guarantee two sentences later. A guarantee not to sell personal information becomes a commitment “to not disclose personal information to third parties, including other Alphabet companies **without explicit consent**” (emphasis added). No word here on how “explicit consent” will be defined, and Dr. Natasha Tusikov, who is finishing up Chapter 5 of Volume 2, informs me they don’t deal with that issue there, either. A timber skyscraper-sized loophole, as it were.

Claim 2 is that “Sidewalk Labs is not motivated by a desire to export Canadian talent or intellectual output to the United States,” stating that it

*is not an internet company that can exist anywhere. An important part of its business model involves going “all in” on physical places. This proposal seeks to make Toronto such a place. Moreover, Sidewalk Labs has committed to share profits with the public sector of certain technologies first deployed in Toronto (p. 84).*

This claim strains credulity. If Sidewalk Labs is interested in developing intellectual property, to the extent that it controls this intellectual property it will be exporting developed-in-Canada IP to the United States. This has nothing to do with being an “internet company” or not.

This is also another example of Sidewalk Labs’ too-cute habit of shifting between claims that it is or isn’t a Google company depending on the audience and its immediate strategic needs. As I noted in my previous post, most of the economic benefits Sidewalk Labs is promising Toronto will be the result of Google’s presence at the heart of its new tech hub. Google works in part by acquiring IP and companies because that’s what tech companies do. There is absolutely no reason to think they will act differently in Toronto.

Also, if an American company controls the IP developed by Canadian companies and talent, there’s no reason to “export Canadian talent … to the United States,” so this promise doesn’t seem to be worth much.

Claim 3 is that they are not interested in developing “the wider Port Lands” (p. 84). This claim might be technically correct ([which is the best type of correct](#)), but it obscures the fact that even their play for Villiers Island goes beyond the original RFP and that their governance proposals would see them exerting significant influence over this.

Having foreworn so much, all it wants is “to create places that apply 21st-century concepts in design and technology to achieve improvements in nearly every dimension important to quality of urban life, from creating jobs and reducing the cost of living to increasing mobility and advancing sustainability” (p. 85). And to “earn a reasonable return on its investment” (p. 85), whatever that may be.

### **Submitting the Master Innovation and Development Plan (p. 86, not listed in the table of contents)**

In which we are reminded that once Waterfront Toronto finishes its consultations, Waterfront Toronto and Sidewalk Labs will then negotiate a final(ish) version of this document, which would then require other levels of governments and agencies to agree to change their rules to fit what Waterfront Toronto and Sidewalk Labs are proposing.

It is also a reminder that Sidewalk Labs is asking for things that Waterfront Toronto cannot deliver on its own and which Waterfront Toronto cannot compel from other levels of government. Some of these things, such as redirected transit funding, could cost taxpayers billions of dollars. Others will involve creating new bureaucracies and special rules (read: special treatment) for a tiny, corporate-directed sliver of land. No prizes for guessing who would be responsible for funding these positions: call them user fees or taxes, but residents (including many who won’t even be living in Quayside) will be stuck with the bill one way or another.

Then again, this fits with Waterfront Toronto’s original strategy [as I read it](#) back in the [Auditor General’s report](#) and original [Request for Proposals](#): use its direct control of Quayside to kickstart Waterfront Toronto-driven development in the rest of the Eastern Waterfront. The only

difference is, under the MIDP as currently written, Sidewalk Labs, not Waterfront Toronto, would be in the driver's seat.

That's enough for today. Tomorrow, on to Section B: The Plans.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 12: The MIDP Overview III: The Plans, parts 1 and 2

Posted on [July 29, 2019](#) by [bhaggart](#)

[Previous Master Innovation and Development Plan liveblog entries and key documents available here](#)

Our examination of the [MIDP Overview](#) continues!

Readers will recall that Waterfront Toronto's [initial plan](#) was to bring in a partner to develop their Quayside plot of land (which it controls). It would then, if possible, try to expand this development into the wider Eastern Waterfront, for whose development it is responsible but which it does not directly control, as lands became available to it. Or (bird in hand v two in bush), more precisely, should these lands become available. The Partner was to help promote this expansion, which would require the cooperation of various levels of government, as well as dealing with other existing landowners.

Also, as the [Plan Development Agreement](#) states, Waterfront Toronto's partner would have to make a business case for it to be able to move beyond Quayside.

A common-sense reading of these documents (to the extent that such a thing is possible, given the degree of obfuscation that has characterized everything to do with this project from its inception) [suggests an obvious progression](#): Develop Quayside and then we'll try for more.

Sidewalk Labs' response in this section collapses all of these plans into one audacious power grab. Effectively, they're saying: "Here's your business case: Quayside is too small to warrant our super-innovative smart city attention. We need more land. And more control over the parts of the waterfront we won't own. And light rail. We really need light rail. So, we will develop Quayside first, but only as an integrated stepping stone to something we'll call the IDEA District, which will also include something that we will call... oh, I don't know... the River District. Has anyone ever used that to describe this part of land ever? No? Let's use that."

"And we want our own public administrator to be in charge of it. That's already Waterfront Toronto's job? The guys who hired us in the first place? Yeah, they can stay, if their mandate is completely rearranged and we're inserted into the governance framework. But a new agency would do us just as good."

"And it will all be served by light rail. Did we mention the light rail? I'm not saying that we'll take our surveillance capitalism system and go home if you don't pony up for our light rail system, but we'd hate for our hand to be forced."

Sidewalk Labs is attempting to dramatically expand the scope of the original project, simply by renaming different parcels of land. Sidewalk Labs is trying to make it so that we're not

discussing Quayside, but the “IDEA District,” which would encompass Quayside, Villiers Island (divided by Sidewalk Labs into East and West), [McCleary and Polson Quay](#), and part of the [Keating Channel Precinct](#), which Sidewalk Labs seems to have divided into West and East (Sidewalk Labs gets the East). Take it or leave it.

And also the “River District,” which seems to be a subset of the “IDEA District minus Quayside and the west part of the Keating Channel Precinct.

If this goes through, while it would clearly be far beyond the scope of the [RFP](#) and the Plan Development Agreement, it would realize one of Waterfront Toronto’s objectives as revealed by the Auditor General’s report, namely, a way to break the waterfront-development governance logjam. Ironically, however, doing so would require either the transformation or elimination of Waterfront Toronto and the elevation of Sidewalk Labs into a formalized governance role. That’s some high-stakes drama right there.

Below I’ll briefly summarize each part of Section B (and also, very briefly Section C), which, like Section A, contains tons of pretty, non-threatening pictures. It hints at a lot of important governance proposals and much else besides, which I’m saving for some future posts, probably related to Section E (probably tomorrow), which is when Sidewalk Labs lays most of its cards on the table.

## Section B: The Plans

### Part 1: Introduction to the Plans: Geography, Role and Innovation Aspects (pp. 90-95)

Sidewalk Labs redefines the project to focus on an IDEA District (190 acres), with Quayside to be developed first, followed by Villiers West, future home of Google’s Canadian branch headquarters and a co-located Urban Innovation Institute, on which more later, and then the rest of the River District.

Sidewalk Labs introduces its intention to serve a governance role across the entire IDEA district. It would:

- “work with Waterfront Toronto to prepare a set of ‘Innovative Design Guidelines and Standards’ that can be used to ensure that all developments in the IDEA District achieve the desired outcomes.” Waterfront Toronto would be responsible for convincing other levels of government to approve them, and would be responsible for implementing them (p. 92)
- deploy its key technologies throughout the entire area, ensuring that everything that occurs in these areas develops according to Sidewalk Lab-desired standards (code and infrastructure are law, kids) (p. 92).
- provide “optional infrastructure financing” for critical infrastructure (p. 92).

Why is Sidewalk Labs changing the terms of the debate to focus on its self-styled “IDEA District” and not Quayside? Because only at the scale of the IDEA District is it possible “to create a truly transformative experience” (p. 94).

Realizing all the awesome things they want to do with transportation, housing and environmental sustainability involves making changes to physical and digital infrastructure, and public policy (p. 94).

One of these will be an urban data trust, on which more later, “an independent entity tasked with overseeing a transparent process for responsible data use, which would apply in addition to existing Canadian privacy laws” (p. 94).

I don’t know about you, but whenever a foreign company reassures me, “Don’t worry, your laws will *totally* continue to apply here,” I get a little nervous.

It identifies seven “urban innovation areas” (p. 95): Mobility (transportation); Public realm (streets and “open spaces”); Buildings; Housing; Sustainability (promising “climate positive communities”); Social infrastructure (“Health, civic life, learning, and workforce initiatives”); and Digital innovation (i.e., data governance). Each of these is given the sales treatment in Parts 2 and 3.

## **Part 2: Quayside: A Complete Community and a Proving Ground for Innovation (pp. 96-129)**

One of the first hints that this part of the document is primarily a fancy sales brochure is that the equivalent of just under half of these 32 pages is taken up with tasteful, calming artists’ renditions.

This part is comprised of two main sections. The largest part, the part suggested by the title, outlines all wonderful things that Sidewalk Labs wants to do in Quayside. However, lest one forget that Sidewalk Labs only sees Quayside as part of a larger unit, the final four (text-only) pages make the case that Quayside is Not Enough. First, the first part.

### **Woulda, coulda, shoulda**

Beyond that, here’s the thing. These pages, which focus on the Quayside part of Sidewalk Labs’ proposal, promise that their smart city will have everything but a dedicated puppy room, and that its technologies, infrastructure and new rules will hit targets such as encouraging “73 percent of all trips to be made using public transit, walking, or cycling” (p. 104).

I’m a political scientist/former economist. I’m not a transportation expert, or an environmental scientist (mad props #heroes). I have no idea if much of what they’re proposing is feasible, or whether they will have the effects they claim. Some of these technologies sound far-fetched, but what do I know? We went from imagining *Star Trek* communicators to iPhones in 40 years.

What I can do, however, is identify certain tells in their proposal, and offer some cautions when reading it.

The first is, these pages only deal with best-case scenarios. In the case of the “mobility” outcomes mentioned above, Quayside only hits that number if all of Sidewalk Labs’ technologies and policies are approved, and the tech works out. In other words, these results are contingent on self-driving cars actually becoming a thing, which I would not bet any amount of money actually ever happening. As an engineer once told me, self-driving cars are five years away, and will be for the next 20 years.

Another way of putting this is that Sidewalk Labs’ plans are hostage to a technology that may not ever work out.

Or the production of mass timber buildings/skyscrapers, which seem to be driving a lot of their economic development and climate-positive-effect numbers. It’s an untested technology at the scale at which they would deploy it. It assumes wood will come from an “Ontario-based factory” (p. 108 – good luck with any World Trade Organization challenges or a Google decision to withdraw financing under pressure from a protectionist U.S government to favour U.S. woodlots). It assumes that governments will change building codes to allow such a thing.

Second, Sidewalk Labs is presenting many, if not most, of their proposed (vapourware) innovations as an unmitigated advancement over what we have now. What it doesn’t address is, what are the current costs of what they’re proposing? What is the actual cost (in terms of money and annoyance) of delivery trucks versus creating an entire underground parcel delivery system? Phrased in this way, does this type of investment make sense?

Sidewalk Labs is selling the most sci-fi techno solutions they can think of. Are there cheaper ways to deliver the same advantages without relying on untested, or non-existent technology? Has Sidewalk Labs looked into this, or are they working backwards from their preferred solutions?

Third, focus on the “coulds.” Most of what’s in here is things that Sidewalk Labs would like to see invented. It’s a conditional term. Some will work out; some won’t. Writing “may” or “could” is exactly equivalent to writing “may not” or “could not.” Sidewalk Labs is selling a dream as much as anything. This is why, as I’ve already noted, the key questions have to be: Is Sidewalk Labs a trustworthy partner? How will this project be governed, by whom, and with what effects?

## Odds and sods

(We’ll go more in depth into these things in a later post)

### New bureaucracy alert!

Sidewalk Labs proposes: “A proposed entity called the Open Space Alliance would coordinate programming, operations, and maintenance across Quayside’s parks, plazas, streets, and water spaces for a more responsive public realm” (p. 107).

“Creating a trusted process for responsible data use, with a proposed independent Urban Data Trust to oversee and approval the use or collection of urban data” (p. 109).

### Sidewalk Labs as regulator

“A proposed “outcome-based” building code system would monitor noise, nuisances, and structural integrity in real time to help a mix of residential and non-residential uses thrive without sacrificing public safety or comfort.” (p. 109)

In Quayside: set “data standards that are open and secure” (p. 129). Currently, Waterfront Toronto doesn’t have the expertise to contribute meaningfully to this discussion. A part-time Advisory Panel isn’t enough to make up for this lack. Advice isn’t any good if you don’t have the ability to evaluate it.

### What passes for innovation

**Sidewalk Labs invents the community centre!** “A Civic Assembly, adjacent to the Care Collective, would provide neighbourhood access to spaces for community programs, civic engagement, and cultural events” (p. 113; I’ll get back to this tomorrow).

**Sidewalk Labs invents the bookmobile!** “A proposed collaboration with the Toronto Public Library (TPL) would explore ways to integrate the library’s presence throughout the neighbourhood, resulting in potential pop-up lending services or TPL-developed classes on digital literacy” (p. 113).

### Quayside is Not Enough, or Exploring larger scales to realize and maximize the impact achieved in Quayside (pp. 126-129)

In which it is argued that “comprehensive planning and scale are necessary to realize and maximize Waterfront Toronto’s ambitious priority outcomes.” A.k.a. the River District.

First up, an urban innovation cluster, centred on Google’s new Canadian branch headquarters on Villiers Island (p. 126). Then, the creation of a “mass timber industry” supplying the entire area (p. 127). Also, a new, climate positive energy grid that can only be realized with a district-wide customer base (p. 127). And they can’t build affordable houses using new techniques if they can’t monetize it across this area (p. 127).

And did we mention the light rail? They won’t fund it, but they can finance it, at what would doubtlessly be reasonable rates (p. 128). And a few square blocks isn’t enough to get the benefits of new transportation options (p. 128). Finally, their fibre optic and network security ideas would only be financially feasible if spread to the entire district (p. 129).

Two comments on this last point. I’m not sure why they can’t treat Quayside as a digital tech lab and monetize the results by deploying it in other cities. Second, I hope they have better stick-to-itiveness on fibre optic internet than Google did.

There's also some important remarks on p. 129 about setting standards that raise the issue of Sidewalk Labs as a rule-setter, but we'll get to that later.

This post is getting long. I'll cover Parts 3-5, and Section C in the next one.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 13: The MIDP Overview IV: The Plans, parts 3, 4 and 5; Priority Outcomes

Posted on [July 30, 2019](#) by [bhaggart](#)

[Previous Master Innovation and Development Plan liveblog entries available here](#)

Moving on...

### Part 3: The River District: Creating an Innovation Ecosystem to Build on Quayside's Impact (pp. 130-149)

MIDP as sales brochure, Exhibit A

There are proportionately more pictures in Part 3 than in Part 2, the equivalent of 10 of 19 pages.

This section sets out, via text and with calming pictures, their sales pitch for how the “River District” (the IDEA district minus Quayside) would function. As always, lots of dreamy tech utopianism that doesn’t really resemble a concrete plan, but four things stand out.

First, this section gives us an indication of Sidewalk Labs’ designs as the effective regulator of this area: The River District proposal does not include Sidewalk Labs undertaking detailed planning or leading development in this area. Instead, it aims to help create the conditions that enable both the public and private sectors to make great things happen” (p. 133).

Second, this section highlights how central the presence of Google’s Canadian branch headquarters is to its vision. What most interesting about it is how, well, banal this proposal is. Basically, their innovative plan is, bring in a big company to function as an anchor company. It’s an old play that’s less about cutting-edge innovation and more about creating a tech cluster in Google’s image and responsive to Google’s overall needs. Though it would give Google a nice pipeline to attract and control Canadian-developed intellectual property, delivering it to the United States and cementing Canada’s subordinate economic position in the digital economy. This would go against Sidewalk Lab’s comment that it doesn’t have a desire “to export Canadian talent or intellectual output to the United States” (p. 84). But I’ll bet Google does appropriate Canadian-developed intellectual property; that’s just how business functions in the 21<sup>st</sup> century.

Third, has anyone thought through the policy implications of Sidewalk Labs’ proposed Urban Innovation Institute?

the Urban Innovation Institute, a new non-profit applied research institute designed to bring together academia, industry, entrepreneurs, advocates, and public agencies to collaborate on tackling urban challenges — developed with local universities and government partners (p. 137).

Call me old-fashioned, but I'm a big fan of the separation of business, government and academia. I don't think cross-sector collaboration is always and everywhere a bad thing, but there's something to be said for ensuring a degree of independence among the three groups, so that each can call out the other when need be. This type of institute smacks of the false assumption that technology is neutral, which is exactly the type of thinking that's allowed pervasive commercial and state surveillance to flourish.

The most obvious concern about an Urban Innovation Institute would be how independent this centre would be from Google itself. Already I'm hearing from some academics claim that a lot of tech scholars aren't speaking out on these issues because they receive Google funding and/or don't want to rock the boat. Certainly, I've noticed a big difference between Google- and government-funded internet institutes during my time in Germany, having spoken at both. Guess which ones are more critical of issues like surveillance and data governance.

Also, I'm not sure how much public funding should go into what would essentially be a Google think tank, focused as much on policy and regulation as on technology. (On which more in a later post.)

Fourth, Sidewalk Labs isn't interested in paying for most of this, but they will help arrange funding (p. 133) for all the "strong transit connections and basic infrastructure" that's needed "to fully unlock the area's potential" (p. 132).

## **Part 4: Committing to Diversity, Equity and Inclusion (pp. 150-155)**

One point, because most of this Part consists of easy-to-make commitments:

On savings from their "mobility subscription package," which would cover TTC, ride shares, the coveted waterfront light rail, scooters and the like: "a mobility subscription package would enable households to forgo car ownership, saving more than \$4,000 a year without sacrificing the ability to get around" (p. 153). Most Torontonians who live downtown, according to Sidewalk Labs' own numbers, don't own cars (p. 52).\*

Also, I'm looking forward to finding out exactly how many of Sidewalk Labs' plans have to turn out just right in order for an actual family to realize these savings. And the extent to which these savings will be cancelled out by various Sidewalk Labs user fees.

## **Part 5: A New Economic Engine that Drives Outsized Job Growth on an Accelerated Timeline (pp. 156-163)**

This is the recap section, in which it sets forth with some fancy graphs what it expects its tax, GDP and employment contribution could be (if everything works out).

## **Section C: Priority Outcomes**

## **Part 1: Striving to Meet Waterfront Toronto's Five Priority Outcomes (pp. 164-165)**

- Two pages listing the priority outcomes:
  - Job creation and economic development
  - Sustainable and climate-positive development
  - Housing affordability
  - New mobility (transportation)
  - Urban innovation (Good to know: “‘must do’s’ concerning digital innovation include compliance with all applicable laws and regulations” (p. 165))

## **Part 2: Impact Summary: Achieving the Ambitious Priority Outcomes (pp. 166-195)**

In which it states the targets it claims it can hit in these priority areas.

Again, assuming everything goes according to plan and everything works out.

And with the sales job out of the way, tomorrow we get to Sidewalk Lab's Big Ask.

\* On page 52, Sidewalk Labs notes, “the vast majority of households across the city own a car, as do nearly half of households downtown.” Because Quayside etc. would be a downtown community, the relevant comparison isn’t Toronto’s vast suburbs, but downtown Toronto.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 14: The MIDP Overview V: The Partnership

Posted on [July 31, 2019](#) by [bhaggart](#)

In which Sidewalk Labs drops the sunny language and tells us how they want to get paid for their \$39 billion plan, including for a very heavily qualified promise not to sell your personal information, the many, many new bureaucracies they want to create (and Torontonians to pay for), and the laws they want changed in order to make their dreams a reality.

Also, suggested questions for Waterfront Toronto! And an ultra-obscure 80s Canadian comedy reference.

[Previous Master Innovation and Development Plan liveblog entries available here](#)

Here are the section titles in this part of the Overview:

### **Section D: The Partnership**

- **Part 1: A New Type of Partnership to Catalyze Inclusive Growth in the Digital Age (pp. 196-201)**
- **Part 2: Summary of the Proposed Innovation and Funding Partnership (pp. 202-211)**
- **Part 3: Summary of the Financial Terms (pp. 212-221)**
- **Part 4: How the Proposal Reflects the Transaction Principles (p. 222-239)**

### **A Vision of the Waterfront in 2050: A Global Model for Inclusive Growth (p. 240-249)**

From the start, there was an unusual — and, for some, almost hard to imagine — alignment between the subsidiary of an American tech giant and an innovative revitalization agency in Toronto. Both shared an aspiration to deliver a project that served multiple bottom lines: measured not just in dollars but in the vibrancy and inclusivity of the community it would create, in the solutions it would pursue to address pressing urban challenges, and in the path forward it would illuminate for Toronto and cities around the world (The Partnership, p. 198)

Despite the collegial talk of shared visions and unlikely alignments, Section D is where Sidewalk Labs drops the sunny, techno-utopian sales job and lays bare the extent of its outsized ambitions, reducing Waterfront Toronto to an afterthought to be eliminated or retrofitted to suit Sidewalk Labs' needs. Waterfront Toronto had Quayside, but the IDEA District and the River District belong to Sidewalk Labs. Their rules; their game.

This section's no-nonsense tone and total lack of artwork, save for a map of Sidewalk Labs' desired domain on page 227, make it clear that these pages are the real overview, so one best pay attention.

## Land-related issues

As the run-up to this section made clear, Sidewalk Labs wants to create an IDEA District, which would include Quayside plus a "River District."

- Of course, this proposal goes far beyond the original RFP, which only envisioned Waterfront Toronto using anything developed in Quayside, and possibly (likely?) working with its Quayside partner, to expand the Quayside development into the rest of the Eastern Waterfront. That Sidewalk Labs is not presenting a true standalone Quayside proposal should be grounds to argue that it has not fulfilled Waterfront Toronto's stated objectives.
- That said, this is probably why Sidewalk Labs has argued in the MIDP Overview that it is accelerating Waterfront Toronto's desired timeline (p. 156).

Sidewalk Labs wants Google's Canadian branch headquarters to be located on Villiers Island (500,000 square feet).

- Given the actual Google's central role in this bid, can we please stop pretending that Sidewalk Labs is anything but a division of Google, Inc.?

Sidewalk Labs would be the lead developer for Quayside and "Villiers West," home of the Google Canadian branch headquarters. As lead developer in these areas, it would identify and oversee "sophisticated third-party operators and partners" (p. 206). Specifically, it would assume

responsibility for identifying operators and partners to implement the advanced power grid, thermal grid, and the other systems identified as vital to the success of Quayside and the Villiers West urban innovation campus, and to achieving the priority outcomes identified by Waterfront Toronto (p. 230).

- This would put it, and not Waterfront Toronto, in a position to provide preferential treatment to its preferred partners.

Other companies can develop the rest of the River District.

As we've already seen, this land grab is justified on the grounds that Quayside isn't enough to justify Sidewalk Labs' time or money:

Quayside cannot support the estimated 6 million square feet of buildable area needed to catalyze the wood construction supply chain. A condo resale fee would likewise require time and unit resales to generate value to redeploy towards the below-market housing program. (p. 224)

i.e., they can't deliver on the original RFP.

But while Quayside's four blocks can serve as an effective demonstration project, the solutions offered in the plan only begin to meaningfully affect mobility patterns when linked to a larger street and transit network. Additionally, Quayside alone is not large enough to support the financing of the proposed LRT extension, a major, new public work; the density across a larger area is needed to cover the projected cost (p. 224).

delivering on this promise [of economic development] and creating new jobs requires a critical mass of space, resources, and investment, and a holistic approach to economic development that extends into broader geography (pp. 224-225).

Oh, and I almost forgot! It wants Quayside and Villiers West at a substantial discount, because of all the awesome things it is going to do for Toronto!

Sidewalk Labs expects to purchase (or long-term lease) the land in Quayside and Villiers West from Waterfront Toronto at a price such that the innovation risk and cost would be borne by Sidewalk Labs, but that also fairly accounts for the heightened public policy outcomes required, such as levels of sustainability and affordability unprecedented in any commercial development (p. 208).

No word on whether Sidewalk Labs will refund Toronto if its myriad promises don't pay off. Remember: for Sidewalk Labs' plans to work, self-driving cars have to become a reality, factory-produced timber skyscrapers have to become a thing, and the various levels of government have to agree to many, many legal changes.

## Governance issues

This is the most important part of the proposal. Sidewalk Labs isn't just a developer (it's hardly that at the moment anyway) or a provider of technological solutions (albeit one with no track record). It wants to set the rules and the governance framework for their desired section of the Eastern Waterfront, and not just Quayside and Google HQ.

## New government entities

Sidewalk Labs proposes the creation of several new government agencies and very many regulatory changes. According to Dr. Tusikov, who's reading ahead, we won't get to the granular details until the last pages of the final volume – please enjoy my surprised face – but this Part foreshadows some incredibly audacious asks.

Such as the designation by “government” (which would have to be all three levels) of a public entity to serve — or in the case of Waterfront Toronto, continue to serve — as revitalization lead for the IDEA District” (p. 203).

It's always a shock when one realizes that one does not fit with the décor.\*

This new entity would:

- **hold Sidewalk Labs and others working in the district accountable for performance;**
- **steer innovation strategy; and**
- **oversee the governance structures needed to manage new district systems.**

It would also have “additional powers.” Rules (read: the laws of the land) would have to be changed “to enable critical infrastructure and innovative strategies” (p. 210).

I’m assuming that we’ll have to wait until the season finale of Volume 3 to see what these are. Still, bringing in the three levels of government and who knows how many agencies makes this proposal that much more difficult to implement. Laws cannot be changed overnight, even assuming that the political will exists.

### Sidewalk Labs as co-equal level of government

Sidewalk Labs would work with this new entity to develop the Innovation Design Standards and Guidelines for the entire IDEA District.

Given Waterfront Toronto’s track record and Ontario’s lack of understanding of smart-city issues as laid out in the Auditor General’s report, it’s safe to assume that the development of these rules – which will govern development in the District – will be driven almost exclusively by Sidewalk Labs. Similarly, these agencies’ lack of independent technical capacity would threaten to create an unbalanced partnership.

Sidewalk Labs would also “support and advise the public administrator on achieving innovation objectives, providing advisory This role would involve advisory services, “limited technology deployment” (on which more below), and “optional infrastructure financing” (also see below) (p. 203).

It would also involve “preparing the technical specifications and performance requirements to guide innovative development” (p. 206). In other words, it would be responsible for setting standards that it could then export as a product, and which other companies and cities would have to adopt should it become a dominant standard.

*“I ain’t in this for your revolution. ... I expect to be well paid. I’m in it for the money.” – Han Solo, Star Wars*

And there, on pages 220 and 221, is what has long been the Holy Grail, or Ogopogo, of the Toronto Smart City Debate: A straightforward explanation of how Sidewalk Labs will make its money from this project, a subject on which the for-profit company has played coy since the very beginning. Of course, being a key player in what we’ve established is an urban development thriller, there are more than a few caveats, but for the moment, let’s enjoy the illusion of solidity.

## Sidewalk Labs revenue streams

**Real estate development:** “In delivering Quayside and Villiers West, Sidewalk Labs expects to receive revenue from the sources traditionally associated with real estate projects: rental revenue, income from the sale of condominiums, and income from the sale of individual buildings.”

**Technology deployment:** “The limited number of its own technology products that Sidewalk Labs deploys in the project would be provided at cost. For technologies that Sidewalk Labs develops and deploys at scale in Toronto that meet the testbed criteria, Sidewalk Labs proposes to share 10 percent of the profits with the public sector when that product is sold in other cities.”

They provide a bit more detail on **intellectual property** on page 237:

The MIDP proposes a two-pronged test to distinguish technologies used in the project that would be developed by Sidewalk Labs in the normal course, even were the project not to proceed, from those that arise because of the conditions created by Sidewalk Labs’ public partners. **For a product that passes that test, the MIDP proposes that the public sector receive 10 percent of profits over a 10-year period following the sale of the product to a second customer** (p. 237, emphasis added).

I’m sure I’ll have more to say later when I reach the relevant section of the relevant volume. For now, the question is, is this an adequate return on Canada’s investment?

**Advisory services:** “Advisory services provided to Waterfront Toronto by Sidewalk Labs in its role as Innovation and Funding Partner are proposed to be paid back, at cost, to Sidewalk Labs.”

This seems to include a 15-year agreement to provide ongoing technical, advisory, and management services for planning, design, and implementation in the IDEA District, including for advanced systems and certain other horizontal infrastructure (bullet list, p. 210; not in main text).

**Implementation services (municipal infrastructure):** “Third-party operators would compensate Sidewalk Labs directly for its role as lead developer of advanced systems in Quayside and Villiers West. This includes reimbursement for the costs to prepare the preliminary designs, plans, and specifications issued with the procurement documents for certain systems, as needed.

“In Quayside and Villiers West, third-party operators would also pay Sidewalk Labs an advanced system development fee applied as a percentage of project costs specified upfront in the procurement documents. This fee would vary based on the degree of Sidewalk Labs participation required.”

**Implementation services (advanced systems):** “For work managed by the public administrator in Quayside and Villiers West, and thereafter, Sidewalk Labs would receive a lower percentage

(2 percent) of related soft costs for supporting the public administrator in integrating municipal infrastructure with advanced systems infrastructure.”

**Venture fund seed funding:** “This investment [\$10 million], likely to be undertaken with partners, would have stand-alone economics and the same potential upside and risks as typical venture investing.”

**Mass timber factory:** “This investment, likely to be undertaken with partners, would have stand-alone economics and the same potential upside and risks as other investments in manufacturing.”

**Optional LRT financing:** “In the event government elects to utilize Sidewalk Labs’ optional LRT financing, Sidewalk Labs would receive revenue that reflects a market return for the magnitude and risk associated with the agreed-upon financing structure.”

**Optional municipal infrastructure financing:** “In the event government elects to utilize Sidewalk Labs’ optional municipal infrastructure financing, Sidewalk Labs would receive revenue that reflects a market return for the magnitude and risk associated with the agreed-upon financing structure.”

**Optional advanced systems financing:** “In the event a SIP financing package was utilized to implement an advanced infrastructure system, SIP would receive revenues related to the operation of that system, to provide SIP an opportunity to achieve a standard market return associated with the financing of a project of such magnitude and risk.”

**Performance payment:** “In the event of final stage-gate achievement and delivery of success for the overall project, as defined through a series of metrics agreed upon in the Implementation Agreements, Sidewalk Labs expects to receive revenue in the form of a performance payment.”

### Nothing comes for free (I): Your privacy or your cash

Sidewalk Labs’ MIDP is an audacious document. Its most audacious aspect is doubtlessly its call for the elimination of the organization, Waterfront Toronto, to which Sidewalk Labs is submitting its report.

A close second, though, is Sidewalk Labs’ justification for a bonus “performance payment.” “This payment would compensate Sidewalk Labs for catalyzing the acceleration of development within the IDEA District, and its achievement of performance targets tied to Waterfront Toronto’s priority outcomes.” Performance payments would be “returns on investment above and beyond revenues tied to specific components of the project (such as real estate development on Quayside and Villiers West)” (p. 228). In other words, Sidewalk Labs wants more money for doing the job for which it was hired, above and beyond the sweet data, products and IP it will generate from what is, at the end of the day, a privatized urban laboratory.

Then again, CEOs are given bonuses for doing less all the time, so whatever.

No, what raises its demand from routine, numbing audacity into the realm of sublime audaciousness is its claim that it deserves these payments because it has structured the business model, in response to feedback from a range of stakeholders, in ways that limit its opportunity for upside elsewhere – by forgoing revenue streams that might be less directly connected to the public interest or sought by more conventional companies” (p. 238).

And what has Sidewalk Labs given up? Read on:

Sidewalk Labs limits the amount of real estate the company would develop to two small pieces of the overall project; seeks no real estate interest in the remainder of the IDEA District; **puts urban data under the control of an independent entity; makes a number of constraining unilateral commitments with regard to the commercialization of data;** and does not seek special tax subsidies.

It also reflects the unusual nature of certain early investments Sidewalk Labs will have made with no direct opportunity for a return, including its spending to develop this plan (acting as seed funding for the project), to subsidize advance infrastructure systems at the Quayside and Villers West scale in order to prove their viability while maintaining reasonable user rates, and offer advisory services at cost (p. 238).

This last part is a bit rich, since only a page later Sidewalk Labs claims that “This planning work was paid for by Sidewalk Labs with no promises of approval, because as a company, Sidewalk Labs believes there is no better opportunity in the world to show the way forward for the future of cities.” But if it can get paid on the back end for this work, then why not?

It’s really hard to read this as saying anything other than this performance payment is the price Torontonians have to pay for Sidewalk Labs/Google not sucking up everyone’s data and plastering advertising upon every imaginable surface (unless people give their “explicit consent”). Those less generous of spirit might suggest that that Sidewalk Labs should not be compensated for heeding Torontonians’ wishes for their city, especially given the dubious nature of what they’re passing up – selling Torontonians’ data to shady third parties; subjecting IDEA District interlopers to inane personalized ads.

More positively, I’m looking forward to seeing Google’s determination of the cash equivalent of our privacy, i.e., how much it thinks our data is actually worth.

## **Nothing comes for free (II): Overall costs and Sidewalk Labs’ financing role**

Conspicuously absent from this report until now has been the overall cost of the project, which Sidewalk Labs pegs at \$39 billion on page 215. Costs and expected sources of the funds can be found on pages 216 and 217.

Of particular interest, and understanding that later volumes are needed to understand fully these numbers:

- Cost to taxpayers, light rail extension: **Sidewalk Labs wants taxpayers to be on the hook for at least \$430 million financing (plus interest) for the light rail transit.** [Note: I think this number might be larger?] Sidewalk Labs is offering **\$100 million in possible financing (i.e., loan provision to taxpayers)**.
- Cost to taxpayers, municipal infrastructure: **The infrastructure cost to the city would be \$2.3 billion (Waterfront Toronto's pet project is getting pricey).**
- Mass timber: **Sidewalk Labs (and partners) will invest \$80 million in a mass timber factor.**
- Sidewalk Labs' investment: **Sidewalk Labs ("and its partners") commits "over \$900 million" (much of this being the provision of financing, I believe) to the project, and to reinvest "over \$2 billion of proceeds received as the project progresses"**
- Urban Innovation Institute: **It will provide an \$10 million in seed funding for an Urban Innovation Institute**
- Venture capital: **\$10 million, alongside other institutional funders, "including one or more local venture firms" to invest in local urban-innovation startups.**

**Waterfront Toronto: You had two jobs...**

This Overview is a demonstration of Sidewalk Labs' audacity, to be celebrated or regarded with amazed horror depending on your opinion of the specifics. It is also, however, a condemnation of Waterfront Toronto's total lack of vision for its small parcel of land, and its abdication of its fundamental responsibility: to actually govern the land under its control.

The most revolutionary parts of this proposal aren't technological – these technologies will either work or they won't. Rather, they're regulatory and bureaucratic. If Waterfront Toronto really wanted to build a smart city – and there are plenty of reasons why embracing this form of techno-utopianism [is not a good idea](#) and won't age well – they should have studied the issue and brought the expertise in-house.

Instead, they outsourced their core regulatory responsibility to plan for the future. They are in the midst of outsourcing their other core responsibility, to regulate the land under their control, possibly leaving a private corporation in effective control over a significant part of Toronto's waterfront. A corporation that, like all responsible corporations, will attend to its bottom line first and last and always.

### **Suggested questions**

Obviously, there are a lot of moving parts in this proposal, and I'll need to read the other volumes to grasp the finer details, but the main questions the MIDP poses seem clear enough at this point:

1. This is an expensive proposal for Toronto taxpayers. Is developing Quayside and the rest of what Sidewalk Labs want to do the best value for money?
2. Does it make sense to focus Toronto's efforts and taxpayers' money on this land rather than on, say, building a much-needed subway relief line?

3. The MIDP envisions the creation of several new bureaucracies and the diversion of existing funds to focus on a relatively small patch of Toronto. How much will these bureaucracies cost?
4. Can treating this small section of Toronto differently from everyone else be justified?
5. Do the myriad regulatory and legal changes that Sidewalk Labs is seeking make sense?
6. How will the failure of any of the many, many, many unproven technologies touted by Sidewalk Labs affect its promised outcomes?
7. Does Waterfront Toronto, or its successor organization, have the capacity to effectively oversee Sidewalk Labs?
8. How much standards-setting power should Sidewalk Labs hold?
9. Has Sidewalk Labs – has Google – proven itself to be a trustworthy partner? Has Waterfront Toronto?

\*And if anyone recognizes that Frantics reference, I doff my cap to you. You're welcome.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 15: The MIDP Volume 1: The Plans, Introduction

Posted on [August 1, 2019](#) by [bhaggart](#)

In which I consider the line between fulfilling the RFP and overreaching it, reflect on the way Sidewalk Labs' plan mirrors the long-discredited national-development strategies of the 1960s, dig a bit more into Sidewalk Labs' desired rule-setting powers, and thank Sidewalk Labs for small mercies along the way.

Also: I have questions.

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

### **One down, three to go**

As we move from the Overview to Volume 1, I've started to reflect on my decision to blog the entire Master Innovation and Development Plan. I've been something of a Negative Nancy when it comes to Sidewalk Labs' literary style, which can only be described as "dauntingly unapproachable."

But let no one say that Sidewalk Labs lacks compassion for the cursed souls doomed to read their masterwork from start to finish. Some 244 pages into Volume One, not even at the halfway point but exhausted and demoralized, Sidewalk Labs gave me exactly what my drained psyche needed.

A chapter (Public Engagement) repeated word-for-word from the Overview. The less charitable might whinge that this precise duplication is unnecessary padding designed to make the report seem both comprehensive (read: it's so long it must be substantive) and unreadable, but I took it for what it obviously was: a quiet mercy for the weary, frustrated and exasperated reader.

I knew that this respite would be short-lived, but for those six pages (and in the many, many other instances of smaller repetitions) I could rest, secure in the knowledge that while these consultations ranged from problematic to laughable, I'd already covered them.

Thank you, Sidewalk Labs.

### **Introduction (pp. 16-23)**

The RFP recognized the potential constraint of Quayside, at just five hectares, including a requirement to "describe your team's ability and readiness to take the concepts and solutions deployed on Quayside to scale in future phases of waterfront

revitalization.” The Plan Development Agreement describes the MIDP as including both plans for the Quayside parcel and “plans at scale.”

Consistent with these calls, Sidewalk Labs believes in a phased approach for testing, refining, and demonstrating the impact of core innovations, beginning with a smaller setting and working up to larger areas along the eastern waterfront as project objectives are achieved. Certain solutions cannot reach their full impact at the size of a small neighbourhood like Quayside while others do not become financially feasible at this smaller scale.

For these reasons, Sidewalk Labs has proposed a geography for the IDEA District that can meet or exceed the ambitious priority outcomes outlined by Waterfront Toronto, and do so in a way that is both financially achievable and replicable in other parts of Canada and around the world. (p. 18)

One’s thoughts on this section and its relationship with the [Request for Proposals](#) will determine whether you think that Sidewalk Labs is delivering on the RFP or overreaching it.

In the RFP, as Sidewalk Labs notes, Waterfront Toronto said it was looking for a partner that had thoughts on how to scale up any Quayside projects to the Eastern Waterfront, with the Plan Development Agreement calling for plans for Quayside and for “plans at scale.” (And recalling Waterfront Toronto’s pre-RFP interactions with Sidewalk Labs, as [described by the Auditor General of Ontario](#).)

And Sidewalk Labs formally presents plans for Quayside and an overall “IDEA District.” However, whether or not you’re comfortable with Sidewalk Labs’ IDEA District plan will depend on whether you believe that Sidewalk Labs’ Quayside plans are functionally separate from their wider designs. This includes not only the “River District,” but most importantly “Villiers West,” where it wants to place Google’s Canadian branch headquarters.

For my part, my impression is that Sidewalk Labs in practice sees the IDEA District as being part of a single plan. This differs from what Waterfront Toronto was seeking in the original RFP, which envisioned the partner following Waterfront Toronto into the rest of the Eastern Waterfront, as parcels of land became available (i.e., to Waterfront Toronto), not a comprehensive development for more than Quayside.

That Sidewalk Labs is not presenting a Quayside development that might be expanded into the Eastern Waterfront, but rather a comprehensive plan for development of a huge swath of said waterfront is further reinforced by March 6, 2019, comments by Sidewalk Labs CEO Daniel L. Doctoroff. [In a Canadian Press interview](#), Doctoroff indicated that Sidewalk Labs will abandon the entire project if light rail is not extended to the Eastern Waterfront: “At the end of the day, if there is no light rail through the project, then the project is not interesting to us, to be perfectly honest.”

In the MIDP Overview, Sidewalk Labs frames the light rail as part of its Quayside-plus plans to develop at “geographic scale”:

Quayside alone is not large enough to support the financing of the proposed LRT extension, a major, new public work; the density across a larger area is needed to cover the projected cost. (p. 225)

Doctoroff's comments, combined with Sidewalk Labs' positioning of light rail in terms of its overall project, make it pretty clear that Sidewalk Labs is not proposing a self-contained Quayside development phase that could be scaled up as land becomes available, but rather a comprehensive Eastern Waterfront development project, of which Quayside is only one district, not a project in and of itself as envisioned in the RFP.

**(Another question,** which I could ask anywhere in this document: If Sidewalk Labs needs to change everything about these neighbourhoods, including ripping up all existing infrastructure, introducing new government authorities, and changing so many rules, how exportable will their technologies and processes be to cities that aren't willing to change everything about themselves to satisfy Sidewalk Labs?)

### Governance responsibilities: River District (not Quayside and Villiers West) (p. 21)

**This part repeats much of what we've already seen in the Overview, but they're worth noting again:**

Planning and development: Led by Waterfront Toronto and the City of Toronto “working with various development partners.”

Waterfront Toronto would “lead the urban planning, design, infrastructure delivery, and real estate development associated with broader geographies along the eastern waterfront.” (p. 21) This sentence isn't particularly clear, but it seems to give Waterfront Toronto responsibility for the non-River District lands (where it already has this authority).

“Revitalization lead for the IDEA District (the whole shebang): a new “public entity to serve – or in the case of Waterfront Toronto, continue to serve”

Sidewalk Labs would be responsible for:

- Planning, design and implementation, including co-development (with Waterfront Toronto) of the “Innovative Design Guidelines and Standards” that will act as bylaws for the IDEA district. Given the skills mismatch between Waterfront Toronto and Sidewalk Labs, this power would effectively give Sidewalk Labs key governance powers in this district. Unanswered questions: Bylaws are more than just technical standards. How will they be set respecting fundamental principles of democratic accountability?
- Tech support, deploying their key technologies – which assumes that they will conform to standards (set by Sidewalk Labs), including standardized (proprietary?) mount systems (created by Sidewalk Labs) which third parties would have to adapt.
- “Optional infrastructure financing”

Applying this innovative planning approach across the full proposed IDEA District could spark a global hub for urban innovation along the eastern waterfront. (p. 21)

**Question:** How much of the anticipated global hub activity would be sparked by Google's mere presence as opposed to these technologies? If the answer is Google's presence is the catalyst, then why the need for such comprehensive regulatory reforms as envisioned by the MIDP?

To ensure that digital innovation aligns with the public interest, all digital proposals — including those by Sidewalk Labs — would be subject to approval from an independent entity tasked with overseeing a transparent process for responsible data use, which would apply in addition to existing Canadian privacy laws. (p. 22)

Sidewalk Labs' approach would integrate physical spaces, trusted delivery partners, and digital complements to enable a healthy and engaged community where everyone can grow, thrive, and belong. (p. 23)

Doing so would be an exercise in rule-setting, a governance function: another example of how Sidewalk Labs would privatize a city's basic governance functions.

## Underlying assumptions

urban development efforts have been stymied by the inability to deploy technology at geographic or (coordinated) administrative scale, non-existent technology, and market forces working against their deployment. (p. 22)

Each of these assumptions is open to question. Most generally it smacks of long-outdated 1960s, development theory associated with the late Samuel Huntington, where underdeveloped countries needed technocratic (i.e., dictatorial) governments and big industrial projects to spur a one-size-fits-all development. Spoiler: it didn't work.

The assumption that merging a bunch of bureaucracies into a single entity (the “scale of coordination”) will make things better is also not as commonsensical as it seems. See, for example, [Slate's Fred Kaplan's dissection of the U.S. Department of Homeland Security](#), which was created to try to solve a similar coordination problem for U.S. National Security. It's been an organizational disaster.

As engineering professor Shoshanna Saxe [remarked recently in the New York Times](#), smart city solutions take a complex problem – how to improve cities – and assume that there is only one possible solution: technology. It's a utopian solution that ignores the bureaucracies that would be needed to run these centrally run systems, and the existence of lo-tech solutions.

In short, Sidewalk Labs is making a lot of assumptions that don't hold up to scrutiny once the viewer is no longer dazzled by shiny (vapourware) tech.

## Chapter 1: The Quayside Plan (pp. 24-253)

## Introduction (pp. 26-45)

In which we are provided with some historical and geographical context for the Eastern Waterfront and Quayside.

This section also introduces the key aspects of their vision. I'm listing the main points below. This would've been a nice place to include hyperlinks to the detailed presentations of each section. But, as I've previously noted, this document is less technologically sophisticated than a *Lonely Planet* travel guide.

I'll probably get into more detail in each, but what stands out about a lot of these proposals is how banal and non-techy they are. Light-rail extension has been on the books for years. Wide sidewalks, multi-purpose open spaces, traffic-flow don't seem to require any special insights.

In other cases, they're simply putting an appy sheen on such low-tech concepts as the landlord, multipurpose spaces, and community-centre schedulers.

## Mobility (p. 40)

- A self-financing light rail extension
- A vast network of pedestrian and cycling infrastructure
- New mobility services (ride hail, e-scooters, etc.)
- An integrated mobility subscription (pay for all your transportation in one app)
- A neighbourhood freight “logistics hub”
- Mobility management system: including demand-based pricing for curb and parking spaces (read: Uber-style surge pricing)
- Flexible street spaces called “dynamic” curbs (they’re loading zones! they’re public spaces!)
- Adaptive traffic signals (“prioritize pedestrians who need more time to cross a street or transit vehicles running behind schedule”) – I’m certain this won’t cause any political headaches or frustrations from other pedestrians/drivers
- A set of “people-first” street types (or, rather, prioritizing cars on some streets, bikes on others, and pedestrians elsewhere. Not exactly “people-first”)

## Public Realm (p. 41)

- People-first street designs (no curbside parking, wider sidewalks, more trees! Forward e-thinking from Sidewalk Labs)
- Modular pavement (to allow for easier utility access. Maintenance costs?)
- A proposed outdoor-comfort system (includes “Lanterns to block wind between buildings.” I will admit that I did not know that this was a problem.)
- Flexible ground-floor “stoa” spaces: it’s not just retail! It covers “a lively mix of shops, restaurants, cafés, art installations, community gatherings, and maker studios.” Again, having been to actual cities that have exactly these types of mixes, I had no idea that this required a currently non-existent design innovation solution.

- A leasing platform called Seed Space to book these spaces (Sidewalk Labs invents the monopoly real estate agent platform!)
- Three primary open spaces ... infused with flexibility (“a dynamic water feature and performance space ... , barges on Parliament Slip, and multi-sport fields”)
- Shared programming infrastructure (“would enable the community to program open spaces themselves.” Again, I had no idea that the ability for someone to control a park’s lighting and PA system (rather than a park superintendent) was an issue.
- A real-time map of public realm assets (for maintenance purposes. Not a bad idea, but again, what’s the cost-benefit compared to the current way cities deal with broken streetlights?)

## Buildings (p. 42)

- the first neighbourhood built entirely of “mass timber” (issues: regulatory – will it be approved? technological: is this tech ready for mass use? overall: what does it mean for Sidewalk Labs’ plans if this technology doesn’t work out?)
- An Ontario-based mass-timber factory (issue: what happens when other factories come online? Guaranteed production deal? Would such a deal stand up to a World Trade Organization challenge?)
- A digital coordination system (Sidewalk Digital Fabrication) to coordinate the mass timber supply chain (this is awfully inside baseball; why is it here?)
- Quayside: adaptable “Loft” spaces to accommodate residential, commercial, light manufacturing (issue: this is more of a regulatory challenge than a technological one. Why is this currently not allowed?)
- A system of flexible wall panels to allow for easy Loft renovations and adaptations to “market conditions.” This is how office spaces are currently organized.
- Low-voltage digital power connections (over ethernet cables) to reduce fire risks “and facilitate quicker renovations”
- Mist-based sprinklers
- New form of fire protection (Shikkui plaster); “with a fraction of the waste”
- A proposed “outcome-based” building code system (basically changing the standards used to regulate neighbourhoods). Claim: it can be done “without sacrificing public safety or comfort.” But this assumes that everyone will agree on what these standards should be. Prediction: This type of agreement is a pipe dream. There will always be tradeoffs between public safety and comfort because people honestly don’t agree on how these should be prioritized.

## Housing (p. 43)

- A mixed-income housing program (20% affordable; 25% of this would be for “deep” affordability”; 20% middle-income units)
- Middle income housing options would include “shared-equity” units (no idea what this is; will return to this)
- Half of all proposed housing: “purpose-built” rentals”
- A set of efficient and ultra-efficient units. Read: really, really, ridiculously small apartments

- This approach of “affordability by design” would enable the creation of 87 more units than in a conventional development. Claim: this will create “\$37 million of value that could be applied toward below-market housing.” To look out for: do they claim credit for this supposed savings? How do they account for it in their figures.
- A set of co-living units. How is this different from a rooming house or a house with roommates? Also: does anyone outside their twenties enjoy having roommates?
- 40% of housing: two bedrooms or more.

## Sustainability (p. 44)

- Low-energy battery design
- A proposed suite of energy “schedulers”
- A district energy system called a thermal grid (no fossil fuels)
- Advanced power grid (solar energy, battery storage (status of technology?), time-based energy pricing (discounts for lower-income?)
- Innovative bill structure modeled on mobile phone plans. Because everyone loves and understand their mobile phone plans.
- A smart disposal chain (“real-time feedback to improve waste sorting and ‘pay-as-you-throw’ chutes to reduce household and business waste.”) Many cities already have per-bag garbage disposal. Waste sorting’s problems aren’t at the community level; [the entire system is broken](#).
- An underground pneumatic tub system (to help with the waste sorting).
- An active stormwater system.

## Social infrastructure (p. 45)

- A Care Collective: space for health care and social services (not sure who would run or regulate it)
- A Civic Assembly: same questions.
- An elementary school, co-located with a childcare centre
- A proposed collaboration with the Toronto Public Library, such as “potential pop-up lending services” (aka an eBookmobile).
- An online resource called Collab could allow community members to decide on public space programming (Sidewalk Labs reinvents the scheduler!)
- The Sidewalk Labs jobs program

## Digital Innovation (p.46)

- A ubiquitous connectivity network.
- Standardized physical mounts (proprietary?).
- Open, published standard to make “properly protected urban data accessible to the community in real time, and make it easy for third parties to build new services or competitive alternatives to existing ones.” (On which much more later, but for now, note the assumption privileging competition and churn over stability in public services. Choice might work for pizza companies, it doesn’t necessarily hold that it works for basic public services.)

- A best-in-class approach to security and resiliency (although if it's online, it can be hacked.)
- Build on existing privacy laws, a proposed independent Urban Data Trust (on which more later) (**new bureaucracy**)
- The proposed Urban Data Trust would be tasked with establishing clear Responsible Data Use Guidelines (**new rules**)
- A publicly transparent Responsible Data Use Assessment (**new rules**)

### The need for regulatory changes (covered in Volume 3)

Sidewalk Labs also recognizes that these types of changes require significant review and analysis by public agencies at multiple levels and understands how challenging this process can be. (p. 47)

Sidewalk Labs has begun discussions with Waterfront Toronto and government officials and looks forward to working through these complex challenges with the applicable authorities within each order of government.

### Suggested Questions

1. How do these discussions fit with Sidewalk Labs' and Waterfront Toronto's timelines, which currently sees approval preceding regulatory changes?
2. Waterfront Toronto and Sidewalk Labs have no power or authority to compel these changes. What happens if some or all of them are denied?
3. How will they affect Sidewalk Labs' calculation of project benefits, which currently assume the best possible outcomes?
4. Which approvals are essential to this project? Which ones are desirable but not essential?

**Tomorrow:** Volume 1, Part 1: Development Plan. I can hardly wait.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 16: The MIDP Volume 1, The Plans; Chapter 1: The Quayside Plan, Part 1: Development Plan

Posted on [August 2, 2019](#) by [bhaggart](#)

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

One question I'd love to have answered by people who know how land developments typically work is, how detailed should these plans be? Sidewalk Labs has had almost two years to put together these plans for what is really not that much land. Beyond this specific project, you would hope they've been thinking about their building designs for a longer time before that.

After all, this neighbourhood isn't just going to be a laboratory to test unproven technologies; people are going to have to live here. In other words, certain technologies – such as their innovative building designs – are going to have to be ready on Day One. It would be completely unacceptable for, say, a building to fail (i.e., collapse) because the plans didn't work out. Silicon Valley companies ship buggy software all the time; the rest of the world doesn't (or shouldn't) work like that.

The reason I ask is that so many of these 1,500 pages read like the world's most convoluted sales brochure. The most detailed parts so far deal with how Sidewalk Labs is going to get paid. There are no detailed building plans that certify that their proposals for, say, moveable walls within buildings can actually work. And I understand from Dr. Natasha Tusikov, who's read ahead, that even the regulatory changes that Sidewalk Labs wants are only discussed at the level of the legislation – there are no details about what exact changes would be necessary.

The obvious conclusion from this report is that Sidewalk Labs is not presenting a detailed plan; they're presenting a more detailed version of their response to the Request for Proposals. It's still mostly a list of ideas complemented with pastel drawings of parks and waterfronts. For all the daunting length of this report, there's very little here.

### **Part 1: Development Plan (pp. 48-95)**

#### **Part 1.1: The Quayside Site Plan (pp. 50-67; not listed in the Table of Contents)**

This part shows “the site plan and some illustrative renderings of the neighbourhood, as well as a breakdown of the development program into its core components.” (p. 49)

This connection to the water is a major theme of the Quayside plan: residents, workers, and visitors can interact directly with the water through barges, kayaks, and new floating boardwalks. (p. 50)

The site consists of 2.65 million square feet of developable space, 10 buildings across five sites that mix residential and commercial uses, and four hectares of public realm. At full build, Quayside could house roughly 4,500 residents in a range of housing options affordable to people of all incomes, as well as host roughly 3,900 jobs. (p. 56)

Outdoor-comfort strategies, such as building Raincoats that extend over the sidewalk..." (p. 67).

**Honest question:** How are “building Raincoats” different from “awnings”?

### Part 1.2: The Quayside Development Program (pp. 68-81; not listed in the Table of Contents)

Points of interest, and some very brief comments:

It’s charming that Sidewalk Labs considers the achievement of “Accelerated light rail expansion” as one of their “revolutionary” deliverables, alongside “All-wood construction” (p. 69).

I will leave it to others as to whether Sidewalk Labs’ “commitment to mixed-income housing” is “unprecedented”

#### FYI:

(Additional information on how Sidewalk Labs’ proposed plan meets or exceeds existing precinct plans and zoning bylaws is available in the “Planning Policy Justification Report” section of the MIDP Technical Appendix.) (p. 70)

**Quayside:** “five sites, 10 buildings, and 2.65 million square feet of developable space.” (p. 70; detailed table on p. 71)

#### All-wood buildings

removing the equivalent of 20,000 cars from the road annually. (p. 70)

“Stoa on the lower two floors” (retail, production, community spaces)

Loft designs: flexible spaces in mid-rise part (fewer stories than is typical due to higher ceilings): commercial and “live-work spaces in what would normally be residential-only building.” (p. 71)

**Note:** “Outcome-based” bylaws would be needed to allow manufacturing and residential living to coexist. A good area for urban experts to weigh in.

Sidewalk Labs aims to create a neighbourhood filled with more open and publicly accessible space than it might otherwise have, often with an intimate feel. (p. 72)

This quote makes me think of the [\*Australian urban-planning-department comedy Utopia\*](#). Actually, most of the Quayside development makes me think of *Utopia*.

**(Note to self: re-watch *Utopia*.)**

I'll also leave to the experts a review of their proposed commercial/residential splits in Part 1.2. However, I will note that they place a great deal of emphasis on the flexibility of their "Stoa" and "Loft" spaces. To what extent does this lack of flexibility inhibit or impair the development of mixed neighbourhoods? How often does a given space open up for rental or renovation?

As I've noted elsewhere, these proposals are being presented as a solution to a problem whose negative effects are never investigated. **Unasked questions:** What is the size of the cost that the current situation is imposing on society? Do these "problems" warrant a response, particularly this response?

### On mixed use: Sidewalk Labs takes control

A typical development is not designed in such a way to include light manufacturing, and zoning and building codes often prohibit production spaces within mixed-use projects. But production-oriented businesses are once again becoming a key part of urban economic growth. (p. 77)

This quote offers a good example of how Sidewalk Labs is privatizing control over bylaws regarding a traditionally public-sector issue. With this proposal, Sidewalk Labs is trying to present a technical solution to a political problem. The discussion about whether current zoning and building codes are appropriate for today's society would be a worthwhile one, but Sidewalk Labs here is assuming the answer rather than investigating the question.

These concerns are not mitigated by the fact that Sidewalk Labs says it

plans to work closely with the city to develop this proposed system, which would be operated, managed, and enforced by the City of Toronto, in full accordance with the standards established by the city. (p. 77)

Note that in Sidewalk Labs' telling, the City only has the power to set standards within the parameters set by Sidewalk Labs, when it's the fundamental decision to embrace this mixed-used zoning that's the important issue.

**Open spaces:** "more than 40,000 square metres of open space" (p. 78).

A proposed set of outdoor comfort strategies and weather-mitigation structures would increase the number of hours it is comfortable to be outdoors by an estimated 35 percent, as compared to traditional public spaces. (p. 79)

**Parking:** non above-ground; 500 spaces for a visitors' below-ground lot; underground interchange facility for those who want to drive to Quayside. The cars would be stored "at a 750-space off-site parking facility in the Port Lands or a nearby location." (p. 80)

**Question:** Does Sidewalk Labs' climate change mitigation strategy account for these 1,250 cars, not all of which will be electric?

The Waterfront Transportation Management Association would control these off-site lots. (p. 80) **(Questions:** How far off-site? In the River District? Beyond? Would this expand Sidewalk Labs' sphere of influence?)

High prices for on-site parking (p. 81) would serve as a driving disincentive for Quayside residents.

**They're planning for self-driving cars by 2034.** "Sidewalk Labs also predicts that, within the next 15 years, shared access to self-driving vehicles would fill any remaining needs that private cars serve today." (p. 80)

I'll bet the over.

### Part 1.3: Committing to Diversity, Equity, and Inclusion (pp. 82-87; not listed in the Table of Contents)

Nothing to see here: This part repeats word-for-word Overview pages 150-155.

### Part 1.4: Quayside Impact: The New Bottom Line (pp. 88-93; not listed in the Table of Contents)

This section provides/repeats from the Overview Sidewalk Labs' anticipated economic benefits:

- 11,000 construction jobs "and catalyzing a new mass timber industry," and 3,900 permanent jobs (p. 89)
- Reduce greenhouse gases by 85% (p. 90)
- Its housing targets (p. 91)\
- 73% of trips using public transit, walking, or cycling. 91% more pedestrian space "than a business-as-usual development scenario, although this depends in part on **"the potential for self-driving vehicles to share a right-of-way with public transit ..."** (p. 92, emphasis added) **(Questions:** So do ride shares and ride hailing count as public transit? What if self-driving cars doesn't become a thing?)
- Catalyzing digital innovation while protecting privacy (p. 93). Setting agreed-upon "data standards and protocols," centred around an "open-data architecture"

To implement the systems needed to achieve quality-of-life objectives, Sidewalk Labs plans to purchase third-party technology or partner with third parties to create

(or enhance) it whenever possible, giving priority to technology that is local to Toronto, Ontario, or Canada. (p. 93).

An “Urban Data Trust” to handle the Sidewalk Labs-invented concept of “urban data,” which I’ll cover soon, probably in the next post.

**Exploring larger scales to realize and maximize the impact achieved in Quayside (p. 94-95, not listed in Table of Contents)**

In which Sidewalk Labs argues (again) that they can do some interesting things in Quayside, but much of these will only work “at scale.” These include: “climate-positive infrastructure”; “light rail expansion” financed out of future growth; and mass timber production, which is designed to contribute to economic and environmental objectives. (p. 95)

In other words, if no scale, then no positive environmental and minimal economic impact for this project.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 17: The MIDP Volume 1, The Plans; Chapter 1: The Quayside Plan, Part 2: How it Works (I)

Posted on [August 5, 2019](#) by [bhaggart](#)

Continuing my voyage through The Plans. Note: This Part is pretty involved, so I'm dividing it into several posts.

For a document that is supposed to set out a plan and give us some certainty, I have so, so many Questions.

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

### Part 2: How it Works (pp. 96-243)

These are the sections in which I become very aware that I am not a transportation expert. Or a housing expert. Or an environmental scientist (#respect). My expertise is in governance and the digital/knowledge realm.

Beyond being a reminder that I am not qualified to evaluate many of Sidewalk Labs' specific proposals, I'm somewhat comforted by the fact that that *nobody* is capable of reviewing this document on their own. It highlights that this proposal needs an extensive, deep review by a lot of people.

What I can note is that these sections, which lay out a lot of the detail of Sidewalk Labs' proposal, are kind of hidden from the curious expert. They're not listed in Volume 1's Table of Contents, where they are collectively called by the [Future Planning Committee-style](#) label "How it Works."

I'm going to read these sections with an eye to what happens to stick out to me and that I haven't mentioned elsewhere.

#### Part 2.1: Mobility (pp. 102-145; not listed in the Table of Contents) On the much-coveted light rail

Sidewalk Labs wants:

6.5 kilometres of light rail transit proposed in the Waterfront Transit Network Plan, including a new Quayside- Parliament Plaza stop. Beyond the approved plan, Sidewalk Labs further proposes an optional second phase of construction to add

light rail infrastructure to the area north of the Keating Channel to serve future development. These expanded plans can be pursued at a total estimated cost of approximately \$1.2 billion (roughly \$1.3 billion if the optional Sidewalk Labs link were included).

How it should be financed:

a future charge on real estate development and borrow in the present against that stream of funds to pay for part of the cost of construction of the transit system.

## On transit

This approach is designed to operate safely and effectively in existing cities with traditional vehicles, however, it reaches its peak potential in a world of self-driving vehicles that can be programmed to follow traffic rules, be routed by a mobility management system, and defer to pedestrians. (p. 118)

**Questions:** This is yet another example of selling the best possible scenario, with no contingency for a technology (self-driving cars) not working out. The full viability of Sidewalk Labs' plan will depend on circumstances beyond its control, namely, the replacement of all cars with centrally run, self-driving cars. This would require revamping the country's entire transportation system to allow self-driving cars to work.

So, what happens if this tech doesn't work out? Also, and more importantly, what bureaucracy is going to be responsible for monitoring these algorithms to ensure that they're properly prioritizing the right things (e.g., pedestrians, transit vehicles)?

And, who will decide what these priorities will be? Right now, the politics – and the bureaucracy required to make these decisions – is invisible in this proposal. Accounting for them would both complicate and make more expensive this proposal.

## On “dynamic curbs”

Sidewalk Labs' is very big on these dynamic curbs, which is primarily a zoning innovation, turning part of a road – three metres in its drawings (p. 121) – into spots for “programming like outdoor cafés or pop-up shops (p. 124).

## 2035: Year of the self-driving car

It's probably worth paying attention to how much of Sidewalk Labs' promised deliverables are driven by the expectation that self-driving cars will work out, and also that self-driving cars, and not public transit, are the future.

There are two big issues with this prediction. First, what happens to Sidewalk Labs' promised outcomes if this tech doesn't work out? They need to account for this.

Second, planning is destiny. By planning for a world in which self-driving cars dominate, we are also planning to relatively minimize the role of public transit. This is a decision that should be opened up for debate. Its inclusion here highlights yet again the scope of Sidewalk Labs' proposal, touching as it does on any number of political issues while ignoring their political nature.

It's also yet another indicator that the issues it raises are far too big for this project, and certainly for the Waterfront Toronto consultation process. Waterfront Toronto isn't approving a development; it's approving a complete overhaul of almost every single regulation and policy governing life in a Toronto community, effectively outsourcing decisions about what these rules should be to a private, for-profit corporation.

Oh, and it's really not a good idea to base your plans on something that might happen fifteen or more years down the road. And yet here we are.

### **"Real-time" mobility systems (p. 130)**

As previously noted, Sidewalk Labs places a high priority on moment-to-moment responsiveness of streets to how they are being used (which of course will require that everything be surveilled at every moment).

#### **Some questions:**

1. How problematic (and provide evidence) is our current set-up, in which some people can cross the street at a slower or faster rate than others (an actual example Sidewalk Labs is using to justify pervasive surveillance and a multi-million-dollar spending project)? Would another, less-expensive, and less-intrusive system, work better, such as larger fines for cars blowing red lights or vehicle restrictions?
2. Is there something to be said for constancy, for being able to come to a neighbourhood and know that the roads and walkways will always be set up in the same way?

### **"Modular pavement" (p. 131)**

1. What are the drawbacks to this technology compared with currently existing materials?
2. Would Sidewalk Labs' "pavement solution" be proprietary? What would the maintenance costs look like?

(Again, answers to questions like this are the type of details I would hope a serious plan would include. Instead, we get promises and pretty drawings.)

### **Underground delivery and logistics hub (pp. 134-135)**

"Quick and reliable deliveries are essential to urban living, especially for residents who do not own cars." (p. 134) This is just correct. As a non-car-owning Toronto resident in the pre-Amazon era, I know that they're a convenience, a luxury, not a necessity. This is a sales line.

## 22 accessibility principles (pp. 136-142)

This is the first section in which Sidewalk Labs makes a connection between community consultations and outcomes (and even here self-driving cars feature prominently (p. 140). And of course pretty much everything presented here is aspirational vapourware. There is no actual plan to deliver, just to explore.

In almost every other area of this report, it's pretty clear that Sidewalk Labs sees the Eastern Waterfront as a playground for testing its own ideas.

The other exception where they say they have listened to the community is regarding data governance. Their response, however, was less-than-neighbourly, indicating that they want to get compensated for their heavily qualified commitment not to exploit data generated by this project.

And here's something that I know nothing about, and may by nothing, but it's interesting that it's not mentioned in this report: Sidewalk Labs wants to do a lot of underground digging to make these parking garages and accessible garbage and package-delivery tubes work. What would be the effect of hollowing out the entire underground in this area?

## Part 2.2: Public Realm (pp. 146-167; not listed in the Table of Contents)

Coulda, woulda, shoulda !!

I don't have anything insightful to contribute in this section, so I'll take this opportunity to note that **the world “could” appears 380 times** in this 524-page (including soooo many pages that are either blank or have no substantive information on them) volume. This is very much a vision of what “could” be done, not what “will” be done.

## More new bureaucracy: The Open Space Alliance

Oh, here's something – another new form of bureaucracy:

In Quayside, a proposed new non-profit entity called the Open Space Alliance would have a robust programming budget to support ongoing community arts programs, design competitions, and residencies for local and international artists and technologists. (p. 156)

[Dr. Natasha Tusikov addresses the Open Space Alliance in her guest post on all the agencies Sidewalk Labs wants to create.](#) For now, I'll note that this description severely undersells an agency that, as Sidewalk Labs describes it elsewhere in this plan, would have to deal with everything from programming to maintenance and stormwaters, and who knows what else. Also, part of its budget would be taken from existing City of Toronto programs. Also, it would be a public-private partnership (why would this be necessary). Basically, it would be a Department of Homeland Security-style behemoth: everything under one roof.

**Questions:** Was the City consulted about this proposal? What did they think of it?

## “Building Raincoats” (p. 161)

**More questions:** What are the maintenance costs going to be like? Won’t these “raincoats” increase one’s separation from the overall environment? And how big a problem are the elements for people walking in Quayside? This is the cost-benefit question (the cost of the improvement versus the benefit it provides, compared with the status quo) that is entirely absent from this proposal.

## Benefits from modular spaces?

Sidewalk Labs claims that “changing market forces — from online shopping to rising construction costs — and rigidly sized storefronts are limiting the variety of tenants who can survive.”

What is the relative importance of each of these factors?

How can modular spaces compete with online shopping?

Is a 30-business survey (p. 166) sufficient to support their findings/proposals?

## More new bureaucracy: Seed Space

A proposed digital leasing service, Seed Space, would show all available spaces, possible configurations and fit-out options, leasing durations and terms, and potential matches for co-tenancy.

Who would run this Seed Space? Would it be a monopoly? Would it be a public entity? How would it be funded?

## Zoning

The lower floors of Quayside would be zoned for retail, food and beverage; production; office space and social infrastructure space. (p. 165) How does this compare with how Toronto currently regulates in this area?

## New types of leases (p. 165)

Opportunities for shorter lease terms (one-month versus traditional 10-year leases) and alternative leasing models (charging tenants a percentage of their sales versus a fixed rent) — all easily accessible through Quayside’s leasing service — would help businesses open and evolve.

Why aren’t these types of leases currently available? What rates would be demanded to provide these shorter leases? How would it be ensured that the rates would be fair to small businesses?

Would the rates needed to cover the greater risk this leasing entity would have to assume eat up the benefits of a shorter lease?

That's it for today. More tomorrow...

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 18: The MIDP Volume 1, The Plans; Chapter 1: The Quayside Plan, Part 2: How it Works (II)

Posted on [August 6, 2019](#) by [bhaggart](#)

In which Sidewalk Labs promotes the innovative nature of building tinier-than-currently-allowed apartments and I note the irony of Sidewalk Labs touting a transparency app in what is easily the most poorly designed non-transparent document I've ever had the misfortune to spend three weeks reading.

But enough of my petty complaining. Let's get straight to activitivating, shall we?

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

### Part 2.3: Buildings and Housing (pp. 168-196; not listed in the Table of Contents)

Changing regulations: A “digital building code”

a proposed digital building code system could help ensure that this vibrant mix of uses can thrive without creating nuisances, such as noise.

This proposal assumes that specific and easily measurable criteria – most notably noise – are the only reasons why manufacturing and residential have traditionally been separated. I would like to hear from municipal experts about why we have the current separation of building/activity types, and what is being gained **and lost** from this proposal.

The mass timber bet

It drives Sidewalk Labs’ cost projections and environmental commitment (p. 172) Also, it doesn’t yet exist. It may work out. Or it may not. That’s how innovation works.

Also, they want to save money via “Factory-produced buildings.” (p. 173) I’d love for an expert to weigh in on this proposal (which, again, remains an aspiration supported here by some pretty drawings).

“Flexible building interiors” (p. 178)

I’d like to see some actual designs and plans, certified by an engineer saying that these can actually work and won’t collapse, please. Instead, all we have again are aforementioned pretty

drawings and a reference to “design concepts” from three architecture firms (p. 181). If actual plans exist, they’re not referenced in this section. I also want to see the architecture firms interrogated in public, by qualified engineers, regarding the viability of their mock-ups. In short, how theoretical are these proposals? How far away from being street-ready are they?

I don’t mean to sound too much like a broken record, but this is not a plan; it’s the world’s largest sales brochure.

## Affordable housing

On page 191, we get some insight into how Sidewalk Labs would create affordable housing:

Smaller apartments (7% smaller on average), allowing for more units, including Murphy beds, “convertible furniture, built-in-shelving and fold-out tables. . . ” and off-site storage for their stuff, and tool (e.g., ladders) rental. This tool rental is referred to as “borrowing,” but given Sidewalk Labs’ tendency to want to charge for everything it can think of, I’m betting this would end up being a rental service.

Also, “communal spaces,” co-living units that sound like rooming houses or roommate flats, where people could rent out spare rooms for visiting relatives or to host “dinner parties.”

I would be curious as to who would be interested in living in a pod with a Murphy bed, sharing a kitchen and dining room with roommates. Because that’s what Sidewalk Labs is selling here. It all sounds like a way to cram as many poor people into a small as spaces as possible, while ensuring that more room exists to sell much-bigger condos to rich people. Or maybe it’s for single workaholic tech bros?

Their mass timber dream would also contribute to health, through reduced stress from people looking at wood. This is based on research finding reduced stress “that have been shown to occur with exposure to nature in cities.”

## The story of Jamie (pp. 192-195)

I’m not sure that the story that Sidewalk Labs is using to sell their unique flexible housing is telling the story that they think it is. First, it’s as much a story about financing as it is about housing. Second, it describes a person who doesn’t want to live outside of a, what, six-block, area his entire life. That Sidewalk Labs is proposing a mix of dwellings is fine, but it’s also kind of banal.

## Part 2.4: Sustainability (pp. 198-213; not listed in the Table of Contents)

According to this section, Sidewalk Labs would hit its environmental goals by improving insulation, making buildings airtight, better filtering and more efficient air conditioning. (p. 200)

Also: a district-wide thermal grid relying on “clean energy sources” (p. 202), such as geothermal energy, waste heat, wastewater heat, and assuming solar panels and batteries (pp. 203-204). This

is something that requires a system built on the level of the wider waterfront area Sidewalk Labs would like to control.

Also: an app that would allow you to manage your energy use. (p. 205)

I would like to hear from some independent engineers on the feasibility of this proposal. Also, Sidewalk Labs is all about telling us about how this would work if everything goes right. We also need to know, and what could go wrong?

**On waste disposal (p. 209):** I want to know who's going to fix all this when it breaks down, what the maintenance budget is going to look like, and the skills needed by the people who are going to keep this complex system going.

**Stormwater management (p. 210-213).** Not my area of expertise.

#### Part 2.5: Social Infrastructure (pp. 214-229; not listed in the Table of Contents)

- Sidewalk Labs would not directly provide community services. (p. 216)
- It proposes allocating 90,000 square feet toward social infrastructure (question: how much of this is flex space?) (p. 216)
- It proposes “supporting local community organizations and service providers with expertise, digital prototypes, resources, and planning to bring innovative service delivery models to the community.” Question: How much would it charge for these services? (p. 216)
- It proposes working “with partners to ensure that critical services are accessible to all populations, including the most vulnerable.” Question: How long is this service commitment for? What does a for-profit development company know about social services? (p. 216) One possible answer, on p. 120: through below-market rents (p. 120) and possibly provision of its “expertise, including support on technical roadmaps for new or existing digital tools that could meaningfully improve outcomes, efficiency, and experience.” (p. 221) **Question:** What does Sidewalk Labs know about community services? Google, on the other hand, is building an expertise in this area.
- It proposes getting “a local partner to convene health care and community service providers; working together with the community, this group could explore opportunities to provide proactive, integrated, digitally enabled, and holistic service delivery offerings.” (p. 216)

#### Super-innovative: A government-transparency app.

This is all a bit vague:

To complement the physical space, fully accessible digital tools — both those already existing in the market and others created in partnership with the community — could help people to participate in civic life, collaborate, and shape their neighbourhood and help governing bodies to undertake more transparent, inclusive, and responsive decision-making. (p. 217)

What's interesting here is Sidewalk Labs' implicit view of what makes for good governance, namely full transparency as it relates to decision-making. This perspective is embedded in its description of Collab its prototype "digital tool."

According to Sidewalk Labs, Collab:

engages community members in local decisions that can shape their neighbourhood, such as programming in a central public space, **through a transparent process that reveals the decision-making framework and all community inputs.** Users propose their choices for events in their community, and then the tool walks them through the trade-offs associated with each proposal — a farmers market provides fresh produce and draws a lot of foot traffic, but the space may feel too congested for a community picnic — and how their individual choices impact the community. (p. 217, emphasis added)

This app does hide a lot of the politics under the hood – who decides how issues are framed what tradeoffs are included/ignored, that everyone involved is fully informed about the issues, that all issues should be open to majority vote (think: minority rights), that there is no role for elected representatives – but for the moment, consider the bitter irony of its inclusion in this proposal.

The Master Innovation and Development Plan and the process leading up to it is the goateed evil twin of Collab, its antithesis, its negation. The MIDP proposes fuzzy, aspirational projects in the most opaque way possible, with relevant information for single parts of the project (such as the Open Space Alliance) scattered over 1,500 pages, with no complete description in any one place.

It does not include any talk of the tradeoffs involved in its choices. And the refusal of Waterfront Toronto and Sidewalk Labs to release key documents or to deal with key issues in a timely manner throughout the past two years has made the process anything but transparent.

### For health and social services

The "Care Collective": "for the co-location of preventive support, health care, and community services as well as offering leases at below-market rates to ensure a diverse set of service providers, including non- profit organizations." (p. 220)

### Sidewalk Labs invents the community centre!

the Civic Assembly, a place for gathering, learning, and engaging amongst the community. (p. 217)

This space would be operated by Sidewalk Labs (which presumably would be the landlord), working with others to plan its operations. (p. 225)

## Private-public partnerships come for elementary school children!

To begin activitivating [*typo, or a new business line? In a world where an “Assembly” refers to a physical space and not a group of people, nothing seems real anymore*] opportunities for learning throughout the community, Sidewalk Labs is pursuing collaborations with educational leaders in Toronto. Sidewalk Labs and the Toronto Public Library (TPL) are currently exploring opportunities to seamlessly integrate the library's presence throughout Quayside, building on the theme of learning happening everywhere.

These opportunities could include pop-up learning labs or lending services; TPL-developed classes, particularly those that support data, AI, and algorithmic literacy; or digital consult rooms in library branches or pop-up library stations that could allow residents to easily book a private session or meeting with service providers. (p. 228)

This section would seem to invite a conversation about whether or to what extent private companies should be invited into the classroom.

Another few sections finished. Let's make #activitivating happen!

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 19: The MIDP Volume 1, The Plans; Chapter 1: The Quayside Plan, Part 2: How it Works (III) and Public Engagement

Posted on [August 7, 2019](#) by [bhaggart](#)

It's the the final part of my voyage through Part 2 of Chapter 1 of Volume 1. Or, as I like to call it, the Middle of the End of the Beginning of the MIDP.

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

### Part 2.6: Digital Innovation (pp. 230-243; not listed in the Table of Contents)

In this section, Sidewalk Labs begins to set out its data-governance plan, which for the moment consists mainly of general intentions and proposals.

This section is all about Sidewalk Labs setting standards that would give it and Google significant leverage in other markets (standards are power), and defining data in such a way (i.e., a very slippery definition of something called “urban data”) that gives it and other companies access to data generated in Quayside, including data for advertising purposes.

#### Which Sidewalk Labs has fought every step of the way

Toronto and Ontario have taken some important initial strides to advance the conversation around data governance principles. (p. 232)

[Toronto Star headline, August 14, 2018](#): “Sidewalk Labs unveils plans for timber towers, raincoats for buildings in Quayside, but Torontonians must wait for data details”

#### Key components of its data-governance plan

Distinction between urban and non-urban data: your regular reminder that urban data is a term that does not exist in Canadian law, leaving Sidewalk Labs with a lot of leeway to define it in its own interest.

An “open digital infrastructure” that will use “urban data to improve quality of life.” This would involve a “standardized mount system” that would “eliminate vendor lock-in” and would allow Sidewalk Labs a shot a setting a global standard. (p. 233)

“Open and secure” data standards. A set of publish standards around open-data architecture, access and sources”

Goal: to allow third parties to build on Sidewalk Labs’ system (i.e., creating a platform) (p. 233)

**Question:** is Sidewalk Labs’ standardized mount, “Koala,” a proprietary design?

### New bureaucracy: An Urban Data Trust

anchored by a Responsible Data Use (RDU) Assessment — an in-depth review that is triggered by any proposal to collect or use urban data — and guided by a set of RDU Guidelines that incorporates globally recognized Privacy by Design principles. (p. 233)

- **The Urban Data Trust would be “independent,” “not controlled by either Sidewalk Labs or Waterfront Toronto”**
- **It would have a five-person board and a Chief Data Officer**
- **It would approve “all collection or use of urban data in Quayside”**
- **It would only cover “urban data” (other types of data are not covered by this section) (p. 240)**

More details apparently are in Volume 2.

It would be responsible for establishing “a set of Responsible Data Use (RDU) Guidelines that would apply to all entities seeking to collect or use urban data in the IDEA District, incorporating globally recognized Privacy by Design principles.” (p. 240)

Sidewalk Labs would play a key role in setting these policies, which, again, would be based on a category “urban data” that it has defined.

According to Sidewalk Labs, this policy should be governed by the following principles:

- Beneficial purpose for urban data’s use;
- transparent and clear notification to individuals about how this data would be collected.
- Minimize data collection with the least-invasive technology
- Publicly accessible data by default (property de-identified or non-personal data). No matter that it’s becoming increasingly clear that truly deanonymizing data is an impossible task.
- No selling or advertising without explicit consent. Of course, urban data by definition is collected in public spaces where it is pretty much impossible to get valid individual consent. So, consent would have to happen in another way; i.e., via mass consent.
  - Here’s the problem: Smart cities require ubiquitous surveillance and data collection. Getting individual consent for data collected from an individual’s movement through a public space is pretty much impossible. So consent would have to be done in a pre-determined manner (e.g., by merely entering the space, or by posting a sign, or). In other words, the Urban Data Trust is the only organization that can define what “mass individual consent” actually entails. It’s

not going to shut down the smart city. Rather we'll find that getting legal (but ethically fraudulent) "individual consent" can be achieved simply through a bit of bureaucratic manoeuvring, of defining the problem away. This is a good example of how Sidewalk Labs' commitment to actual individual privacy is much less than it seems.

- Responsible AI principles (all these on p. 241).

It would also

implement and manage a process for approving the responsible collection and use of urban data anchored by a publicly auditable Responsible Data Use (RDU) Assessment — an in-depth review that is triggered by any proposal to collect or use urban data. (p. 240; proposed rules listed on page 241)

## Data use

Urban data produced by Sidewalk Labs' platform would be "publicly accessible, enabling companies, community members, and other third parties to use it as a foundation to build new tools." (p. 233)

### Questions:

- How would this use be qualified?
- To what extent would this involve the possibility of privatizing public services?
- Since this data would be produced from (Canadian/Toronto) residents and Toronto geography, will Canadian governments, NGOs and/or companies have priority access to this data? Otherwise, one could easily anticipate the monopolization of this level of services by data giants like Google.
- Who will maintain the platform? (Sidewalk Labs, I think.)
- For how long?
- What happens after the first contract finishes?
- What will the public authorities do to ensure that the city isn't held hostage to Sidewalk Labs as the keeper of the platform?

Its promises for "**best-in-class resiliency and security**" are just that – promises – unless and until we see exactly what they are doing, beyond their current list of things the company (which isn't a city) currently uses (p. 239).

## What's not here

What about "non-urban data"? Maybe it'll be discussed later?

## Public Engagement (pp. 244-249)

Nothing to see here: This part is repeated word-for-word from the Overview.

## Next up

We have a Very Special Episode for Post 20: a quick look at the economic analysis underlying Sidewalk Labs' projections and we all learn an important life lesson. See you there.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 20: The MIDP's economic drivers: A Google-themed rerun of Amazon's HQ2 debacle?

Posted on [August 8, 2019](#) by [bhaggart](#)

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

As if Sidewalk Labs' MIDP wasn't long enough, I decided I wanted to go deeper into the world they've created. If the MIDP is *The Lord of the Rings* (spoiler: only in length; it would be sacrilege to suggest otherwise), then the Master Innovation and Development Plan Technical Appendix is *The Silmarillion*: More world-building detail transacted at tedious length.

For all that, like *The Silmarillion*, these Technical Appendices can be enlightening.\*

For example, I've been wondering what, exactly, is driving Sidewalk Labs' anticipated economic effects. As it happens, while reading through the MIDP's endnotes I realized that [they had published a whole series of appendices](#) that they didn't bother to include with their 1,500-page four-volume report. Maybe they were worried that people would balk at the extra reading?

Anyway, among these documents is an [economic impact analysis](#) by urbanMetrics, which makes for some interesting reading.

So, on what's driving Sidewalk Labs' economic-growth predictions. As far as I can tell, the sustained economic growth (as opposed to one-time boosts from construction) envisioned by Sidewalk Labs would come primarily from Google's Canadian branch headquarters' presence in the Eastern Waterfront, the creation of a mass-timber construction industry, and a weakening of city bylaws.

On Google's presence in the Eastern Waterfront, urbanMetrics notes:

**Notwithstanding the range of other urban innovations proposed, this initiative alone** presents an opportunity to cement the Eastern Waterfront as an innovative new district that could become an industry leader in advancing city-based technologies. (p. 15, emphasis added)

a proposal to relocate Google's Canadian Headquarters to the Eastern Waterfront and establishing a corresponding Urban Innovation Cluster collectively represent a significant divergence from the types of traditional mixed-use development likely to prevail at this location in the absence of SWL. This will alter the core composition of the resulting employment base in this area, as well as the corresponding level and type of output from local businesses. (p. 13)

## On a tall-timber industry

This initiative marks a significant departure from more traditional steel and concrete forms of development, which continue to dominate the construction landscape across North America.

Despite the significant environmental, cost and building efficiency benefits of timber-based construction, it has not yet been utilized on such a large scale to date; particularly in the Toronto context. (p. 16)

## On weakening regulation (“radical mixed use”):

As demand for space changes through inevitable market cycles and technological advances, the SWL vision establishes an unparalleled degree of flexibility to avoid lengthy and expensive reconstruction projects and time delays in repositioning assets for various uses. This type of modularity also delivers significant benefit to individual businesses that could occupy space in these buildings, reflecting their own expansion and growth patterns over time. (p. 16)

They also highlight tourism as a potential economic driver. Unfortunately, of these potential ongoing contributors to economic growth, urbanMetrics only provides an economic model for tourism. However, it seems pretty clear that urbanMetrics at least recognizes that it’s Google’s presence via a branch headquarters that is the real game-changer, not any of Sidewalk Labs’ vapourware innovations.

## Is Sidewalk Labs running a Google HQ2 play?

Which raises the question:

Are we witnessing a Google-themed rerun of [Amazon’s HQ2 play, in which cities debased themselves to offer sweet concessions to bring a big company to town?](#)

Consider what Toronto, Ontario and Canada could be giving to Google/Sidewalk Labs for the privilege of their presence:

- A new light rail line in its preferred area;
- Cheaper-than-market-value land;
- Extensive weakening and/or changes of laws and regulations at every level of government, including minimal apartment sizes;
- A share of tax revenue going forward; and
- A dedicated market for a risky mass timber product.

Looked at from this perspective, it certainly seems like one of Sidewalk Labs’ main goals is to get Google a good deal on its headquarters on the most favourable conditions possible.

If the presence of Google HQ either is or is seen as the centrepiece of Sidewalk Labs' proposal, the whole thing starts to seem less like a 21<sup>st</sup> century innovation district and more like the 21<sup>st</sup>-century digital equivalent of a free trade zone, or *maquiladora*, subject to its own rules. Once established, the overriding objective becomes keeping the foreign companies happy so that they won't leave when they're offered a better deal elsewhere.

\* I should probably admit that I've never actually read *The Silmarillion* – its reputation precedes it. But it's a good analogy, right?

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 21: The MIDP Volume 1, The Plans; Chapter 2: The River District, Introduction

Posted on [August 9, 2019](#) by [bhaggart](#)

Same volume (one), but new chapter (2). Progress!

In which I wonder exactly how deep Google's pockets actually are.

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

### Introduction (pp. 256-291)

Here, Sidewalk Labs attempts to move the goalposts of the RFP from a Quayside project with possible extensions into the wider Eastern Waterfront to an Eastern Waterfront project (relabelled the IDEA District) of which Quayside is an integral part. It's a deft, if long-winded sleight of hand.

And of course, Sidewalk Labs hasn't bothered to list the subsections of each sections in the Table of Contents. Also, there is no overarching (four-volume) Table of Contents.

Just in case you've lost track, here's the land under discussion (map on page 259):

- The IDEA District consists of the “River District” and Quayside.
- The “River District” consists of the IDEA District minus Quayside. It includes Villiers Island, McCleary, Polson Quay, and part of the Keating Channel Precinct.
- Sidewalk Labs wants to divide Villiers Island into Villiers East and Villiers West, taking Villiers West for Google's Canadian branch headquarters.
- It also divides the Keating Channel Precinct into East and West, claiming “Keating East” for this project.

Much of the introduction repeats things we've already read: Sidewalk Labs wants to be the lead developer on Villiers West, which will be the Google Canadian branch HQ. In the rest of the area, Sidewalk Labs would

- provide the design standards and guidelines (the rules for the district);
- work with a government partner to plan, design and implement everything;
- provide particular core technologies; and
- possibly provide financing. (p. 262)

As I've previously noted, these roles would place Sidewalk Labs at the heart of waterfront governance rule-setting.

## A reminder that Sidewalk Labs is ambivalent as to Waterfront Toronto's continued existence

Sidewalk Labs proposes that government designate a public entity to serve — or in the case of Waterfront Toronto, continue to serve — as revitalization lead for the IDEA District. (p. 260)

### Sidewalk Labs: Developer as fixer

Sidewalk Labs presents itself here as a fixer, a company that can bring together a crack team to do whatever you want them to do it. They're the visionaries; others will do most of the work.

It's all very platform-y:

As a company founded to leverage the latest innovations to improve the quality of life in cities, Sidewalk Labs can bring together the expertise and tools required to devise, finance, and implement creative solutions to large-scale problems. (p. 260)

## **The River District's Scale Is Necessary to Realize Priority Outcomes (pp. 263-269; not listed in Table of Contents)**

And now we get to the hard sell, where we are told that “many” of the things they are planning for Quayside “can only become effective or financially feasible at the scale of the 62-hectare River District.” (p. 263).

In particular, as I noted in my previous post on the economic effects of this project, the “economic anchors” that seem to drive most of the project’s economic benefits – a Google HQ and a mass-timber factory with a guaranteed market – will only arise if Waterfront Toronto gives them all this land. (p. 264)

My question: exactly why does Sidewalk Labs/Google need all these other changes? Why not just locate its headquarters in the Eastern Waterfront and work on developing tech in laboratories and real-world conditions? Why do they need to rewire the rules and regulations and governance of an entire community to do this? After all, I’m assuming that not all of Sidewalk Labs’ future clients will want to change all their laws just to install smart street lights. So why not develop your tech under that realistic restriction? Why not try to implement technological solutions that fit clients’ existing circumstances?

And if Waterfront Toronto wants to kickstart development and thinks that an anchor company will do it (which also probably won’t work, but that’s an argument for another day), then why not cut all the extraneous stuff and just bring in the anchor? If all these changes are needed just to bring Google to town, is it worth it?

## “Financially feasible”

This section also reminds us that Sidewalk Labs is a for-profit company. As a result, its claim that Quayside is too small a parcel of land to develop these new technologies is based in large part on financial considerations. In other words, **it would not be feasible for a for-profit company** to do a lot of these things. (p. 266, e.g. re clean energy)

This reality highlights a very significant drawback to depending on for-profit companies to run your city or your research and development projects. Their bias will always be toward what will pay off financially, and on their desired timeline, not what is socially beneficial or (key point) what will only become profitable in a time horizon beyond what a company is comfortable with.

Despite all its talk about how it can depend on Google’s deep pockets to have a lengthy time horizon, Sidewalk Labs is telling us that this horizon is not as long as they’re letting on. They’re in this to make lots of money in a certain period of time. They will focus on the shiny, sellable tech. They will focus on shorter development time frames than would governments.

They will also, if business conditions warrant it, abandon Toronto. Or if politicians don’t play ball with them once they’re ensconced here, which amounts to the same thing. Because they’re a money-making business. That’s their deal. Governments can’t leave a town, but companies can and will and do if their bottom line is threatened.

## Public funding of Light Rail Transit

Another reminder that the public would be on the hook for light rail costs, either in terms of public funding or financing (possibly backed by future tax revenues from all the awesome stuff that this project will yield). (p. 268)

Also, Sidewalk Labs argues that merely the provision of light rail “would become a fundamental driver of the east- ern waterfront’s economic development strategy, accelerating the creation of thriving new transit-first neighbourhoods” (p. 268). Possibly. But if so, then why not just build the line? Are all of Sidewalk Labs’ other changes needed? What is their marginal contribution to growth?

Also, I’d love to see a comparative analysis of the benefits of building Sidewalk Labs/Google’s light rail and using that money for transit in other parts of the city. This proposal is silent on that bit of information.

Bottom line is, if you want economic development, a climate-positive neighbourhood, affordable housing and a “21<sup>st</sup> century mobility network” (including LRT. They really want that LRT.), it’s everything or nothing.

## A Pivotal Moment for the Future of the Eastern Waterfront (pp. 272-279; not listed in Table of Contents)

Mostly history and a continued sales pitch for developing this area. The amount of PR and promises – as opposed to actual plans – in this document is draining.

Touted ways their proposed changes would “add[] value to the Port Lands Planning Framework” (p. 275):

- Villiers Island “as a major economic hub” (i.e. the Google effect)
- Preparing for self-driving vehicles (see previous discussions about the policy discussions this move is pre-empting, and also the possibility the tech won’t work out)
- Developing advanced energy infrastructure
- Planning for greater density to unlock a transit expansion and sustainable development (read: we really want that light rail line but not, you know, enough to pay for it ourselves)
- Expand the supply of affordable and below-market housing
- Accelerating the development timeline (ah, timeline promises: the bane of planners and politicians)

## Maybe governments can actually do development?

While the investment in the Port Lands Flood Protection Project is extraordinary, it is only a first step. Substantial additional investments are required to fully unlock the area’s potential. (p. 277)

A reminder of how Sidewalk Labs’ proposal builds on a massive, \$1.25 billion, Waterfront Toronto-coordinated public investment. Any private return on investment they make if this project goes forward will be due entirely to this public investment.

## The River District Can Anchor a Renewed Eastern Waterfront (pp. 280-291; not listed in Table of Contents)

And we’re back to full-page pictures. Which is a bit of a relief as it gives me a break from reading, but also depressing because it means I have to work my way through yet another empty-calorie section that repeats so much of what I’ve already read.

Added bonus: pages 282-291 are lifted wholesale from the Overview (pp. 136 (excerpt); 144-147), only with different pictures.

These Overview sections should’ve come with a note saying, “For the exact same information, please consult Volume 1, pages 280-291.”

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 22: The MIDP Volume 1, The Plans; Chapter 2: The River District, Part 1: Neighbourhood Planning concepts

Posted on [August 10, 2019](#) by [bhaggart](#)

Includes a nostalgic look back to the times when Sidewalk Labs promised us a community built “from the internet up.”

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

Onward, into Part 1.

### **Part 1: Neighbourhood Planning Concepts (pp. 292-348)**

Lots of repetition from things mentioned in the Quayside chapter and the Overview.

#### **Part 1.1: The River District Program (pp. 294-302)**

Padding alert

Full-page photos comprise half of Part 1.1’s eight pages.

#### **Neighbourhood production**

New production and workshop facilities, enabled by Sidewalk Labs’ unique lower-floor stoa spaces, can be located throughout the district, strengthening the commitment to a diversity of uses and providing additional opportunities for small businesses that build off new technologies and capabilities. (p. 295)

the ability to live and work in the same neighbourhood (p. 296)

**Question:** What specific bylaws changes would this plan require? Here, we’re just being sold on the benefits, not the – what’s the word – *planning* required to actually do it.

And, yes, some of this information is provided (or will probably be provided) elsewhere in the report, but why not include all the relevant information in one section?

## Part 1.2: Villiers West: Creating an Economic Hub With a Thriving New (pp. 303-313; not listed in Table of Contents)

### Padding alert

Eleven pages, three full-page photos, three-quarters of one page taken up with a pull quote.

#### Urban innovation: it's not just tech; it's political

This effort defines urban innovation as going beyond the mere pursuit of urban efficiencies associated with the “smart cities” movement, towards a broader set of digital, physical, and policy advances that enable government agencies, academics, civic institutions, and entrepreneurs both local and global to address large urban challenges. (p. 304)

This quote highlights the extent to which Sidewalk Labs and Google are not just, or maybe even primarily, interested in creating new technologies. Rather, they are interested in the policies and politics that shape technology. This makes sense, because technology reflects the society that produces it. What’s more, just as different people have different views of how society should be structured and what government should do, so too are there different views about what technologies should be developed, how they should be used, and to what ends.

In other words, technology is highly political. This proposal shows that Google isn’t interested in reacting to these social imperatives and constraints; it wants to shape them so as to favour its own particular interests. This is what this Urban Innovation Institute is about.

Most importantly, Google’s interests may not align with those of Torontonians or Canada. This is something that we should be discussing publicly, in City Council, in the Ontario Legislature, and in Parliament. They’re also conversations that academics need to be having, including the extent to which private-sector (particularly Google and the other big US tech companies) research financing is shaping our participation in these debates.

As it stands, these plans are another example of how Sidewalk Labs’ seemingly benign proposals, in this case for an Urban innovation Institute (p. 306) and having Google anchor and “catalyze” (p. 306) the Toronto tech sector, would pre-empt vital and necessary policy conversations.

**Quick note on Urban Innovation Institute governance:** Sidewalk Labs is committing to \$10 million in seed funding, which would be administered by an “agreed-upon” entity. (p. 307)

## Part 1.3: Beyond Villiers West: A Different Role for Sidewalk Labs (pp. 314-315; not listed in Table of Contents)

Two pages outlining/repeating how Sidewalk Labs sees its role in the wider waterfront (discussed in the previous post covering the River District Introduction).

Part 1.4: Vision for Villiers East: Achieving Key Public Policy Goals (pp. 316-329; not listed in Table of Contents)

Part 1.5: Vision for Keating Channel: Reclaiming a Historic Canal (pp. 330-335; not listed in Table of Contents)

Part 1.6: Vision for McCleary: Creating a Model Live-Work Neighbourhood (pp. 336-341; not listed in Table of Contents)

Part 1.7: Vision for Polson Quay: Reinventing a Working Waterfront Neighbourhood (pp. 342-347; not listed in Table of Contents)

Padding alert

Forty-two pages. Nine full-page illustrations. Three full-page pull-quotes.

And that's not counting all the maps and artists' renderings of communities (e.g., p. 325).

### Key points

Again, this section generally repeats what we've already read; it's basically the Quayside plan rolled out to its desired parts of the Eastern Waterfront, with some site-specific proposals a lot of "could-ing". Here's what may stand recalling.

On governance:

- Sidewalk Labs would be involved in developing "an 'Infrastructure and Transportation Master Plan' that sets the guidelines for the types of systems required and identifies and supports pathways to implementation. (p. 320)
- "At Villiers Island, both west and east, Sidewalk Labs would work with Waterfront Toronto to identify and establish specifications and a path to implementation for each infrastructure system. These systems include ... Thermal grid ... Advanced power grid ... Active stormwater management ... Freight delivery ... Ubiquitous connectivity ... Additional systems ... such as water and sanitary sewer connections ... Ongoing exploration [to develop] advanced infrastructure systems ..." (p. 322)

More tomorrow.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 23: The MIDP Volume 1, The Plans; Chapter 2: The River District, Part 2: Scaling Urban Innovations; The Future Can Start Now

Posted on [August 11, 2019](#) by [bhaggart](#)

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

Let's get right to it, shall we?

### Part 2: Scaling Urban Innovations (pp. 348-407)

Padding alert

- Sixty pages.
- Three full-page photos.
- Four full-page pull quotes.
- Five full-page title pages.

#### Part 2.1: Mobility (pp. 350-367; not listed in Table of Contents)

Accelerating mass transit extensions across the eastern waterfront (pp. 352-355; not listed in Table of Contents)

In which the pitch is made for light rail as a means to build at scale the infrastructure discussed in the Quayside chapter.

As before, they suggest self-financing, on the assumption that it “create enough value to offset the cost of building [the] expansion” (p. 352). Only the “River District,” not Quayside, provides sufficient density to justify this “self-financing” (i.e., borrowing against the anticipated extra revenues the project will spur).

#### Creating new neighbourhoods with people-first street networks (pp. 356-361)

Again, an expansion of their Quayside ideas and why scale is needed for them to unlock the majestic awesomeness of their plans.

Big assumptions:

That self-driving vehicles — often called autonomous vehicles — will be both safe and commercially ubiquitous available for rides by roughly 2035, and that smart

planning can harness their potential to be better neighbours for pedestrians, cyclists, and public transit user. (pp. 356-358)

As I've said before, I would not take this bet. At the very least, I would not build a multi-billion-dollar development around an eventuality that is so far out of my control and so far down the road (pun maybe intended due to sheer exhaustion).

Also worth re-highlighting that, "people-first street networks" is quite vague. Strictly speaking, Sidewalk Labs is promoting different types of roads for different forms of mobility (cars, transit, pedestrians, cyclists). "People-first street networks" (p. 360).

### **Expanding opportunities for cyclists (pp. 362-363; not listed in Table of Contents)**

Dedicated bike paths and bikeways.

### **A neighbourhood moved by new mobility (pp. 364-367)**

Your at-scale mobility benefits:

- "Discounted mobility packages" compared to the higher price people would pay if Sidewalk Labs only controls Quayside. (p. 364)
- And yet more on self-driving cars (p. 365).
- You only get the self-supporting freight system mentioned in the Quayside chapter if you give Sidewalk Labs the River District as well. Reason: "It is not financially feasible" (p. 367) – one wouldn't be able to make enough money off of it.
- Quality of life: If policies are adopted only at Quayside, the surrounding districts would continue to be noisy and polluting, affecting Quayside's quality of life. But if you control the land around it... (p. 368)
- Similar parking policy as the Quayside proposal. (p. 368)
- New Bureaucracy alert! The proposed Waterfront Transportation Management Association, at scale, could engage in active traffic management (read: constant surveillance of traffic) to "not only optimize the available road and curb space but also apply pricing to encourage shared rides during congested periods." (p. 368)

### **Part 2.2: Public Realm (pp. 368-379; not listed in Table of Contents)**

#### **Creating an expanded, varied, and active public realm network (pp. 368-372; not listed in Table of Contents)**

Basically the Quayside plan at scale, where they will be "more affordable." (p. 371)

And would include "a new 30-hectare nature preserve that functions like a central park for the entire River District..." (p. 371).

An expanded ground-floor network would create new economic, creative, and programming possibilities (pp. 373-379)

Already covered in the Quayside chapter, although it is depending on the private sector to take up its preferred models. Includes three case studies.

**My question:** to what extent would private-sector developers be forced into adopting these models based on Sidewalk Labs' control over standards and rules in these neighbourhoods?

**Part 2.3: Buildings and Housing (pp. 380-389; not listed in Table of Contents)**

**Catalyzing a new mass timber industry and construction supply chain (pp. 381-383; not listed in Table of Contents)**

In which the case for mass timber at the scale of the “River District” is made, because Quayside is too small for it to be financially viable.

It involves the creation of a “new supply chain” based in Ontario (p. 381).

The payoff: “accelerating timelines, improving predictability, reducing costs, minimizing neighbourhood disruption from work sites, and yielding a healthier, more sustainable, and stunning built environment” (pp. 381-382). Recall that the “healthier claim, from the Quayside chapter, is based on the assumption that it’s pleasant to look at a wooden skyscraper.

As for the worksite claim, I just figured out, thanks to page 383 and the fact that I just finished playing the second epilogue in *Red Dead Redemption 2* (ultra-minor spoiler ahead), that they’re proposing wooden pre-cut skyscrapers! (I got a silver in [that particular mission](#).)

So, if you’re keeping track, the two biggest parts of Sidewalk Labs’ proposal – bringing Google to town and timber skyscrapers – will only work if Waterfront Toronto buys into the whole project. Sidewalk Labs has taken the “Quayside on its own” option off the table, if it ever really considered it.

Beyond that, we’ve already heard their pitch in this area. Let’s move on.

**Achieving new levels of housing affordability, choice, and inclusivity (pp. 384-389)**

Here, again, we’re told that if you truly want to capture all the benefits of Sidewalk Labs’ affordable-housing plan, you need to go River District big.

Here’s something interesting: this affordable housing can be provided through:

- “the increased value of public land due to factory-built timber construction” (\$639 million);
- “a condo resale fee” (\$321 million);

- “new value captured by more efficient unit design” (which they call “affordability by design”) (\$475 million). (p. 384)

In other words, they’re betting on higher publicly owned land values because developers will be able to build more with less and will be thus willing to pay more for the land.

They’re also betting that condo owners will be cool with a new resale tax.

And that the timber play will work out in terms of the technologies and required regulatory approvals.

And that they can shave a significant amount off of the normal cost of building residential units via Murphy Beds etc. at scale. (For what little it’s worth, “Affordability by design” reminds me of IKEA furniture.)

Or to rephrase again, they’re betting that nothing will go wrong in any of these (I’d like to see an independent engineering review of these “more efficient unit” designs). If any of them don’t happen, their housing affordability plan will be in trouble.

#### Part 2.4: Sustainability (pp. 390-403; not listed in Table of Contents)

#### Achieving climate positivity requires bold solutions only possible at scale (pp. 391-399; not listed in Table of Contents)

The argument – and stop me if you’ve heard this one: For climate positive development, you have to develop the River District. Again, the issue is economic feasibility (presumably in terms of Sidewalk Labs’ bottom line? Because if it’s socially worth doing, you can make a case to fund it out of general tax revenue):

these initiatives proposed **are not economically feasible to deploy in Quayside** unless they are part of a **comprehensive approach** that spans a large enough geographic area to support inventing, implementing, and operating this entirely new ecosystem of sustainable infrastructure. (p. 391, emphasis added)

The costs in question: “infrastructure, … designing, building and installing digital technologies to manage these new systems” (p. 393).

Cost in sticking just to Quayside: \$19 million to keep Quayside energy bills in line with the rest of Toronto.

They need scale for (pp. 393-394):

- Increasing transportation options
- To reach an all-electric mobility system
- To make full electricification affordable
- To reduce energy demand (via energy-efficient buildings)

- To design an advanced power grid
- To develop a thermal grid

**Regulation-relevant:** Sidewalk Labs would like the City to move toward developing “operational energy targets based on real-time metering for new buildings — not on pre-construction designs.” These would be based on an energy auditing tool Sidewalk Labs would like to develop (but hasn’t yet).

**River district is required to:** “help to accumulate a critical mass of building data, leading to powerful insights that can inform building design and enable new approaches to energy use regulation.” (p. 395)

**Also promised:** “an anaerobic waste digestion facility” (p. 396). Sidewalk Labs also wants to “partner with the city’s Toronto Water division to extend the proposed thermal grid infrastructure to tap into the waste heat generated at Ashbridges [Bay Wastewater Treatment Plant], with a commitment not to impact the plant’s operations.”

I don’t know anything about such things, so I’ll leave them to others to examine.

#### An opportunity to use waste as a resource (pp. 400-401; not listed in Table of Contents)

It promises more efficient recycling, including the construction of a local materials recovery facility (MRF), which only works... at scale.

And that cool real-time feedback recycling system that Sidewalk Labs promised with Quayside? Well, “Quayside is too small to support its own MRF....” As a result, its recycling would leave the area, and its waste would be recycled (or not, as is often the case) as it is today, which is often not great or not at all.

#### An expanded public realm could minimize the need for grey stormwater infrastructure (pp. 402-403; not listed in Table of Contents)

At scale.

**New bureaucracy alert:** The Open Space Alliance would collect an upfront green infrastructure fee from developers to manage green infrastructure that would reduce the size and cost of stormwater infrastructure. Again, such proposals are beyond my competence, but in terms of bureaucracy, the question to ask is, what capabilities does the Open Space Alliance need to operate this infrastructure? As Dr. Natasha Tusikov’s overview of Sidewalk Labs’ various proposed new bureaucracies indicates, the Open Space Alliance is being asked to do quite a lot.

## Part 2.5: Urban Innovation (pp. 404-407; not listed in Table of Contents)

From the Time Before, that half-remembered era before my life was subsumed into this cursed report, I dimly recall that Sidewalk Labs proudly trumpeted that it wanted to build the first city “from the internet up.” [Sidewalk Labs CEO Daniel L. Doctoroff used to say as much](#). What’s more, the phrase appears no less than ten times in the part of Sidewalk Labs’ response to Waterfront Toronto’s Request for Proposals. Waterfront Toronto was obviously impressed; it hired Sidewalk Labs to develop Quayside, after all.

Quayside was to be the digital city of the future.

Which makes it odd that not only is Sidewalk Labs no longer using the phrase “from the internet up” – in this report’s 1,496 pages it appears not at all – but that it spends so little space discussing its digital plan. A mere three pages of this 60-page section are devoted to digital issues.

Sidewalk Labs is a Google company. Its competitive advantage isn’t building materials (covered here in a nine-page section) or cars (covered here in a 17-page section). It’s data and connectivity.

Still, what’s here? A promise of ubiquitous connectivity and standardized mounts, an “Urban USB port.” Digital services catalyzing the ecosystem (not mentioned: It will probably help that Google is here.) Open data standards (who sets the standard?)

Did I mention that these will only work at scale?

The proposed mount requires significant geographic distribution to gain the widespread adoption needed for device manufacturers (such as Wi-Fi antenna producers) to incorporate the standard into their own designs, just as existing USB ports needed to prove their worth before laptop and phone manufacturers made them standard features. The River District would provide the necessary scale for development and adoption of the standardized mount. (p. 405)

**Question:** Is the claim that a small Toronto neighbourhood provides sufficient scale for the adoption of such a standard? It seems... tiny in the context of the whole wide world.

### One last bit

The Urban Data Trust should be launched in Quayside, where it could begin to work through use cases. Over the longer term, once the entity has benefited from many use cases in Quayside and certain parts of the River District, Sidewalk Labs expects that the Urban Data Trust could have broader coverage. (p. 407)

Seeming to privilege Quayside makes a virtue of the necessity of appearing to have a separate Quayside plan. Of course the Urban Data Trust, should it come to pass, would be launched in

Quayside, because Quayside would be the first part of the Waterfront development plan, and it would be the first to collect data. This is no promise at all.

### The Future Can Start Now (pp. 408-415)

More public relations content. I'm done. See you for Chapter 3, Economic Development.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 24: The MIDP Volume 1, The Plans; Chapter 3: Economic Development: Introduction; Part 1: Accelerating Development

Posted on [August 12, 2019](#) by [bhaggart](#)

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

Chapter 3 of Volume 1! And we're coming up on the halfway point of the report, which is something, right?

### Introduction (pp. 422-427; not listed in Table of Contents)

In which Sidewalk Labs reiterates its plan for kickstarting economic development. Note that this all is focused on its desired wider waterfront, not Quayside. The plan:

First, Sidewalk Labs plans to help boost general economic growth by accelerating development across the underutilized areas of the IDEA District. (p. 423)

This will be accomplished by:

- “upfront investments in critical infrastructure, such as light rail transit” (paid for by the City)
- bringing Google Canada’s branch headquarters to town, along with the Urban Innovation Insitue
- “people-first planning” to bring people to the district
- Which will all create “an ‘expanded downtown’ area capable of supporting new and existing industries.” (p. 423)

Second, Sidewalk Labs plans to help catalyze a cluster focused on urban innovation with the potential to spark a new economic engine. (p. 424)

Toronto as digital export processing zone:

This approach involves establishing the IDEA District as a designated zone subject to a special set of regulatory and policy tools to promote innovation and accelerate development.

This is the same type of policy that developing countries like Mexico adopt in order to convince transnational corporations to set up manufacturing facilities: lax labour and environmental standards in exchange for low-wage jobs. It has the effect of locking these countries into a

subordinate position in the global economy, making it harder for them to rise up the global value chain. It is not the type of policy pursued by strong, economically vibrant countries.

### Calculating the economic impact

Sidewalk Labs also touts the urbanMetrics consulting firm's [economic analysis](#) that underlies this chapter. The report is part of the [MIDP Technical Appendix](#); I covered it in Entry 20. The report is based on statistics and projections provided by Sidewalk Labs.

It compares two possible scenarios, a status quo and one in which the MIDP proposal is implemented in full. In each case, it breaks out a Quayside-only development and a full-area development.

Unfortunately, as I noted in that previous post, the urbanMetrics report does not contemplate anything other than the best-case scenario, and so we have no idea how this proposal would develop if, say, Google decided to stay home, or if planners decided not to approve the construction of timber skyscrapers.

Not pursuing any alternative scenarios means that we can't break out, say, the relative importance of bringing Google to town (my guess is if it's not there, most of the benefits from this proposal would not materialize), including both direct and indirect effects.

## Part 1: Accelerating Development (pp. 428-459)

[Introduction \(p. 430; not listed in Table of Contents\)](#)

[Strategy 1: Unlock the waterfront through infrastructure investments \(pp. 431-437; not listed in Table of Contents\)](#)

In which Sidewalk Labs once again makes the hard sell for a light-rail line. Despite an up-front note that the infrastructure cost (utilities, energy, public transit) to outfit the IDEA district would likely be over \$3 billion, or more than \$4.5 billion if the entire eastern waterfront is covered (p. 431), this section is all about making the case (again) for light rail.

Sure, it would cost the city at least \$1.2 billion (p. 434), but financing and building it all at once would be worth it, they say, citing examples from other cities, including London's Canary Wharf, a reference that will [doubtlessly bemuse Canadians of a certain age](#).

Left undiscussed is the remaining \$1.8 billion-plus of infrastructure spending, which presumably would also come out of ratepayers' pockets, one way or another. More proof that this is more a sales brochure than an actual planning document. Otherwise, their discussion of infrastructure investments would have discussed all infrastructure.

**Strategy 2: Anchor waterfront growth with a new Google campus (pp. 438-443; not listed in Table of Contents)**

In this section, what stood out to me is this claim:

Based on its impact in other neighbourhoods in cities around the world, described more on Page 441, Google's arrival on the waterfront has the potential to catalyze economic growth, attracting firms of all sizes and a diverse workforce, while contributing to the growth of Toronto's existing innovation ecosystem. (p. 439)

Perhaps, but why rely on comparative anecdotes and not the company that you've commissioned to analyze *this* proposal? For now, I'll note again that their urbanMetrics report doesn't break out Google's individual impact on Toronto's economy. And notice how this section – in a report that doesn't shy away from making grandiose predictions – doesn't provide any predictions about Google's effect on Toronto.

This section is much less than meets the eye in terms of providing substantive analysis.

**Strategy 3: Attract talent and jobs with complete communities (pp. 444-447; not listed in Table of Contents)**

This section merely repeats the proposals outlined elsewhere in the report. I'm still waiting for the economic analysis. This is padding.

**Strategy 4: Support new and existing industries with an “expanded downtown” (pp. 448-451; not listed in Table of Contents)**

See above.

Page 451 is a chart of the predicted number of jobs this plan would produce. That's the extent of the economic analysis in this section so far.

**Strategy 5: Plan for prosperity with equity (pp. 452-459; not listed in Table of Contents)**

More repeated commitments, with several interesting commitments. Although I'll start by noting that it's kind of weird to include a recycled pitch for its proposed mass-timber factor in a section about equity (pp. 458-459). And that there's nothing in here that draws on the urbanMetrics report.

Okay, let's go:

Sidewalk Labs plans to provide workforce development opportunities to ensure the local workforce is equipped with the skills needed to succeed in a 21st-century economy. (p. 454)

And:

Sidewalk Labs' workforce strategy aims to support Torontonians of all ages and backgrounds so that they are trained to compete, and remain competitive in the 21st-century economy. Sidewalk Labs also wants to help employers — from tiny startups to major corporations — fill their talent needs. (p. 455)

There seem to be two separate promises here. There's a "workforce strategy," which could simply be a banal statement that there will be lots of different types of jobs in their new districts.

And there's Sidewalk Labs' promise to create **yet another bureaucracy, Sidewalk Works:**

This strategy begins by establishing a proposed non-profit entity, Sidewalk Works, to help those who are currently underrepresented in the tech sector prepare for jobs in the new economy. Working closely with qualified partners, Sidewalk Works would curate and influence skills training to meet real-time employer needs, recruit across the city to broaden workforce participation, and provide access points to the urban innovation economy — all supported by cutting-edge digital tools. It would also champion equity in the tech sector by convening employers in the IDEA District across industries to identify and address common challenges, build their capacity to support and retain diverse candidates, and drive equity through economic opportunity. (p. 455)

Part of Sidewalk Works would be a service called Talent Connect, a "talent concierge" that can provide curated access to top-tier talent and assistance with navigating government-funded services and post-secondary co-op and work placement programs. Talent Connect would be available to all member firms operating in the IDEA District but would likely be of particular value to small firms that may not have dedicated human resources staff. (p. 457)

As has been par for the course so far in this document, this is more idea than proposal or plan. There are a lot of "coulds" in here. What type of partners? Sidewalk Labs mentions many people it could work with, in a way that recalls an undergraduate methods assignment where they're throwing everything against the wall to see what will stick.

Who would run it? Who will pay for it? How long, and to what extent, would Sidewalk Labs be involved in it?

### **Contractors requirements**

Contractors would be required to provide opportunities for mentorships, internships, and other work-integrated learning opportunities, as well as to consider

qualified candidates from targeted communities first for professional, administrative, and technical positions — an approach known as “first source” hiring. (p. 456)

Sidewalk Labs proposes to require that contractors provide opportunities for mentorships, internships, and other work-integrated learning opportunities and implement a first-source hiring approach for professional, administrative, and technical positions. (p. 458)

**I have questions:** Would this just be for the projects Sidewalk Labs directly controls, or would it be for the entire district? If the latter, should Sidewalk Labs be allowed to dictate these types of things?

### Google as educator

Sidewalk Works would also work to connect tenant employers with graduates of an entry-level information-technology (IT) certification course called the Google IT Support Professional Certificate, a program developed by Google and Coursera to help non-traditional candidates begin careers in technology. This course is a component of “Grow with Google,” an initiative to help Canadians acquire the digital skills needed to get jobs or grow businesses. (pp. 456-457)

Google: Creating the Google talent Google will need in the Google century.

Also: Sidewalk Labs can't make promises like this and seriously claim to not to be a Google subsidiary.

### Noted: Other promises

Sidewalk Labs plans to build on the Waterfront Toronto Employment Initiative, working with Construction Connections (a unique construction-sector workforce development program managed by the city and the province) and Toronto Employment and Social Services, to target at least 10 percent of construction hours for racialized youth, women, and Indigenous people.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 25: The MIDP Volume 1, The Plans; Chapter 3: Economic Development (II): Part 2: Sparking a Cluster in Urban Innovation

Posted on [August 13, 2019](#) by [bhaggart](#)

Sidewalk Labs provides some reasons why they need all this special treatment. And more. Always more.

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

We're still on Chapter 3 of Volume 1, so let's get right to it.

### Part 2: Sparking a Cluster in Urban Innovation (pp. 460-493)

Introduction (pp. 462-465; not listed in Table of Contents)

In which Sidewalk Labs makes a pitch for urban innovation as a growing economic sector (p. 464).

Strategy 1: Invest in a cluster-based approach (pp. 466-469; not listed in Table of Contents)

Here at least we get Sidewalk Labs' response to my earlier question about why they want to build in an area in which Sidewalk Labs controls everything, from the land to the laws. I'm not convinced, but at least it's a response.

#### **Easier to prototype:**

urban innovation often requires integration with the built environment, increasing the cost of prototyping, requiring greater coordination among more stakeholders, and making it difficult to test and commercialize early-stage concepts. It can be far more difficult to prototype a new system for flexible, rearrangeable walls in ground-floor retail space, than it is to test a new app on iOS. (p. 468)

But do you need to rearrange an entire neighbourhood to do it?

#### **The tech-law connection:**

urban innovation often requires close coordination with government and existing policy.

Sort of. Certainly they both affect each other, but testing doesn't *necessarily* require that a city change its laws.

Take an innovation that is focused on creating more sustainable and cost-efficient street lights that provide brighter and safer night-time environments while using less power. Innovators often must coordinate with formal or informal authorities, even for early testing, to secure necessary input, buy-in, authorization, or permits. Coordination becomes more complicated and time-intensive as innovators move from testing to scale and as new stakeholders introduce additional constraints or complexities.

There are two problems with this example. First, it treats innovations as if they are completely neutral rather than something that can yield either positive or negative results.

Second, it assumes that laws that slow down innovations are an inefficiency to be overcome, when they often also protect existing public goods or interests (which may themselves be positive or negative). For example, we would all be better off if we had laws on the books to restrict or outlaw Google's and Facebook's innovations regarding targeted advertising. This innovation has made Facebook's business (social media) sustainable, but at the cost of destabilizing democratic society and has contributed to an actual genocide.

## **Real-world consequences:**

unlike other disciplines where innovators are encouraged to fail fast, urban innovation can have higher stakes. Changes to construction technologies that inadvertently compromise structural integrity are not acceptable — unsafe buildings have significant real-world consequences. The same holds true for self-driving vehicle testing and other innovations that operate in public space. (pp. 468-469)

This is the weirdest justification for ditching existing laws. These laws are in place to ensure that urban innovations (say, as they relate to building codes) are as safe as possible, and that unproven, only-beta-tested technologies don't come on the market.

It's doubly weird in this case, since Sidewalk Labs isn't asking to create a Potemkin Safety Village ([Ottawa Safety Village RIP](#)) where it will be simulating a city; it wants to build an actual city in which real people will live. This is exactly the situation in which you want strict laws that restrict innovations, especially from companies based in a Silicon Valley culture, in which you can always fix the shoddily made app after it's gone to market.

To put it another way, Sidewalk Labs should be seeking to work within Toronto's existing regulatory framework, not seeking to change it as it sees fit.

**Strategy 2: Build on Toronto's existing innovation ecosystem to grow the field (pp. 470-473; not listed in Table of Contents)**

They would draw on university researchers (p. 470) in particular, although this section is more of a statement of where things stand in terms of tech employment and government support than a description of how they would build on the “existing innovation economy.”

**Strategy 3: Create the physical, digital, and policy conditions for urban innovation (pp. 474-476; not listed in Table of Contents)**

A restatement of its commitment to flexible physical spaces (in terms of buildings, roads and outdoor spaces) (p. 474) Also a restatement about data governance and connectivity (p. 475).

And a restatement about how it wants to redo “existing urban regulations and policies — such as zoning, building code, and automobile regulations” (p. 475):

These policies — designed around important objectives, such as protecting the public from industrial hazards or over-developing attractive residential areas — now sometimes limit the ability to find creative solutions to the very same problems they attempted to mitigate. Today’s digital capabilities enable these policies to achieve their intended outcomes in more flexible ways. (p. 475)

Although see my previous comments just about on why innovation is never a good in and of itself. Especially when you’re talking about an actual community filled with actual people. Rule changes are fine, but we have processes for changing them: go through democratically elected representatives. It’s bad form to try an end-run around these processes via a vague development proposal in concert with an organization with limited democratic accountability.

Make your case, out in the open, to Toronto City Council. Or the Province of Ontario. Or the Government of Canada.

Turning these rules over to a self-interested developer would be like putting the fox in charge of the henhouse. It’s bad governance.

**Strategy 4: Launch an Urban Innovation Institute as a portal for learning and research (p. 477-487; not listed in Table of Contents)**

In which Sidewalk Labs (again; some of this text is repeated from p. 307 of this very Volume) make the case for a Google-linked, inter/multidisciplinary institute that could draw upon the data produced by the people and infrastructure in the IDEA District. It sees the Urban Innovation Institute eventually supporting collaborative degree programs with other institutions (universities? colleges?), and it envisions a close collaboration with Toronto-based institutions. It includes several imaginings of how all this could work (four out of 11 pages are devoted to these short stories, complemented by drawings that dwarf the actual text on these pages) – argumentation via sales job.

Anyways, the Urban Innovation Institute would pursue technological advances as well as governance approaches. In other words, it's about policy and tech. Keeping in mind that technology isn't neutral, two guesses about the outcomes its policy analyses would favour. As former prime minister Brian Mulroney [once said](#), "You dance with the one who brung ya."

#### Strategy 5: Establish a new venture fund for local, early-stage enterprises (pp. 488-489; not listed in Table of Contents)

In which mention is again made of Sidewalk Labs' \$10 million proposed investment into said fund.

With more advanced options for early-stage venture funding, Sidewalk Labs aims to help contribute to the region's ability to retain talent and IP locally. (p. 489)

As I think I've already noted, the issue here isn't location of the actual workers; it's who controls the intellectual property. Simply developing local talent does nothing to ensure that intellectual property will stay in the country, especially when you have a foreign company at the centre of your cluster – who do you think will be the joint senior partner with many of these companies that Sidewalk Labs will be identifying?

If someone could explain to me how Sidewalk Labs' plan would help to keep intellectual property in Canada, I'd love to hear from them.

#### Strategy 6: Benefit Toronto companies and catalyze new ones (pp. 490-492; not listed in Table of Contents)

In which Sidewalk Labs makes the case that projects undertaken in the IDEA district would contribute to existing Canadian/Ontario programs (e.g., on self-driving cars, cleantech)

That's enough for now. See you in the next post, for Part 3, Chapter 3, Volume 1.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 26: The MIDP Volume 1, The Plans; Chapter 3: Economic Development (III): Part 3: Measuring Impact; Part 4: Exploring Economic Impact Further into the Future

Posted on [August 14, 2019](#) by [bhaggart](#)

On substantive analysis, and some incredibly sloppy data reporting that raises questions about Sidewalk Labs' quality control and makes this former StatsCan editor (*The Daily* and *Infomat*, publications, back in the day) very sad.

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

This is it! The final post for Volume 1! Only ... sigh ... two more volumes to go.

### Part 3: Measuring Impact (pp. 494-503)

At this point, over 70 pages into Chapter 3, what stands out about a chapter that is supposed to be all about "Economic Development," is the lack of actual or sophisticated economic analysis. Most of it is a restatement of the swell proposals Sidewalk Labs has made elsewhere, in the overview and in Volume 1. Sidewalk Labs has touted its [urbanMetrics' report](#), but there's not much of urbanMetrics in here. Instead, the preceding economic analysis – such as it was – was based mostly on anecdotes.

All this to say that the chapter so far has been 70 pages of filler. What do the final ten pages hold?

Both more and less than what we've already seen.

In a just world, these ten pages would have stood on their own (also the preceding text would not have repeated every single point a dozen times). These ten pages detail the findings of the urbanMetrics report (almost all of which we've already seen), but they don't break out the individual contributors to growth (e.g., the timber factory).

The analysis is at such a high level (and is dependent on Sidewalk Labs' own data and projections) that they don't help us answer the big questions, such as: what do the individual components of this project contribute to the overall picture, both statically and dynamically?

On a related point, urbanMetrics's report is an analysis of Sidewalk Labs' best-case scenario, in which nothing at all goes wrong. So, these numbers should be treated as the absolute upper

bound of what is possible. Actual results will almost certainly be lower than what's predicted here.

This section brings us to just over halfway through the entire report. As hard as it is to believe, we're closer to the end than the beginning. Right now, the thought that there might be life beyond the MIDP is the only think that keeps me going.

### **Impact 1: Spurring the creation of 44,000 direct jobs and 93,000 total jobs (pp. 496-499; not listed in Table of Contents)**

I'm just going to be reporting the numbers here. I'm not going to be putting them in a larger context regarding whether they're realistic (i.e., the proportion of jobs predicted versus actual job growth). That would be very useful to do, but I'd like this project to end before the sun explodes.

For those of you who want to do that, use your best judgment. If Sidewalk Labs claims that the area will contribute a disproportionate amount to either job creation or GDP, that'll tell you that their numbers aren't trustworthy.

So, here's what urbanMetrics' model, using Sidewalk Labs-provided inputs:

- 44,100 direct jobs in the entire Eastern Waterfront by 2040, a large proportion of which would be in professional and scientific and technical services
  - 2,500 industrial jobs (light manufacturing, transportation)
  - “Population-based services,” an odd term encompassing everything from doctors to retail and which doesn’t seem to be used in the urbanMetrics report: 12,000 jobs
  - Knowledge-based industries, which they define as “technology, finance, professional services, and creative fields, including the film industry”: 29,000
- 49,000 more jobs by 2040 throughout the country.
- an average wage increase to \$70,000 (IDEA District), compared to projected \$60,000 (Eastern Waterfront? – I wasn’t able to find these specific figures in the urbanMetrics report, but I might’ve missed it. It sure would’ve been nice if Sidewalk Labs had provided some page references. This number seems to come from a simple averaging of current average industry incomes (p. 497), so it might not even be mentioned in the report.)

A couple of things (leaving the heavy lifting to others):

I tried breaking out exactly what types of employment Sidewalk Labs believes they will be generating, because it's a bit weird to lump doctors and sales clerks into the same category. What follows is from the urbanMetrics report (p. 51). It includes 2,500 “work at home” jobs that are excluded from the 44,100 number reported by Sidewalk Labs (44,200 in the actual report):

#### **Assumed Employment Composition by Industry, by 2040, Sidewalk Labs Version**

<b>Sector</b>	<b>Employment</b>
---------------	-------------------

Goods-producing sector	1,200
Professional, Scientific and Technical Services	14,000
Information and Cultural Industries	7,000
Management of Companies and Enterprises	4,700
Finance, Insurance and Real Estate	5,800
Health Care and Social Assistance	2,300
Accommodation and Food Services	2,300
Retail, Wholesale, Transportation and Warehousing	2,300
Administrative, Support, Waste Management and Remediation	2,300
All Other Services	4,700
<b>Total</b>	<b>46,600</b>

*Source: urbanMetrics Inc., Sidewalk Toronto Economic Impact Analysis, p. 51.*

For some, this might be a bit too inside-baseball, but it's best practice to ensure that others can figure out how you calculated your numbers (#transparency). Using a composite category, "population-based services," once in the report, on a single page, without making clear what the underlying components of this category actually are, and reporting two different employment numbers (a total at-home-work-excluding and a disaggregation that includes at-home work) isn't cool. It's sloppy. If you're a company asking people to give you a multi-billion-dollar contract like this one, raising questions about basic competence is not a good look.

## Impact 2: Nearly seven times the potential annual GDP impact (pp. 500-501; not listed in Table of Contents)

The Toronto firm urbanMetrics estimates that the growing global profile of the IDEA District could generate an estimated \$14.2 billion in economic output for Canada each year (GDP), including \$11.8 billion in Toronto, which represents a more than six-fold increase in value added to the Canadian economy compared to status quo development by 2040. (p. 500)

So, I used to work copyediting tables at Statistics Canada.

Sidewalk Labs: you have a typo in the second column of row 1 on page 501: \$11,769,431,015 should be \$11,769,431,016.

Moving on, this \$11.8 billion of annual GDP for Toronto would be equivalent to about [3.5% of its 2014 GDP](#).

### Impact 3: The largest city building project in North America (pp. 502-503; not listed in Table of Contents)

This section highlights the project's effects on construction. All I'll note that it's depending on an unproven technology – factory-made timber skyscrapers.

## **Part 4: Exploring Economic Impact Further into the Future (pp. 504-515)**

This section continues the imagineering, wondering what could be done if these developments led to the development of even more waterfront land, with a brief detour into the Bloor Viaduct.

One final note: the further out one's predictions go, the less reliable they become. Fittingly, the word "could" does a lot of work in Part 4.

And with that, we're finished Volume 1: The Plans. Next up: Volume 2: The Innovations. I'm hoping for less repetition because it would be nice to read something substantive. But also more repetition, because this project is soul-destroying.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 27: The MIDP Volume 2, The Innovations: Introduction; Chapter 1: Mobility, Parts 1-4

Posted on [August 15, 2019](#) by [bhaggart](#)

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

At first glance, two volumes and 795 pages into a very repetitive four-volume, 1,496-page report, it doesn't look like Volume 3 contains much that I haven't already read. This volume discusses how Sidewalk Labs innovations will be deployed in its desired parts of the Eastern Waterfront. It is therefore different from the previous volume, which discussed how its desired parts of the Eastern Waterfront would deploy Sidewalk Labs' innovations.

If anything, though, [this Volume](#) is a concentrated dose of what Sidewalk Labs is selling, which is a dream, not a plan. This is a Volume in which the word "could" appears no less than 687 times in 470 pages (recalling that not all of these pages have words on them). That works out to more than one "could" (and more than one implied "could not") per page. (Fun fact: the phrase "could not" appears once, on page 450.)

Could: it's what you say when saying "will" represents too much of a commitment.

Even more than the previous two documents, Volume 2 is an aspirational document, a [Project Vision](#), if you will, selling things that don't yet exist, but might! Or might not! But also might.

Moving on, much of what's in here lies outside my competencies. I'd bet pretty good money that they're placing too much emphasis on self-driving cars becoming a thing in their 22-year time horizon, but as to the quality of their ideas about bike lanes? I like cycling, but that's as much of an expert as I am.

What this means is I'm probably going to speed through this Volume. [*Future Blayne: That... did not happen.*] I'll note which sections are located where and highlight anything that stands out to me, but I'm going to try not to re-litigate points I've already made or to repeat myself. No need to pull a Sidewalk Labs.

(I'm also going to dispense with the notation of "Not listed in Table of Contents" for subsections that should have been flagged by Sidewalk Labs in this way (so readers could easily see what's in a 1,496-page report). From here on in, you can assume that everything not labelled "Chapter" or "Part" wasn't listed in the Table of Contents.)

### **Introduction (pp. 16-21)**

Pages 16 and 17 repeat pages 57 and 58 from the Overview. Page 18 before the volume overview is lifted from passages from pages 59-64.

## Chapter 1: Mobility (pp. 22-117)

### Introduction (pp. 24-31)

New bureaucracy alert (see Dr. Natasha Tusikov's [guest post for a discussion of the proposed Waterfront Transportation Management Association](#), and much else besides)

to coordinate the entire mobility system, Sidewalk Labs proposes a new public entity that uses real-time traffic management tools, pricing policies, and an integrated mobility package to encourage transit, walking, cycling, and shared trips. (p. 26)

Rule 1: the longer the timeline of your predictions, the more worthless they are.

Rule 2: Independent analyses are a good idea. The analyses in this section are paid for by Sidewalk Labs. I'd like to see the City of Toronto run its own numbers on this project.

### 22 years into the future:

The 2041 figure assumes a fully deployed mobility system, including self-driving fleets, traffic management, and the light rail extension. As a result, Sidewalk Labs would expect very few households in the IDEA District to feel the need to own a car. (p. 30)

### Questions to keep in mind

- How confident are you that self-driving car fleets will end up working, or will end up working in the way we anticipate them today?
- What does each of these elements (transit, self-driving cars, escooters) contribute to these projections?
- From Table 9 (p. 29) of [Mobility Appendix G, “Modelling and Traffic Analysis”](#) (inaccurately referred to on page 31 of Volume 3 as “Modelling and Transportation Analysis,” making it difficult to locate on the [Sidewalk Labs’ site](#), where appendices are not labelled as such in their main feed and which are not included with the main report), it looks like most people would be taking public transit.

How sensitive is the model to changes in variables (e.g., transit or parking costs, roadway speeds)?

**Part 1: Expanding Public Transit (pp. 32-41)**

**Goal 1: Design a neighbourhood with transit first (pp. 35-39)**

**Goal 2: Encourage expansion through “self-financing” (pp. 40-41)**

**More on the proposed Waterfront Transportation Management Association**

A non-profit or new government entity could be created to oversee the implementation of this self-financing proposal; its role would be to manage the funds raised, which would be required by law to be used exclusively for the light rail expansion. (p. 41)

**Part 2: Enabling Walking and Cycling Year-Round (pp. 42-53)**

**Goal 1: Plan for a “15-minute neighbourhood” (pp. 44-45)**

i.e., a “mixed-development” neighbourhood (p. 44), served by good transportation options and social infrastructure (p. 45)

**Goal 2: Expand safe, comfortable walking and cycling networks (pp. 46-48)**

**Goal 3: Provide signal priority for walking and cycling (p. 49)**

They want to adapt tech pioneered in Copenhagen to do this.

**Question:** Europe has a much more developed cycling culture. To what extent would Toronto’s particular cycling culture affect the effectiveness of this technology?

**Goal 4: Encourage bike-share, e-bike, and other low-speed vehicle options (pp. 50-51)**

Via lots of bike parking, bike-share docks, and e-scooter and e-bikes.

**New regulation:** Sidewalk Labs would “require all buildings to create a minimum of one bike space per every two building residents and one bike space for every four employees.”

**Goal 5: Facilitate all-weather walking and cycling with heated pavement (pp. 52-53)**

heated pavement in some sidewalks and bike lanes to make walking and cycling more attractive all year. (p. 52)

To conserve energy, heated pavement would connect to real-time weather forecasts programmed to automatically “power on” three or four hours in advance of a storm. (p. 52)

In Quayside, Sidewalk Labs plans to deploy 1,200 square metres of heated sidewalk and pedestrian zones and 1,590 square metres of heated bike paths. (p. 52)

### Part 3: Harnessing New Mobility and Self-Driving Technology (pp. 54-)

The first six pages are all about self-driving technology. It's pretty obvious that Google wants to use Toronto and Sidewalk Labs to make it a reality.

And it's not just about the technology. Sidewalk Labs/Google is looking to change laws and policies to enable this technology. As this report correctly notes:

Much of this outcome depends not on the technology itself, but on policy for how it is used. (p. 55)

Sidewalk Labs frames their proposal in terms of "people-first street designs" (p. 55), but these are "people-first" in the sense of designing roads and rules to accommodate self-driving cars so they won't kill people. This project could equally be labelled "self-driving cars first."

Sidewalk Labs supports research and stakeholder engagement initiatives that aim to improve the collective understanding of the effects of self-driving vehicles on urban transportation systems and to catalyze the consensus-building process to explore potential regulatory models. (p. 55)

Probably not on the table: just banning cars from roads and switching to better public transit. And notice that there's nothing in this report about researching innovative public transit.

#### How the self-driving car bet drives MIDP projected outcomes

With the arrival of self-driving technology, Sidewalk Labs' new mobility plan would lead to roughly 7 percent of all trips occurring by ride-hail options if applied at the full scale of the IDEA District and coordinated with the city.... (p. 55)

And all this for a technology that won't be mainstream until 2035, at the earliest. (p. 58)

See Rule 1 above.

#### Goal 1: Encourage shared use of ride-hail services (pp. 60-62)

Its effects seem to depend a lot on the mainstreaming of self-driving technology. We'll see... in 2035, I guess.

#### New fees (1): Dynamic curb pricing

dynamic curb pricing would apply to all vehicle services and vary based on congestion in pick-up or drop-off spaces. These charges would include a low one-time charge to access the curb space and higher time-based charges for vehicles that wait longer than five minutes at the curb.

The goal is to encourage people to consider alternative trip options or to share a ride and split the cost, as well as for vehicles to use the curb quickly and move on. Passengers who prefer not to pay a curb charge could be picked up or dropped off for free at a designated underground drop-off and pick-up area with access to numerous transport options. (p. 62)

### New fees (2): Per-kilometre pricing

impose a per-kilometre charge on ride-hail vehicles using the Sidewalk Toronto project's specially designed local streets, if necessary to encourage people to share rides and to discourage operators from allowing vehicles to cruise streets without passengers.

### A new organization with taxation powers

The (here unnamed) Waterfront Transportation Management Association would be responsible for “proposing and administering” this tax on ride-hailing vehicles. Sidewalk Labs doesn’t want it to apply to people with disabilities, the elderly and low-income groups.

### Far-future savings projections: The least reliable savings projections

At the full scale of the IDEA District, Sidewalk Labs estimates that the increased convenience and affordability of self-driving fleets [*which, recall, that Sidewalk Labs itself doesn’t imagine will be here until 2035*] would result in nearly 7 percent of trips occurring by hailed rides. (p. 62)

**Goal 2: Provide car-share and parking options for the occasional private car trip (pp. 63-64)**

**Goal 3: Make all trip options available in discounted mobility packages (pp. 65-67)**

This would include “a TTC monthly pass, an unlimited Bike Share Toronto membership, access to electric scooters and other low-speed vehicles, and credits for rides with ride-hail or car-share providers” for \$270 per month. (p. 65)

The Graphic on page 67 says that a two-person household that owns car could save \$4,000 per year (\$333 per month) under their system. But what about the majority of downtown Torontonians who don’t own a car: how much would they save?

**Part 4: Reimagining City Deliveries and Freight (pp. 68-83)**

**Goal 1: Establish a neighbourhood logistics hub for delivery, waste, storage, and borrowing services (pp. 74-76)**

Waste from three streams (organics, recycling, D and landfill) would be transported via pneumatic tubes to the hub, making it the only neighbourhood stop for garbage trucks. (p. 70)

That would be the same hub that would be processing parcels. I am by no means an expert in this field, but I'm not sure how much sense it is to put your post office and garbage depot in the same underground cavern. Which would also double (triple) as residents' off-site storage lockers. And (quadruple) as a "borrowing library" for tools or "sound systems."

What could go wrong? The cited Dutch example apparently only handles "clean waste collection." (p. 74)

Way back when Sidewalk Labs mentioned this plan in the Overview, I noted that they didn't present any numbers describing the cost of having trucks deliver goods. They highlight the inconvenience of trucks using roads, but that doesn't help us decide whether their proposed solution is an efficient use of scarce public resources.

### A fee-charging library?

I had also previously, in reading the overview, assumed that even though Sidewalk Labs refers to a "Library of Things" they were probably imaging people renting, not borrowing, these tools. Two volumes later:

The library could house these items and rent them out for a fee. (p. 76)

### Goal 2: Design a smart container for last-mile shipping (pp. 77-79)

Another chance to get in on the ground floor of a new industry standard. Sidewalk Labs would develop this technology.

**Question:** How will the benefits be shared with Torontonians and Canadians if this becomes a standard? Would it be a proprietary design?

### Goal 3: Deploy electric, self-driving delivery dollies (pp. 80-81)

Sidewalk Labs does not plan to create self-driving delivery dollies itself but rather plans to work with third-party vendors to identify or develop a design that meets the container's specifications. (p. 80)

### Goal 4: Connect underground delivery tunnels into buildings (pp. 82-83)

Sidewalk Labs proposes to require that each building be designed to connect with the tunnel system so self-driving delivery dollies carrying smart containers can enter. These dollies would have the ability to take freight elevators to common spaces, including first-floor lockers for package delivery. (p. 82)

**Question:** What if self-driving dolly technology doesn't end up working as desired?

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 28: The MIDP Volume 2, The Innovations, Chapter 1: Mobility, Parts 5-6

Posted on [August 16, 2019](#) by [bhaggart](#)

In which the MIDP finally pushes me over the edge and I unexpectedly reach the point where I'd read enough to render a verdict on the entire report.

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

I really didn't think it would be the mobility section that finally sent me over the edge.

### Part 5: Improving Mobility Management (pp. 84-91)

Goal 1: Establish a new entity to coordinate the entire mobility system (pp. 86-88)

**New bureaucracy alert:** The Waterfront Transportation Management Association (WTMA) would be responsible for coordinating "the transportation system in the IDEA district by deploying a mobility management system." (pp. 84-85) It would not have much of an effect at the Quayside level. (p. 85)

Its roles:

- Creating a mobility subscription package
- Deploying a holistic mobility management system
- Managing and setting prices for the curbside and parking systems
- Procuring and operating new technologies, such as adaptive traffic signals, dynamic pavement, freight and deliveries, or other third-party systems and apps
- Integrating systems with third-party navigation apps
- Allocating space across the needs of mobility, access, safety, and the public realm
- Reporting on performance targets related to congestion, mode share, and customer service (p. 86)

Financing:

- Financing: should be self-sustaining.
- Suggested financing sources: many, many types of fees for using mobility services in the District, and "charges for mobility services to residents and employees."

This listing of responsibilities and some vague thoughts on financing, again, is not a plan; it's an idea, a notion. These proposed funding suggestions are just kind of thrown out there, the report version of spitballing. Whether they would end up being sufficient is left unexamined, in what

seems to be a particularly half-baked proposal (How many people would be required to run this entity? Are they unionized? How much would this all cost? How much money would be required for it to be “self-sustaining”?).

Also, why is the Eastern Waterfront a sufficient scale for this administrative agency, which is being asked to do a whole lot of specialized work? That the Eastern Waterfront just happens to be the right scale for a WTMA seems awfully convenient, especially since Sidewalk Labs would effectively be creating a new agency for what is – let’s not forget – a pretty small piece of land in the context of Toronto itself.

Moving on (ha), what would this vague notion of an agency do?

Develop specific guidelines (p. 87);

- “Oversee planning, operations and maintenance” of all roads, hardware and software for parking, curb and traffic management
- Set and enforce parking, curbside and road usage fees
- Set speed limits
- Manage street closures for construction or events
- Handle data properly
- Create that trip-planning interface/app Sidewalk Labs is all keen for
- Snow and debris clearing “beyond heated pavement”
- Constructing and financing roads or parking facilities.
- Run the “advanced mobility management system”

Those are a hell of a lot of responsibilities. It will involve workers that had to do both physical labour and maintain complex IT systems, systems that are much, much more complex than anything Toronto has today, in part because everything is interconnected.

And yet Sidewalk Labs throws all this out there without any attempt to cost it out, or to explain exactly who (in terms of actual people) is going to do this work.

**If you look closely, you can actually pinpoint the exact moment where my brain breaks**

I’ve been trying to keep my writing breezy and loose, in part to keep my interest up in what has become a very long slog, but I’ve also been trying to keep my objectivity about what Sidewalk Labs is proposing. When I began reading the MIDP, I had a lot of reasons to doubt the quality of this project, many of which I’ve detailed over several posts, but I really did try to keep in mind that I could be wrong. Change isn’t necessarily bad.

But this section finally broke me. To cavalierly propose what would almost certainly end up being a multi-million-dollar agency to govern a couple hundred acres, without even trying to cost out the proposal, or to think through how it would be staffed... it’s a joke.

Sidewalk Labs was supposed to present a *plan*. A plan implies an idea about what you will do, and *how* you will do it. It implies details. And we get ... *this*?

The WTMA is not a serious proposal. It is a repository for all the things that need to happen for their Rube Goldberg-esque plan to work.

The MIDP is not a serious document. It's a sales job put out by company that will say anything to get this project across the finish line. It scatters information about its various components throughout the document. Sidewalk Labs sees the WTMA as a subsidiary part of an overarching administrative body, which may or may not be Waterfront Toronto, but whose capacities in any case do not currently exist.

And we get this information stated clearly only in Volume 3 (page 70), 1,320 pages into the MIDP and 456 pages beyond this section, which should have been the comprehensive discussion of this organization.

And that list above, of what the WTMA would do? Notice how it includes “Manage street closures for construction or events”? Well, here’s what Sidewalk Labs writes on page 11 of “Mobility Technical Appendix F: Mobility Management” – that’s right, Sidewalk Labs, someone is reading your appendices, even though they’re not included with the main report:

The WTMA is **not envisioned** to do the following things ... **Manage street closures** —to be done by Transportation Services.... (emphasis added because, just, wow)

So, like, whatever. Part of me – the professional part that’s offended by the half-assedness of a report that could win the company that produced it company billions of dollars and some of the most valuable undeveloped real estate in North America – cannot believe how incompetent Sidewalk Labs is at what should be its specialties: keeping their story straight and putting their best foot forward.

The researcher part of me, however, is not surprised. This type of clumsiness and lack of attention to detail has characterized Sidewalk Labs’ Toronto adventure from the very beginning, from the early insistence that a YMCA day camp counts as consultation to the fast-and-loose way they’ve played with data governance.

## Welcome to gridlock, population Sidewalk Labs

Oh! And just to show that Sidewalk Labs is truly not serious about this proposal, the WTMA – not the overarching authority, but the agency responsible for plowing the roads, maintaining the software, closing off roads for block parties and collecting fees “would include a steering committee with representatives from all three orders of government” (Volume 3, p. 70).

WHY???? Why saddle such an entity with this type of governance? As [the Auditor General’s report makes clear](#), it’s this tripartite decision-making capability that has hampered Waterfront

Toronto's mission to develop the waterfront. And Sidewalk Labs wants to duplicate this dysfunction AT THE OPERATIONAL LEVEL?

It makes no sense whatsoever. If you're going to continue to have tripartite responsibility for this area, you keep it at the policy level, with line agencies disposing of the policy-level's proposals. Stupid dumb.

What makes this proposal even worse, is this silly nod toward a tripartite steering committee represents the extent of Sidewalk Labs' discussion of this multi-million-dollar entity. That's it.

It's irresponsible. It's ridiculous.

This idiotic WTMA proposal has all the hallmarks of a proposal made by an organization that is making this stuff up as they go along, that is willing to say anything to get their project across the finish line, hoping that nobody reads their convoluted, overlong and repetitive, index-free proposal too closely.

### Rendering a verdict

This WTMA proposal exposes the MIDP for what it is: a cynical scheme that disrespects the many Torontonians who take the development of their waterfront seriously and only want the best for their city.

Very Serious Torontonians can pretend that this proposal is anything other than a poorly conceived land and power grab by Sidewalk Labs and Google, but the rest of us are under no obligation to take this charade seriously.

This project may very well come to pass, via a process that has been marred by irregularities from the very beginning. But that won't change the fact that this is a poorly thought out proposal not worthy of serious consideration. If implemented, Toronto will rue the day Will Fleissig and Waterfront Toronto invited Google to town.

I'm out. At this point, 871 pages into this repetitive monstrosity, there's very little left to learn. I'm going to continue to analyze the MIDP, and I may do another post on Waterfront Toronto's Note to Reader, and a final summary post, but I've read more than enough to come to a conclusion about whether the MIDP is a sound proposal.

It's not.

I began writing this series in order to understand Sidewalk Labs Master Innovation and Development Plan, and now I do: There is no plan; there is only a sales pitch.

The Emperor has no clothes. There is no need to pretend otherwise.

Goal 2: Deploy a real- time mobility management system (pp. 89-91)

Part 6: Designing People-First Streets (pp. 92-107)

Goal 1: Create four new types of streets to move people and make places (pp. 96-107)

Public Engagement (pp. 108-115)

Discusses feedback from the public. As with the other mentions of public engagement in this Volume, we can't see whether the selected views are representative. [At least one Reference Panel member suggests](#) that this feedback is not representative and the product of a tightly managed process.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 29: The MIDP Volume 2, The Innovations, Chapter 2: Public Realm

Posted on [August 17, 2019](#) by [bhaggart](#)

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

The next few posts are going to be a bit threadbare, because what more needs to be said? At least for now.

### Chapter 2: Public Realm (pp. 118-149)

Introduction (pp. 120-125)

Part 1: Creating More Open Space (pp. 126-149)

Goal 1: Reclaim space for the people (pp. 128-139)

Street design favouring pedestrians. Modular pavement.

Goal 2: Make the most of new parks, plazas, and open spaces (pp. 140-149)

Part 2: Making Open Space More Usable More of the Time (p. 150-177)

Goal 1: Reinvent the role of the ground floor (pp. 151-166)

Flexible leasing tools (read: apps and financing), adaptable building structures (p. 150)

Goal 2: Design an outdoor comfort system for all seasons (pp. 167-177)

Based on “real-time climate data and a set of deployable weather-mitgatin fixtures – such as retractable awnings and inflatable shelters.” (p. 150)

Talk about “developing a system that proactively predicts and plans for outdoor comfort” (p. 169). At the full-scale prototype phase. (p. 170)

Part 3: Ensuring Open Space Is More Responsive (pp. 178—191)

New bureaucracy alert:

The proposed OSA would administer shared physical infrastructure. ... The proposed entity could also help urban innovators, ranging from civic technologists to startups, run pilots in open space. (p. 178)

## **Goal 1: Establish an entity to coordinate programming, operations, and maintenance (pp. 179-181)**

The Open Space Alliance: Coordinate programming, operations, and maintenance. (p. 179)

**Issue:** Toronto faces chronic funding shortages.

The OSA would be responsible for a lot of space that was previously vehicular rights-of-way, which would be operated more like parks but “still owned by the city and managed by its transportation department, but it would now be operated more like parks.”

These spaces would need to be effectively integrated with the local park network and would benefit from comparable levels of management and funding.

**Question:** how much funding would it need?

It would be a public-private partnership “jointly governed and financed by both sectors.”

All city-owned open spaces would remain owned by the government, which would participate in programming, operations, and maintenance with the OSA.

### **Questions:**

- What would be the anticipated government/taxpayer contribution?
- How much more would Torontonians have to pay for this bureaucracy?
- How much would private sector be expected to pay?
- How do you guarantee sufficient resources?

### **This is an odd principle**

The public realm needs to reflect a truly public space — with the city retaining ownership of city-owned open spaces — while also protecting the needs and rights of private property owners on their land. (p. 181)

Why is this statement, emphasizing the sanctity of private property owners here? It seems to be responding to an unstated specific concern.

And who decides what counts as an improvement of an open space?

This would seem to be much more controversial than it's portrayed as being:

Generally, the OSA should be set up to facilitate the ideas of others who want to activate and improve open space, rather than act as a top-down planning body. (p. 181)

**Goal 2: Provide physical infrastructure that enables community programming**  
**What billions of dollars and giving up governance control over a significant part of the waterfront gets you**

There are a lot of coulds in this pitch for something that kind of underwhelms:

A teenager could join a virtual queue to play a life-size chess game projected onto the side of a building. The next day, the projected game could be Chinese checkers, and an elderly resident might sign up. Crowds could gather to watch the game in action. (p. 182)

Crowds could, but how likely would this be?

#### Everyday surveillance: What could go wrong?

With [the app] CommonSpace, park operators or community organizers can enter information they observe about public life into a user-friendly app, such as what assets or areas people prefer or what spaces they avoid. (p. 185)

**Fun fact:** The word “surveillance” appears twice in the entire main text of the MIDP (p. 1196 and p. 1220 of the consolidated MIDP). It also shows up once in the footnotes, in the title of a report. The cynic inside of me thinks that this was two times more than was intended.

**Goal 3: Provide digital infrastructure that enables proactive maintenance (pp. 186-189)**

Of utilities and infrastructure.

**Goal 4: Connect urban innovators and public spaces (pp. 190-191)**

Why is Sidewalk Labs talking about its proposed Open Space Alliance as if it already exists?

The OSA’s new policy and funding framework, which encourages experimentation, coupled with the shared physical and digital infrastructure described on Page 184, enables urban innovators, from civic technologists to businesses, to prototype their ideas in a real-world environment. (p. 190)

For the record, the OSA proposal suffers from almost all of the problems of the proposed WTMA, absent the trigovernmental steering group. No costing, no sense of number of employees. It's a notion, not a plan. If this is the best Sidewalk Labs can do after 18 months, they can't be trusted to manage a project like this.

### Public Engagement (pp. 192-199)

Feedback on public-realm aspects of Sidewalk Labs' proposals.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 30: The MIDP Volume 2, The Innovations, Chapter 3: Buildings and Housing

Posted on [August 18, 2019](#) by [bhaggart](#)

In which I start off thinking I won't have anything to say and end up writing a lot. Also, on the desirability, or lack thereof, of super-tiny, totally "livable" studio apartments. And! The economist in me has something to say about rent caps.

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

### Chapter 3: Buildings and Housing (pp. 202-293)

Introduction (p. 204-207)

Part 1: Accelerating Construction Timelines (pp. 208-235)

...through the use of an unproven technology ("mass timber" for 30-storey buildings) and precut buildings. (p. 205). Which would make property more valuable, leading to higher taxes, which could be funnelled into affordable housing. (p. 205)

Sidewalk Labs identifies customized buildings and costly steel and concrete as the enemy (high costs for design). The solution: cookie-cutter buildings made out of wood. (p. 208)

**Question:** How would Sidewalk Labs be involved in the supply chain? (e.g., p. 209 comment)

Goal 1: Catalyze a new sustainable industry around mass timber (pp. 210-219)

Another reminder that this proposals projections are based on best-case scenarios: "Using wood for all 2.6 million square feet of building development in Quayside would be equivalent to removing over 20,000 cars from the road annually." (p. 210, emphasis added)

Two pages on "Ensuring fire resistance with 'Shikkui plaster'" (pp. 214-215).

I'm a bit unclear about the status of this technology. Is it ready to go? What still needs to be done to prepare it for mass distribution and use?

Durability?

This may be a bit out of the blue, but this section reminded me of a friend from undergrad whose family was in construction. New homes, he said, were designed to last just over two

“generations”: they’ll start to fall apart after they’ve been sold twice (e.g., about 40 or so years I think). How long are these buildings supposed to last? I didn’t see anything in here about that.

## Goal 2: Launch a factory to produce a complete library of building parts (pp. 220-232)

**Regulation change:** Sidewalk Labs wants to speed up regulatory approvals by getting the various cookie-cutter building pieces pre-approved, rather than, I’m guessing, the regulator/city approving the final project. (p. 22)

Sidewalk Labs promises “unique designs” based on a selection of pre-set “parts.” (p. 220)

**A driver of affordable housing (we pass the savings on to you!):** “By injecting more certainty into the building process, Sidewalk Labs hopes to enable projects that meet both the city’s objectives for affordability and the waterfront’s standards for aesthetic excellence.” (p. 221).

Descriptions of the parts are on pages 222-223. Architects’ vision exercises on pages 224-225. This is beyond my expertise. Engineers and architects: Do these plans make sense?

### Do these numbers make sense?

I’d feel a lot more comfortable about the solidity of Sidewalk Labs’ plans if this sentence were a lot less conditional:

Sidewalk Labs believes the structural assembly of a building **could** ultimately reach speeds of one floor a day, compared with a typical on-site construction timeline of one floor per week. (p. 227, emphasis added)

As far as I can tell, their big, oft-repeated claim that they can complete projects 35% faster than today’s standard is based on this guess – no citations provided in the report:

To complete a 12-storey building — which involves basic structural assembly as well as the installation of all finishes, the connection of all electromechanical equipment, and the execution of all tests — Sidewalk Labs estimates that its factory-based process can reduce construction time from 20 months to 13 months, delivering projects 35 percent faster than today’s methods. (p. 227)

## Goal 3: Coordinate the supply chain with a digital delivery system (pp. 233-235)

Proposed: A “Sidewalk Digital Fabrication system” to track the entire production process, from timber to building creation. (p. 234).

## Sidewalk Labs would control the supply and value chain

Ah, here we go. In answer to my above question, Sidewalk Labs would “build the underlying infrastructure to support this advance system,” outsourcing some parts to other companies. (p. 234)

So: Ontario labour, Sidewalk Labs-run mill (?), Sidewalk Labs-controlled value chain?

And would the building parts be patented? Who would control the IP in them?

## Part 2: Helping Neighbourhoods and Households Evolve (pp. 236-261)

### The dream

Within a single neighbourhood people could find affordable space to pursue their professional dreams, whether a single co-working desk to plot out a startup or a short-term stall to sell a hand-crafted confection. Homes could meet the needs of growing families and single-person households alike. (p. 236)

I'm really trying not to be churlish when I ask this, but doesn't this describe a lot of downtown Toronto already?

### *Smaller – sorry, cozy – apartments equals more (affordable) units*

an efficient approach to unit design would enable developers to create more overall units while retaining liveability, unlocking new value that could help meet the ambitious goals of affordable and below-market housing programs. (p. 237)

### Goal 1: Create an adaptable “Loft” space built for all uses (pp. 238-245)

**New regulation alert:** “Sidewalk Labs plans to implement minimum targets on its Loft spaces for commercial usage, so they always reflect some level of mixture across commercial and residential uses.”

In other words, Sidewalk Labs wants to set bylaws for commercial and non-commercial building usage.

Huge savings mentioned on page 242. Again, would these designs work? Are they allowed under current bylaws? If not, why not? #notmyfield [Spoilers: I don't think their proposals are currently street legal.]

### Goal 2: Accelerate renovations with a flexible interior wall system (pp. 246-250)

Again, #notmyfield, so I have no idea how well this type of system would work, although I keep coming back to the thought that Sidewalk Labs got this job because they're a Google company, and they don't have any expertise in these types of issues. Expertise welcome...

### Goal 3: Enable a safe, vibrant mix of uses with real-time building codes (pp. 251-252)

Ah, the real-time building code, which is zoned for specific, measurable variables and not land uses (building uses, not prescribed land uses? (p. 251)). Urban governance experts: can zoning bylaws be reconstructed in this way? What would be lost in doing so (Sidewalk Labs has already told us what would be gained)?

**Question:** What would the surveillance impacts of this surveillance network be?

I'd also like to see the worst-case scenarios of mixing industry/commercial with residential. A mom-and-pop craft jeweller (p. 252) seems pretty innocuous, but I'm betting that creative readers can imagine worse-case scenarios.

Still, it's weird that Sidewalk Labs' innovative vision involves something that reminds me of the tenement housing in New York from over a century ago. Those buildings were also mixed-use. But, again, this is an area I don't know much about. Enlightenment welcome!

And just in common-sense mode, I'm not sure I'd put "restaurants" and "single-dwelling units" in a "use-neutral" category. Not sure I'd want to live above, say, a 24-hour diner.

### Goal 4: Design affordable and flexible housing units (pp. 253-261)

**Let's get small**

"micro-units" (smaller units that rent for less while remaining livable through efficient design) and co-living programs (which feature shared building amenities, such as communal kitchens, to enhance community while keeping rents lower). (p. 253)

This proposal would irk me a lot less if they weren't trying to sell us on housing built around always having roommates and shared kitchen as an opportunity "to enhance community." This was obviously written by someone who has never lived with other people. More likely, they're suppressing a traumatic memory of the skanky refrigerators that everyone who has ever had a roommate has had to deal with.

Also, my first solo apartment – Bathurst and Harbord, as it happens – was smaller than many hotel bathrooms. It was designed for efficiency. It also couldn't accommodate more than three people at any time. It was "liveable," and my landlord was fantastic (shoutout to Carlos! Best landlord in Toronto), but I wouldn't go overboard selling it as a fantastic solution for modern living.

Tone that pitch down, Don Draper.

Also, (and please note that I'm writing this in real time) I'm assuming that the reason these types of apartments are innovative is because they're currently not allowed under existing bylaws? Would any existing rules have to change (and why are these rules there in the first place)? Or am I just being cynical? Again, #notmyfield.

Finally, “free in-building storage”? (p. 255) I’ll be my remaining shred of sanity that this would be included in the condo fees or rental price.

### More oversell

Sidewalk Labs’ approach to public realm design is also meant to improve comfort for residents in efficient units. An expanded set of parks, plazas, and public spaces — comfortable year-round thanks to weather-mitigation systems— means people could spend more time outdoors, in spaces they can decide how to use themselves. (p. 259)

Speaking from experience, these outdoor won’t make up for apartments described as “liveable.”

### Burying the lede

Answers! It turns out that the reason Sidewalk Labs’ proposals for building apartments that qualify as “liveable” is **they’re currently not allowed:**

Sidewalk Labs proposes to seek relief from existing relevant guidelines and standards related to unit size to enable developers in the project area to create these new occupancy types within the IDEA District. (p. 259)

I’m pretty sure that my bathroom-sized apartment was legal in 1996 (my landlord was very conscientious). There’s a very good reason that smaller apartments aren’t currently legal: it would be like living in a pod.

Sorry, I meant “affordability by design” (p. 260). Or, as it’s also known, “currently illegal.”

So, there you go. Sidewalk Labs can only deliver the goods if it implements building designs that are not allowed under the law as it stands. Couldn’t it have tried to stay within existing building codes, just a teensy bit? I guess that’s what makes them #innovators.

### Part 3: Expanding Tools for Housing Affordability (pp. 262-287)

#### **Or, as they’re also known, “‘liveable’ pods based on not-currently-allowable designs”**

Sidewalk Labs proposes to create new types of units designed with affordability in mind from the start. (p. 263)

**Goal 1: Create an ambitious program to meet the housing affordability challenge (pp. 269-277)**

I'm not sure this sounds as impressive as you think it sounds

Sidewalk Labs commits to achieving this program mix in Quayside using a combination of existing government funding sources and new innovations. (p. 269)

Read as: Spending public money already earmarked for affordable housing and proposing a housing project that's not allowed under current rules.

**Rental caps: An evidence-free proposal**

**New regulation:**

In Quayside, to ensure these units remain affordable for middle-income families, Sidewalk Labs plans to implement a rent cap. For example, rents for a two-bedroom unit would range from \$1,492 to \$2,238, according to existing rental bands established by the city. (p. 272)

Hm. If I were feeling more energetic, over 1,000 pages into this report, I'd link to the research showing something that every MA economics student is taught, which is that rent-controlled apartments (which is what this is) tend to paradoxically reduce the availability of affordable housing. At the very least, Sidewalk Labs needed to engage with this analysis. But that would've required the preparation of an actual report, and not a sales brochure.

Oh, fine. [Here's a Brookings report](#) (centrist US think tank) that raises several issues with rent control. And [here's one from the Urban Institute \(US\)](#) synthesizing research on rent control. tl;dr: Both suggest positive benefits for those in the rent-controlled apartments, and mixed results (often negative) for the community as a whole.

Here's how I found them: I *Googled* them. Took me three seconds: Two to sigh and roll my eyes in frustration for having to put in more work to evaluating something that reads like it was assembled by a public-relations committee than the person who wrote it, and one to do the typing (I'm a fast typer).

Try it yourself: "effect of rent controls on affordable housing." Skip the Google-featured shapeillinois.com result, which seems to be from a front for the US apartment building industry. There's loads of stuff here.

To be clear, it's fine to include this idea in a development plan, but you have to give it some context to show why it's a good idea, especially since any economist would immediately be skeptical of it. As it stands, there's nothing here to suggest *why* this idea would work, which makes it look like a promise that is easily made and poorly researched.

## Goal 2: Achieve this program with innovation that yields greater affordability (pp. 278-287)

Where would the savings come from?

1. Affordability by design (i.e., currently illegal designs for “liveable” apartments)
2. “factory-based” timber construction
3. **New tax alert:** condo resale fees. (p. 278)

And most of the funding comes from “factory-driven land value” (p. 279) – i.e., this bet on mass-produced timber buildings better work out.

Quayside would pony up \$77 million to catalyze funding sources.

**New bureaucracy alert:** “a proposed housing trust,” one of whose jobs would be to “package some of these new funding sources to meet affordability objectives” (p. 280). So it would need some finance experience, in addition to (presumably) being a landlord.

### You can't keep a good number down

That 35% claim shows up again (p. 282). It would be interesting to search the report to see how many times each such claim is repeated.

### Condo resale fee

Question: Quayside/Waterfront cannot be viewed in isolation from the rest of the Toronto condo market. How would an extra resale fee affect the entire market, including demand for Quayside condos? If I had to bet, I’d guess that it would depress the overall price of Quayside condos by about 1%. But of course there’s no such analysis mentioned here that I could see. Such an analysis would attempt an estimate at the total extra fees a Quayside resident would have to pay compared with other Torontonians.

### Waterfront Housing Trust (p. 285)

Ah, here we go. The Waterfront Housing Trust would administer a “housing trust fund: a new financial vehicle to assemble and disburse funding for below-market housing across the Sidewalk Toronto project area.”

It “could assemble funding from a variety of public and private sources and “lock-box” this funding for below-market housing within the IDEA District . . . .” As well as “alternative funding sources.”

It would “provide capital grants and other financial support for developers, both private and not-for-profit, seeking to meet significant affordability commitments.”

Again, as I've said so many times by now, the word "could" is a hint that this is an idea, not a plan. It should be analyzed as such. This is not a substantive proposal.

### Public Engagement (pp. 288-293)

In which public engagement is summarized on building and housing issues. And in which I'm reminded again that we don't know the names of the people on Sidewalk Labs' various panels, or have a complete list of all the meetings (public and private) they've held.

#### Bonus: I read the endnotes

Another reminder that this project assumes total success. And then some:

Unless otherwise noted, all calculations that refer to the full proposed IDEA District scale are inclusive of the entirety of its proposed geography, including all currently privately held parcels (such as Keating West). (p. 294)

That would be the Keating West that is otherwise excluded from Sidewalk Labs' plans (it's in private hands).

Phrased differently: While the report notes in other places that outside of Villiers West and Quayside, private owners would be invited to participate in these plans, the figures in this Chapter assume that everyone gets on board.

My recommendation: Pick a number and discount all of Sidewalk Labs' predictions by that amount. There's no way that it will hit these targets. Nothing ever goes exactly according to plan. Readers would do well not to take this plan's claims at face value.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 31: The MIDP Volume 2, The Innovations, Chapter 4: Sustainability

Posted on [August 19, 2019](#) by [bhaggart](#)

- Phase 1: Design an advanced power grid
- Phase 2: ???
- Phase 3: Profit!

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

### Chapter 4: Sustainability (pp. 297-373)

#### **Introduction (pp. 298-303)**

I really don't know anything about these areas in and of themselves, so here are a few questions about governance and financing.

- The big question in this section is, how close to deployable are these technologies? What factors are shaping their deployment (e.g., return on investment, existing technological limitations)?
- On finance, given the huge positive externalities from public utilities, does it make sense to turn their provision over to a private entity?
- Related, what options are being taken off the table due to the need for Sidewalk Labs to receive a return on its investment?
- In terms of public financing, the Eastern Waterfront is only a small part of Toronto. What is the business case for deploying scarce public resources here and not elsewhere?
- Sidewalk Labs practices technological solutionism (i.e., they see every problem through the lens of technological solutions, usually provided by for-profit companies). What solutions are they missing? What alternatives are not on the table?

Also, a reminder that results reported in this chapter assume not only full deployment everywhere in their "IDEA District," but that all the technologies, from mass timber skyscraper production to self-driving cars, will work perfectly and on time. Would Sidewalk Labs have the power to compel private entities to go along with their plans?

**Part 1: Creating Low-Energy Buildings (pp. 304-313)**

**Goal 1: Deliver Passive House–inspired buildings (pp. 307-309)**

**Goal 2: Improve modelling through real-time metering (pp. 310-312)**

**Goal 3: Use digital tools to tie energy outcomes to energy codes (p. 313)**

**Cometh the energy bureaucracy**

Sidewalk Labs sells its energy-monitoring idea as a way to improve efficiency, and to tailor it to allow for differences in energy needs:

At the full scale of the IDEA District, with a large number of buildings, this tool could form the basis for a real-time energy code that adjusts dynamically for occupancy, tenant type, and weather to ensure fair and appropriate energy use regulation. (p. 313)

Like so much in this report, Sidewalk Labs is downplaying the huge amount of regulation and bureaucracy their supposedly “smart” solution would require. Allowing different energy targets for different uses would require regulations setting out different categories of housing, occupancy, individuals and occupations. It would then require decisions about what level of energy use constitutes “fair and appropriate.” Best of all, this is the type of thing that can make people/voters very, very angry.

If the goal of this project were to increase the regulatory burden, one would be hard-pressed to create a more-perfect system.

**Part 2: Optimizing Building Energy Systems (pp. 314-323)**

**Goal 1: Create automated “Schedulers” for offices, homes, and building operators (pp. 316-323)**

**Part 3: Making Full Electrification Affordable (pp. 324-333)**

**Goal 1: Design an advanced power grid (pp. 326-329)**

You have to admire the *cojones* a planning document where “Design an advanced power grid” gets two-and-a-half pages of text (four overall, one of which is a full-page pull quote), while the plan to design a programmable thermostat gets almost five pages of text and eight pages total.

The take-away: Creating a series of smart thermostats is exactly twice as difficult as designing an advanced power grid.

**Goal 2: Implement an innovative “monthly budget” bill target (pp. 330-333)**

I’m not sure how well “dynamic hourly rates” (read: Uber-style surge pricing) for electricity will go over with Quayside residence.

This type of “innovation” raises another point I haven’t seen mentioned elsewhere, namely that it assumes that it can get away with treating Quayside/Waterfront/whatever residents differently from other Torontonians.

And I don’t mean this in terms of the extra conveniences and cool factor touted by Sidewalk Labs. Let’s not forget that for all the talk of Quayside having timber buildings and “raincoats,” for most of the next decade, should this all come to pass, the whole area will be a construction zone. Moreover, you can bet that the first several iterations of these new technologies are going to be as glitchy as hell, particularly since Sidewalk Labs will do their best to rush these products to market. That’s just how Silicon Valley rolls.

Also, living in this new neighbourhood is going to be expensive. Sidewalk Labs’ biggest idea for how to fund all these new bureaucracies and infrastructure is user fees and new taxes.

The big question is, how will this extra tax burden (and it doesn’t matter whether you call them user fees or taxes, residents will be paying them) and living in a construction site amid beta-tested technologies affect demand for Quayside/whatever units?

Basic economic reasoning would suggest that these factors would all depress demand for these units, as well as the prices they can command. This effect will be proportionate to the extent to which other Toronto housing units are seen as a substitute for Quayside/whatever units: The more that Torontonians treat Quayside like any other neighbourhood, the more pronounced this depressed demand/prices would be.

And while Sidewalk Labs is obviously counting on Quayside/etc. shininess and novelty to drive demand, there’s also the possibility/liability that these extra costs and inconveniences (especially in the short run), combined with its coveted light-rail link will lead Torontoinans to want to visit Quayside occasionally rather than live there. Rail links work both ways.

My point here is that these type of less-than-rosy scenarios, which are well within the realm of the possible, are nowhere even hinted at in Sidewalk Labs’ Panglossian proposal. Neither is it in the urbanMetrics report, which merely ran the numbers that Sidewalk Labs gave it. I saw no discussion of substitution effects in urbanMetrics’ report. As far as I can tell, Sidewalk Labs provided the company with “Development figures (i.e. total floor area estimates, detailed allocations by land use) and subsequent supporting assumptions (i.e. population, employment, construction costs, development timing and phasing etc.),” which they assume are accurate ([Economic Impact Analysis](#), p. 43). Sidewalk Labs has not, as far as I can find or recall, in its nearly 1,500-page report, provided any reasoning regarding how it arrived at these figures.

Maybe the information is buried in an appendix?

Tinier-than-Toronto-average apartments (if the law is changed to allow them), a decade-long construction zone and a uniquely high tax burden could all depress demand for this project.

## Quick note on urban innovation

Sidewalk Labs' entire pitch is built around the idea that there isn't enough "innovation" in urban infrastructure, but there's a very good reason for that. Glitchy websites are an inconvenience; glitchy buildings or traffic signals can get people killed.

Plus, residents are stuck in their cities; it's hard to just up and move somewhere else when the entire system goes offline and you can't even get into your house. I'm old enough to remember Vancouver's "leaky condo" crisis. I recall the barely controlled fury of Vancouver residents appearing before the House Finance Committee to ask for some kind of relief. It was a fury born of the reality that, having sunk a significant portion of their life's savings into a lemon of a primary residence, they were stuck in a kind of living nightmare.

Now imagine Quayside residents' reactions the first time the trash pipes break. You can bet that even if Sidewalk Labs and Waterfront Toronto are directly responsible for the district, elected municipal, provincial and federal politicians will catch holy hell for whatever goes wrong.

Sidewalk Labs is pushing the best-case scenario, but it's vital to remember that not all innovations work out. Being a guinea pig is great when you're getting treats; it's not so great when you're the rodent being force fed the drug with the unexpected side effect. And when urban innovations don't work out, they can turn one's life into a living hell overnight. Sometimes conservatism and caution – the principles baked into our zoning bylaws – are good things.

### Part 4: Using Clean Energy to Heat and Cool Buildings (p. 334-343)

#### Goal 1: Design a thermal grid to distribute clean energy (pp. 336-339)

Sure, why not? #notmyfield

I would, however, like an independent assessment of their proposal [as outlined in Appendix document "Thermal Energy Grid: Phase 2 report."](#) please.

The big **question** is, who can provide this assessment? Waterfront Toronto can't; the [Plan Development Agreement](#) places them in a clear conflict of interest. (Yet another reason why this entire project is fundamentally flawed.) City of Toronto, it's up to you.

#### Goal 2: Capture building "waste" heat, geothermal energy, wastewater heat, and other clean energy source (pp. 340-343)

Same demand as above. Also, these proposals assume that it can be expanded over the entire "IDEA District." But what happens if not everyone (e.g., the privately owned Keating land) wants to play ball? After all, even Sidewalk Labs isn't proposing that it should be able to expropriate other people's land.

## Part 5: Reducing Waste and Improving Recycling (pp. 344-357)

I've dealt with this issue in a previous post, and it's #notmyfield, so I'll leave it to others, except for a few comments (see below).

**Goal 1: Improve waste sorting through responsive digital signage (pp. 346-349)**

**Goal 2: Implement “pay-as-you-throw” smart waste chutes (pp. 350-351)**

**New tax alert:** Again, another tax on a small subsection of Toronto residents that won't be paid by apartment dwellers elsewhere in the city. Key issue: how will this tax affect demand for these properties.

**Goal 3: Reduce contamination during removal with vacuum tubes (pp. 352-353)**

**Goal 4: Convert organic waste into clean energy (pp. 354-357)**

**Part 6: Managing Stormwater Naturally and Actively (pp. 358-365)**

Another Waterfront district-level-only plan.

**New bureaucracy alert:** It would be up to the Open Space Alliance, which as [Dr. Natasha Tusikov points out](#), has a ridiculously expansive mandate, to “operate and maintain the stormwater system.” (p. 359)

**Goal 1: Design green infrastructure into a neighbourhood (p. 360-361)**

**Goal 2: Monitor stormwater levels and quality with digital tools (p. 362-365)**

**Public Engagement (pp. 366-371)**

In which public engagement as it relates to sustainability is discussed, and I am reminded again that Sidewalk Labs provides no list of the events it has held or the public members of its various panels.

And that's our show for today.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 32: The MIDP Volume 2, The Innovations, Chapter 5: Digital Innovation, Introduction

Posted on [August 20, 2019](#) by [bhaggart](#)

A series of posts built “from the internet up”

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

There's a lot to unpack in this chapter, so I'm going to divide it into five (5) posts. That's a lot of reading, and even more writing, so let's get started.

### **Chapter 5: Digital Innovation (pp. 374-463)**

#### **Introduction (pp. 376-383)**

For some strange reason, Sidewalk Labs has left to the end of its volume on Innovations its discussion of how it will make the Quayside etc. district a smart city. It's an odd move, when you consider that:

- the only logical reason the unproven company Sidewalk Labs was hired was because of its connection to Google, the most digital of the digital companies. The digital is supposed to be its competitive advantage;
- so many of the preceding “innovations” depend on digital connectivity and data collection to function, which would seem to make leading with the underlying system a no-brainer;
- its initial sales pitch in its response to the Waterfront Toronto Request for Proposals, was that it would build [“the world's first “neighbourhood from the internet up”](#) (Project Vision, p. 15). The phrase “from the internet up appears nine more times in that document; and
- most importantly, the treatment of data, surveillance and privacy were what has been (rightly) subjected to the most sustained, principled, and coherent public criticism.

The reason, of course, isn't really strange at all. From the very beginning Sidewalk Labs and Waterfront Toronto have always been more comfortable talking about cool potential new physical technologies than the data that necessarily makes these smart-city things possible. Back in the pre-Facebook/Cambridge Analytica days, attaching “connectivity” and “the internet” to everything was still seen as a winning public-relations strategy. However, now that people are beginning to understand the pervasive surveillance and data collection needed to run a Quayside-style project in the way envisioned by companies like Sidewalk Labs, that calculation has changed.

And so, the details of how Sidewalk Labs will set up its surveillance network (which is what it is, even though the word “surveillance” appears only twice in the entire MIDP) are buried in the last possible section.

Still, addressing digital and data issues 1,154 pages into a report is better than never discussing them.

Four questions I'll be keeping in mind:

1. How Sidewalk Labs situates itself in its proposed governance structures.
2. The degree of flexibility when it comes to data governance.
3. The role of standards in this project: who is setting them, and their effects.
4. The level of detail provided – I'll want an advance over Sidewalk Labs October 2018 digital governance proposal.

What I'm not expecting:

- Any major input from Waterfront Toronto, even though they're the public authority who ideally would be leading this debate (granting the reality that they lack a deep digital bench).

It's the final chapter of Volume 2. Let's go.

### Their identified goals (p. 377)

- affordable digital infrastructure
- digital infrastructure that is “open to everyone” (everyone? Quality standards for companies that want to piggyback on this infrastructure (will it be public?)

### Urban data

information gathered in the city's physical environment, including the public realm, publicly accessible spaces, and even some private buildings. (p. 377)

That covers a lot of ground.

### It's the surveillance, stupid

This formulation is incorrect:

While Canada has a strong foundation of privacy laws around personal information, and recognizes privacy as a fundamental human right, urban data creates a new set of questions that have surfaced during the Sidewalk Toronto public consultation process.

It's not "urban data" that creates a new set of questions. It's Sidewalk Labs' desire to institute a new system of pervasive, ubiquitous surveillance in all public spaces "and even some private buildings" that "creates a new set of questions."

Talking about "urban data" is a way of reframing the surveillance question so you don't have to use the word "surveillance."

Never on the table: Minimized or no pervasive surveillance, just: how can we classify the data we collect?

### Who should set data-governance regulations?

- Sidewalk Labs is big on arguing that the Eastern Waterfront is the appropriate "scale" on which to realize its dreams. Why is a tiny parcel of land in Toronto the appropriate scale to test out data-privacy and surveillance laws and institutions, and not either Ontario or Canada?
- Why does it make sense to create new data and surveillance laws at this level, with none of the parliamentary review process of other levels of government?
- What happens if the governments of Ontario or Canada eventually develop comprehensive data- and surveillance laws that contradict Sidewalk Labs' regulations?
- Federal or provincial regulatory changes could presumably affect the degree of profitability of Sidewalk Labs' Eastern Waterfront investment. Would it threaten to pull out of Toronto?

It would be unseemly if Sidewalk Labs were to use its presence as a de facto governing entity in any Eastern Waterfront development as a stick with which to threaten Canadian governments to develop laws in its or Google's narrow economic interest.

- Will Sidewalk Labs and Google commit to not lobbying the federal or provincial governments on data and surveillance regulations, given this conflict of interest?

**clear standards that make data publicly accessible, secure, and resilient** (p. 377)

- Should all data be publicly accessible?

### Standards setting in action

Sidewalk Labs proposes to launch a minimal set of digital services that would catalyze this ecosystem of urban innovation. These services and applications — all of which would be open to competition and subject to the proposed responsible data use process — represent innovations currently not being pursued by the market but that remain essential to achieving Waterfront Toronto's quality-of-life objectives. (p. 378)

## Conditions proposed by Sidewalk Labs to “catalyze” an urban innovation system (p. 380)

- Shared digital infrastructure
- Open and secure approach to architecture and standards (physical, data format, security and resilience, protocol, p. 381)
- Digital services
- Trusted process for responsible use (i.e., its proposed Responsible Data Use Guidelines and Assessments)

## In what parts of the digital project would Sidewalk Labs participate? (pp. 380-381)

- Core network – in other words, its role will be, to borrow a phrase, to build “the neighbourhood from the internet up”
- Designing the standardized mounts
- Various core digital for the aforementioned innovation streams (i.e., the chapters in this Volume)
- Ubiquitous wi-fi
- Software defined network
- Super-passive optical network.

In short, it looks like Sidewalk Labs would be responsible for building the base platform and setting its standards.

## Who would make purchase decisions?

Procurement is a key issue. I have a feeling it'll be addressed in Volume 3.

## It's all about surveillance “urban data”

It's the provision of a ubiquitous surveillance network that will allow not only Sidewalk Labs, but other companies to develop “countless” other applications:

Sidewalk Labs believes the urban data generated by these services would catalyze third parties to create countless other applications to improve quality of life, along with the application-specific hardware designed to support them. (p. 383)

The IDEA District is a surveillance district. It is being designed to allow for ubiquitous surveillance. Any restrictions on surveillance will be interpreted by Sidewalk Labs as a restriction on the ability to increase quality of life. And also on their ability to make money, as suggested by the fact that they want to be compensated with bonus payments for not engaging in unfettered data sharing and data-based advertising.

### Private governance: The Urban Data Trust

It would initially be a private entity that “could evolve into a public-sector or quasi-public agency over time.” (p. 383)

Next up, part two of the Urban Innovation chapter.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 33: The MIDP Volume 2, The Innovations, Chapter 5: Digital Innovation, Parts 1 and 2

Posted on [August 21, 2019](#) by [bhaggart](#)

Our journey of self-discovery and digital innovation continues...

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

### Part 1: Providing More Affordable and Flexible Digital Infrastructure (pp. 384-399)

I'll leave it to others to discuss the technical merits of Sidewalk Labs' plan in Part 1. #notmyfield

#### Goal 1: Expand opportunity with ubiquitous connectivity (pp. 386-393)

I will note, however, that it's always good to be the company that comes up with dominant standard, which is what its Super-PON (Passive Optical Network) seems to be an attempt at.

And would you look at that: [it's a Google Fiber technology.](#)

This would seem to be an enormous conflict of interest, and one that is not disclosed in the report.

- Why did Sidewalk Labs choose this technology over other technologies?
- How does it compare to other potential competitors?
- What happens if Google's preferred standard doesn't become the norm?
- Can we stop referring to Sidewalk Labs as an independent company now?

#### Goal 2: Reduce installation and maintenance costs with an "urban USB port" (pp. 394-397)

Another standard; another technology that Sidewalk Labs wants to deliver. They call it "Koala."

- What would be the effect on these neighbourhoods if Koala doesn't become the industry standard?
- Would it be a proprietary standard?
- At what stage is this technology? Sidewalk Labs says it "has designed" it. Is it ready to go? The answer is not clear from this document, and it really should be.

### Goal 3: Use distributed credential infrastructure to protect privacy (pp. 397-399)

Again, #notmyfield; would be interested in an independent evaluation. I'm just happy they don't mention "the blockchain."

### Part 2: Setting Data Standards That Are Open and Secure (pp. 400-413)

I'll defer to others who know more about the technical aspects of these issues. I'll only note that this section discusses open data issues only in the context of security concerns (p. 402). Which is fine as far as it goes, but, again, should public surveillance data be open to everyone who wants to see it (assuming it should be collected in the first place)?

Also, as I've noted previously, this emphasis on open data standards reflects a philosophy of government that assumes that competition for the provision of public services is always and everywhere a good thing. This is a perspective that, while not indefensible, requires a wider public debate over the role of private service providers and competition in municipal services.

As with every policy issue, there are costs and benefits to such an approach (e.g., the bureaucracy needed to assure a fundamental level of quality control over competing private service providers), but the main point here is that this type of policy setting should not be treated as a technical exercise.

#### On bureaucracy

That last point, on the need to ensure quality of service providers using this system, highlights an important flaw in Sidewalk Labs' overall plan. Namely, the hugely underestimate both the cost and size of bureaucracies that would be needed to oversee, regulate and maintain these very complex systems. As we saw with the WTMA proposal, none of them are seriously costed out and no employment figures are presented. With the data standards case, we see yet another example of this tendency.

#### On Sidewalk Labs' role in data standards

The paragraph on page 402, which commits Sidewalk Labs to work with others to implement tools "to achieve its goals for standards and security..." doesn't answer the question. It focuses on the tools, not the standards. How will the standards be set? Hopefully this question will be answered below.

### Goal 1: Enable third- party innovation with published standards (pp. 403-407)

- Data "must be publicly accessible to improve upon, build on top of, or even replace." (p. 403)
- **New governance/standards alert:** Proposal: Sidewalk will choose the standards, either adopting existing ones or working to create them (p. 403)
- Proposal: publicly accessible data by default.

- Proposal: software to integrate with these systems would be open source. (p. 403)

Its likely standards (p. 304) #notmyfield:

- GTFS Realtime, a standard for reporting the location of public transit vehicles within the neighbourhood in real time (see sidebar)
- General Bikeshare Feed Specification
- (GBFS), for reporting the availability of bike-share bikes and docks
- Brick, a standard for describing building infrastructure, including HVAC systems
- IFC, a standard for building information modelling, along with the Linked Data extensions
- OpenStreetMap, a representation of roads and other public realm infrastructure
- CityGML and CityJSON, standards for describing building shapes and sizes
- OpenTraffic and OpenLR, emerging standards for describing traffic and street segments
- Public Life Data Protocol, a standard from Gehl Institute on the use of public space

APIs would be public/open. #notmyfield

## Goal 2: Use best-in-class resiliency and security (pp. 408-413)

#notmyfield. Would love to hear independent technical analyses.

I will note that this is going to be a major pain in the neck since ubiquitous surveillance and networking means a target-rich environment for problems. The district's maintenance department will have to include both people to fix cracks in the pavement and bad code. This is why it was essential to see a plan for a staffing breakdown by proposed agency.

Sidewalk Labs commits to “Responsible AI” (p. 411). Again, #notmyfield, but here are the principles they’re promoting:

Fairness and equity; Accountability; Transparency and explainability; Relevance; Value alignment; Respect for human dignity.

### Data localization

... or “data residency,” as it says here (the report contains two mentions of “data localization”, and five of “data residency”)

Sidewalk Labs commits to using its best efforts at data localization – for storage, process, and communication – as long as there are Canadian-based providers who offer appropriate levels of security, redundancy, and reliability. To the extent that it is deemed infeasible to store data solely in Canada, Sidewalk Labs would be transparent about such a decision. (p. 412)

Three caveats here: “best efforts”, and “appropriate levels of …” are the most obvious. However, this statement only binds Sidewalk Labs, and not the “countless” other companies that would be using this data.

This omission is in keeping with its October 2018 draft data governance proposal, in which it said “Sidewalk Labs does not believe that it is sensible to impose a data localization requirement for innovators in Quayside.” (Digital Governance Proposals for DSAP Consultation, p. 35)

It helps to read the supporting documents, doesn’t it?

Sidewalk Labs also commits to following the law of the land in this area, so, thanks?

Part 3 tomorrow…

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 34: The MIDP Volume 2, The Innovations, Chapter 5: Digital Innovation, Part 3: Creating a Trusted Process for Responsible Data Use (I)

Posted on [August 22, 2019](#) by [bhaggart](#)

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

This post, on [Part 3 of the Digital Innovation chapter](#) ran long, so I'm cutting it into two posts.

### **Part 3: Creating a Trusted Process for Responsible Data Use (pp. 414-441)**

a third core condition of digital innovation is instilling community trust that information collected in cities will preserve the privacy of individuals and be used for the greater good — while promoting the growth of new businesses and the rise of new tools to improve urban life. (p. 414)

In which Sidewalk Labs makes the case for a category called “urban data”

I tried going through these sections in chronological order, but they're such a mess that I'm just going to summarize their points. See [Dr. Natasha Tusikov's comprehensive discussion of urban data and the Urban Data Trust](#) for the final word on both.

This part of the report has two objectives: To describe and legitimate Sidewalk Labs', um, novel data classifications.

“Some private spaces”

Sidewalk Labs sets the table with a couple of odd turns of phrase, such as:

Torontonians are also concerned about the collection and use of data gathered in the city's public realm, publicly accessible spaces, and even some private spaces — whether or not that data identifies specific individuals. (p. 416)

What odd phrasing: “even some private spaces.” Are there other *private spaces* where people weren't concerned about data collection? I would imagine that by definition people would be most concerned about data collection from private spaces, full stop. But, as we'll see in a moment, this phrasing is key to setting the groundwork for the overall data-collection plan.

Turns out there are a couple of private spaces at play, such as “Private spaces accessible to the public, such as building lobbies, courtyards, ground-floor markets, and retail stores” ([Digital Governance Proposals for DSAP Consultation](#), p. 13). So don’t set up in Quayside if you don’t want your customers and yourself being monitored.

Oh, and private spaces can also refer to “Private spaces not controlled by those who occupy them (e.g. apartment tenants)” ([Digital Governance Proposals for DSAP Consultation](#), p. 13), which has a real creepy ring to it, especially when it comes to surveillance. Just imagine your access to affordable housing being contingent on agreeing to have Sidewalk Labs and who knows what other companies watching your every move. That type of deal would come uncomfortably close to coercion.

### “Urban data”

Which brings us to the second odd phrase in this section:

A second big theme heard during public consultation was that, in addition to personal and collective privacy, Torontonians are concerned with the ownership and stewardship of urban data. (p. 418)

Here, the odd phrase is “urban data,” a term that Sidewalk Labs invented and that only really hit anybody’s consciousness in October 2018 when Sidewalk Labs released its “Digital Governance Proposals for DSAP Consultation” document. Who was calling for this protection of “urban data,” and when? I don’t know.

What I do know is that from the very beginning Torontonians have expressed very strong concerns about the protection of *personal* data. That’s always what this has been about. Insisting that Torontonians were “concerned with the ownership and stewardship of urban data” smacks of Sidewalk Labs trying to fix the narrative to fit its interests.

Because here’s the thing: The protections Sidewalk Labs proposes for “urban data” only muddy the waters around this issue, and would effectively reduce the degree of individual consent sought.

### What is urban data?

([For more on this, you should read Dr. Natasha Tusikov comprehensive overview of the Urban Data Trust and urban data.](#))

Sidewalk Labs does not make it easy for people to figure out how any of these terms work, because they present everything in tidbits and out of order. So, let’s try to make some sense of it, based only on this document.

Sidewalk Labs does not distinguish between public and private data, or personal and non-personal data. Rather, they distinguish between “transaction data” and “urban data.”

Urban data includes personal and non-personal data, aggregated data and de-identified data (although [research increasingly demonstrates that no data can be permanently de-identified](#)) (p. 417). It is data that is collected from the following spaces:

- Public spaces, such as streets, squares, plazas, parks, and open spaces
- Private spaces accessible to the public, such as building lobbies, courtyards, ground-floor markets, and retail stores
- Private spaces not controlled by those who occupy them (e.g. apartment tenants) (Digital Governance Proposals for DSAP Consultation, p. 13; creepiness quotient for the third category having been duly noted).

Note that the only spaces not covered by urban data are privately owned spaces.

Transaction data, meanwhile, covers “in which individuals affirmatively — albeit with varying levels of understanding — provide information about themselves through websites, mobile phones, or paper documents” (p. 415). Such data could be generated in public or private spaces.

Sidewalk Labs argues against the Urban Data Trust regulating “transaction data” because “the data collector is already accountable under applicable privacy laws …”

Then again, so is some personal “urban data,” to use Sidewalk Labs’ terminology.

Also, such data “arguably is not uniquely connected to public spaces, nor is it generally considered a public asset requiring additional protections within the public interest.” (p. 426)

The question here is, is the location of data collection the most relevant characteristic of data? Also, urban data, using Sidewalk Labs’ own definitions, covers data in both semi-private and private spaces. Sidewalk Labs’ argument makes little sense to me.

## Maximum surveillance

This redefinition of personal and non-personal data, or public and private data, into urban and transaction data, accomplishes two important objectives.

First (assuming it’s legal under Canadian privacy law), it gets around the problem of needing explicit *individual* consent from people moving through the smart city (in public, semi-private, and some private places) for the collection of personal data (as opposed to, say, a counter measuring the number of people passing over a bridge). I’m not a lawyer, and this document is anything but clear, so I would welcome any clarifications.

This move seems to be essential to the functioning of this type of Smart City, which depends on ubiquitous surveillance and data collection.

This mass consent would instead be provided by a central agency, in this case an Urban Data Trust. It would also probably depend on claims that this data can be de-identified, although as I’ve previously noted, [it’s increasingly clear that de-identification is not a one-way street](#).

Although it only hints at it in this document (a single reference to “signage” on page 456, as far as I can tell) in [an April 19 Medium post](#), Sidewalk Labs suggests that this “community consent” (Digital Governance Proposals for DSAP Consultation, p. 38) could be obtained by placing a variety of signs in the area to let people know how they were being monitored and for what purpose. But otherwise, this 1,500-page “plan” makes no mention even of how such consent could be obtained, sticking instead to musings about “being transparent” and “providing clarity” (p. 457). None of these goals necessarily have anything to do with consent.

Second, this urban-transaction distinction would leave “transaction data” wholly unregulated by the proposed data authority. Whereas, if Sidewalk Labs had concentrated on protecting personal data, they could have proposed a truly gold-standard policy that did just that. Instead, they’ve left the door open for mass individual surveillance while ensuring that Google’s personal-data pipeline stays wide open.

To be continued....

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 35: The MIDP Volume 2, The Innovations, Chapter 5: Digital Innovation, Part 3: Creating a Trusted Process for Responsible Data Use (II)

Posted on [August 23, 2019](#) by [bhaggart](#)

In which I get into the Urban Data Trust and make a classic *South Park* reference.

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

### Goal 1: Implement the Urban Data Trust (pp. 420-423)

It would be responsible for overseeing “the digital governance of urban data for the IDEA District” (p. 420).

The first phase of its implementation would involve an agreement between Sidewalk Labs and Waterfront Toronto, neither of which would control it. The initial board would have five members, which “could” (sigh) include: “a data governance, privacy or intellectual property expert” (weird that these are seen as being interchangeable); “a community representative; a public-sector representative; an academic representative; and a Canadian business representative” (p. 420)

The board – likely two lawyers, a businessperson, a government official (which level of government?) and someone from the community – would be independent once established, but how would they be selected? Given the legally close relationship between Waterfront Toronto and Sidewalk Labs, there’s no way that they could select a board that had a veneer of impartiality.

You know – and I’m just spitballing here – but we already have an entity whose entire job involves representing diverse community interests. It’s called The Government. Given that this Urban Data Trust would be setting its charter and policies at the very beginning, what justification is there for not making it a public body right off the bat? To do otherwise invites accusations of conflicts of interest.

Anyways. The big hire would be a Chief Data Officer, who “would be:

- responsible for developing the charter for the Urban Data Trust;
- promulgating RDU Guidelines that apply to all parties proposing to collect urban data, and that respect existing privacy laws and guidelines but also seek to apply additional guidelines for addressing the unique aspects of urban data (see Page 424) [i.e., figuring out a way to square the weird urban data concept with Canadian personal information privacy law];

- structuring oversight and review processes (including creating an appropriate privacy impact analysis (p. 429));
- determining how the entity would be staffed, operated, and funded;
- developing initial agreements that would govern the use and sharing of urban data; and
- coordinating with privacy regulators and other key stakeholders, as necessary.” (p. 421)
- Also, helping “startups, companies, and organizations understand these factors when preparing the RDU Assessment.” (p. 429 – not on main list)

Big job. Lots of responsibility. Wonder how much it would cost to run this office. And I’ll keep wondering, since this plan has no estimates at all. Funding “would need to be worked out in a consultation process” (p. 422). Indeed; why include an actual plan in a planning document, when you can always plan for more consultations? What a great way to exhaust the public and ensure that by the end, the only people paying attention are those with deep pockets and an abiding direct financial interest.

The major, and I think fatal, problem with this proposal is that it’s being undertaken at the wrong level. To use Sidewalk Labs’ language, the scale is too small for this type of organization to function well. The questions the Urban Data Trust would be asked to consider are the proper purview of either the federal or provincial governments, or both, not a tiny waterfront development funded by fees from the few businesses set up in this area. (Also, they want to pay for this with another **local tax – sorry, data collection and use administration fee**. How many fees does Sidewalk Labs want to charge us?)

Finally, the proposal that the Toronto Public Library be given responsibility for this job is ludicrous. They may have “expertise in managing [some types of] data and … credibility and trustworthiness …” (p. 422), but what guarantee that they can act as a business regulator? What guarantee is there that they will receive sufficient funds and resources to do their job?

This proposal seems like a cynical way to free-ride on the Library’s “trustworthiness” (almost everyone loves libraries!) by an organization that has very little of the same.

### **Trusting “trusts,” or, Sidewalk Labs breaks my brain**

Sidewalk Labs notes that this entity is not intended to be a “trust” in the legal sense — legal trusts are not designed to benefit the general public. … While Sidewalk Labs proposes a non-profit entity, the final legal structure (and name) would be determined based on input from government, the community, researchers, and industry. Sidewalk Labs also now calls this entity the “Urban Data Trust” to clarify the proposed responsibilities [the stewardship of data]. (p. 423)

I honestly don’t know what to make of this statement as anything more than a weird exercise in semantics and public-relations jargon. The stated problem with “Civic Data Trust” was that it seemed to imply that the beneficiary would be the public, when the legal definition of “Trust” under Canadian law holds that it cannot benefit the general public.

So, changing “Civic” to “Urban” does... what? I thought the problem was with the legal definition of “trust.”

With “Urban Data Trust,” you get to keep the warm fuzzies from the word “trust” (as in, confidence in), but did anyone reading this proposal think anything other than this agency was designed to protect the public interest? That’s the whole point of the agency in Sidewalk Labs’ telling, no matter what you call it. Does Sidewalk Labs telling us that it will now be a “legal structure that provides for the independent stewardship of data,” reflecting the Open Data Institute’s concept of a “data trust” mean that it wouldn’t benefit the general public?

That would make no sense.

If there is any problem here (and I don’t think that there is, but I’m not a lawyer), it’s with the word “trust.”

I fear I’m falling victim to the Chewbacca Defence.

It’s all odd and makes no sense, except as a way to give legitimacy to the phrase “urban data.” And at the end of the day, it’s still unclear exactly what an Urban Data Trust would look like, except that there would be one. And it would operate in the public interest. Unless it wouldn’t.

## Goal 2: Establish RDU Guidelines (pp. 424-425)

These should follow Privacy by Design.

They should

address key areas of digital governance, ethics, and open access to information, as well as the ways in which aggregate or de-identified data can impact individuals and groups of people through the use of advanced analytics, such as artificial intelligence. (p. 424)

Sidewalk Labs proposes the following principles:

- Data use should have “a clear purpose”, “a clear, direct connection to the ways in which the project and proposed data collection activity would benefit individuals or the community.” Urban data use “must incorporate Canadian values of diversity, inclusion, and privacy as a fundamental human right.” (p. 424)
- Transparency and clarity should be guiding data-collection and use principles. (p. 424)
- Data minimization, security, and de-identification by default. (p. 425)
- “No selling or advertising” ... “without explicit consent.”
- There would be no “proposed prohibitions placed on data collectors who would like to sell data containing personal information ro to sue such data for advertising.” The most Sidewalk Labs can promise is “a higher level of scrutiny”: these companies would have to “follow all applicable privacy laws” (um, thanks?), “provide clear justifications for this

activity and demonstrate (with examples) how they plan to obtain explicit consent from the affected individuals.” (p. 425)

Data would be publicly accessible by default, and organizations

should be required to detail if they are going to be developing AI systems. If so, they should be required to show how they have incorporated Responsible AI principles into their development and decision-making to reduce the likelihood of biased and unethical outcomes. (p. 425)

As noted elsewhere:

Sidewalk Labs has already committed publicly that it would not sell personal information to third parties or use it for advertising purposes. It also commits to not share personal information with third parties, including other Alphabet companies, **without explicit consent.** (p. 425, emphasis added)

### **Goal 3: Set a clear process for urban data use or collection (pp. 426-441)**

**The steps:**

**Step 1: Classify the data. Urban data gets assessed, transaction data doesn't. (p. 426)**

**Step 2: Submit an RDU Assessment (p. 428)**

(We also learn that “Sidewalk Labs has been developing an RDU Assessment template since the summer of 2018,” and has been using it internally. (p. 428))

The Urban Data Trust would use the RDU Assessment to assess how the proposal conforms to the RDU Guidelines, privacy laws, Privacy by Design principles, and any other relevant factors or applicable laws.

Sidewalk Labs proposes that the RDU Assessment consider the project purpose, data sources, legal compliance, and a risk-benefit analysis. (p. 431)

**Step 3: Receive a decision by the Chief Data Officer. (p. 432)**

**Step 4: Meet post-approval conditions. (p. 433)**

### **The underdeveloped part of the Data-Authority proposal**

Given all the different jobs the Urban Data Authority would be asked to perform, a rough estimate of the number of people required, and the necessary training, would have been a helpful addition to this plan.

## Proprietary data wouldn't be open data

Sidewalk Labs gives some examples:

These cases could involve data that contains personal information — for example, a government organization that collects transponder data or images of licence plate numbers for enforcement.

And here's an important exception: proprietary data, "collected at great cost to a company" might allow you to control that data and not have to share it, because that would "undermine investment and competitive advantage, discouraging businesses from locating within the IDEA District." (p. 434)

This would almost certainly represent a monster-sized loophole in the commitment toward providing open data. This exemption would make the Eastern Waterfront very open to certain types of companies, those intent on not sharing their data.

It also prioritizes specific commercial interests over other commercial and social interests.

## Urban Data Trust as negotiator

Another job for the Urban Data Trust people:

Sidewalk Labs proposes that the Urban Data Trust facilitate access to urban data via data sharing agreements, including the terms of any potential restrictions or licencing fees. (p. 435)

## Urban Data Trust as auditor and enforcer

The Urban Data Trust should retain the authority to audit all collections and uses as needed and order the removal of digital devices in the event it discovers a violation. (p. 435)

The Urban Data Trust would be able to seek legal remedies for violation of agreed-to conditions of data collection and data use. (p. 435)

And all I can see is the paperwork (paper or virtual) and levels of bureaucracy that would be needed to make this thing run well.

Have you had your fill of data trusts and urban data? One more post will bring this section to a close. See you tomorrow.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 36: The MIDP Volume 2, The Innovations, Chapter 5: Digital Innovation, Part 4; Public engagement

Posted on [August 24, 2019](#) by [bhaggart](#)

Ending our five-run digital-innovation posts, which were written “from the internet up.” Includes some thoughts on “public engagement.”

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

### Part 4: Launching Core Digital Services That Others Can Build On (pp. 442-453)

This is the platform, Sidewalk Labs as intermediary.

Sidewalk Labs plans to offer this limited set of core digital services in cases where achieving fundamental project goals around transportation, affordability, housing, energy, public space, and other areas would require an innovation the market has not pursued. (p. 443)

other entities would be free to develop competing services. (p. 443)

I'm not sure how much competition Sidewalk Labs would for the provision of core services.

#### **Its proposed services**

- Mobility management system: to “coordinate all travel modes, traffic signals, and street infrastructure, and apply demand- based pricing to curb and parking spaces.” (p. 444)
- Outdoor comfort system: “A proposed system of outdoor-comfort tools, deployed in real time, … including building “raincoats” to block rain, awnings to provide shade, and fanshells to provide group cover.” (p. 444)
- Flexible retail platform (Seed Space): “A proposed leasing platform [that] would help small businesses and other retailers book a wide range of ground-floor space sizes . . . .” (p. 445)
- Open space usage and management (CommonSpace): “A proposed digital application [that] . . . would make it substantially easier, faster, and less expensive to collect more reliable data on how people use public spaces. . . .” (p. 445)
- Public realm maintenance map: “A proposed real-time map of public realm assets . . . .” (p. 445)

- Civic engagement (Collab): “A proposed digital application … would aim to engage community… .” (p. 446)
- Outcome-based building code: A proposed “real-time building code system could monitor noise, nuisances, and structural integrity” (p. 446)

Of note: Sidewalk Labs argues that it can be deployed “without sacrificing public safety or comfort.” (p. 446) However, safety and comfort are in the eye of the beholder, and no law will ever satisfy everyone. So I’d take the claims for this recommendation with a grain of salt.

- Active stormwater management: A proposed system that “would rely on green infrastructure and digital sensors to retain stormwater, reuse it for irrigation, and empty storage containers in advance of a storm to avoid combined sewer overflow.” (p. 446)
- Energy Management System (schedulers): A “proposed system of Home, Office, and Building Operator Schedulers [to] automate energy use to optimize residential, commercial, and building heating, cooling, and electricity systems.” (p. 447)
- Building Waste Management systems: A proposed system that would “help residents and businesses sort their trash, recyclables, and organics (foods) by illustrating common sorting mistakes.” (p. 447)

We’ve discussed the proposals below elsewhere, so I’m just going to list them here.

**Spotlight (not a goal?) 1: An outcome-based building code system to enable a safe, vibrant mix of uses (pp. 448-449)**

**Spotlight 2: An Office Scheduler to optimize energy use (pp. 450-451)**

**Spotlight 3: A mobility management system to reduce congestion and improve safety (pp. 452-453)**

## **Public Engagement (pp. 454-462)**

I’ve been trying to figure out why I’ve been so annoyed by the Public Engagement sections in this Volume, and I think I know what the problem is: the stories that they’re telling are too pat. The Public (21,000 people!) talked, Sidewalk Labs listened. Each chapter is illustrated with an example of this type of feedback.

However, there are a few tells that this is more of a feel-good public-relations exercise than an account of consequential public consultations. I’ll illustrate with my own experience, focusing on my time as a researcher for the House of Commons Standing Committee on Finance.

Every year, the Finance Committee, supported by two or three economist staffers, would hold several months of hearings, some lasting all day, and including hearings across the country, on what Canadians wanted to see in the upcoming federal budget. We heard from hundreds of people and organizations about everything you could imagine. If you could attach a dollar sign to it, someone talked about it.

For an economist interested in public policy, it was a dream assignment: Every year I received what seemed like my own detailed update on the state of the entire economy, from coast to coast to coast.

Our job as the economists/analysts attached to the committee, was to prepare background materials and questions for the committee members and then go through all of the written and oral testimony to write up a report detailing what the committee heard, and what it would recommend to the government for the budget. Once the draft was completed it would then be scrutinized, revised and eventually approved by the committee (sometimes with dissents, sometimes not).

In writing the report, we analysts had two main objectives. First, we had to represent *all* of the voices that submitted to the extent that we were able. This is because it was important that every citizen who took the time to appear before the committee felt like they were being heard, and therefore respected, by their elected representatives.

It was a job we all took seriously, and overall I think we did pretty well.

Our second objective was to formulate recommendations – the meat of the report – reflecting the will of the committee. To be clear, these weren't the researchers' recommendations; they were what we gathered the committee wanted from talking with the members (the Chair, an MP from the governing party, of course playing a key role) and watching how the hearings were playing out. The recommendations, like the overall report, belonged to the elected MPs; we analysts were merely the ones writing it up.

The recommendations were, of course, political, and they were often arrived at in discussion with the (partisan) committee chair, who certainly had their own (partisan) views on what the recommendations should be and the votes to push them through if needed. However, during my time, they were also conscious that the more cross-party support you can muster for a report, the better (different governments and chairs may behave differently).

I digress a bit. The important point is this: the recommendations were pretty much always based on the testimony we heard in committee. As corny as it sounds, Canadians really did have a hand in writing these reports.

And here's the clincher: we didn't just include testimony that agreed with the final recommendation, because people disagree, in good faith, all the time even about the most seemingly innocuous issues. And it's only fair to represent these ideas, even if the report ended up recommending something different. We were still drafting a political document that had to justify what the committee was recommending, but we also had to respect Canadians' dissenting opinions.

Which brings us to one of the problems with the MIDP: It's all too neat. People talked; Sidewalk Labs listened, and what they heard almost always confirmed almost exactly what they were going to do.

The other thing that makes it hard to take Sidewalk Labs' public consultations seriously is the lack of detail. Any parliamentary committee report includes with it the names of the people who drafted it, including (from time to time) outside consultants. It also includes the name of every single meeting held, and a list of the witnesses who appeared before or submitted something to the committee. And every time someone was quoted, their name was attached to what they said. There was, in other words, a paper trail of evidence supporting what was in our reports.

Sidewalk Labs' consultations reports, in contrast, are a wonder of anonymity. The members of their various councils and advisory groups are nowhere named. People who made interventions in public fora also go unnamed. The dates, times and participants in the many, many meetings with various officials that Sidewalk Labs claimed are nowhere here documented. The nature of the participation by the 21,000 people who supposedly participated in this consultation is not described.

The lack of detail regarding their consultations makes it impossible to see Sidewalk Labs' public consultations as anything other than a public-relations exercise. Returning briefly to the world of politics, what these Public Engagement sections most closely resemble are a politician's stump speech in which they claim that the everyday folk support their party's policies. These type of lines, designed to showcase how well the politician listens to the people, are so clichéd they practically write themselves:

I'm proud of the work my government has done for people like my barber, with whom I discussed the unfair tax burden he faced. And the mother of four who told me how much our government's child care grant helped her family. And the university student who wants to become a land developer, and who is so thankful that my government is slashing the regulatory burden standing in the way of the construction of "liveable" efficiency apartments.

The Public Engagement sections in this report sound exactly like a politician's bid to seal the deal. They sound nothing like an account of a legitimate, give-and-take public consultation. Like almost all of the Master Innovation and Development Plan, they are a sales pitch, and should be treated as such.

## **Goodbye, Volume 2, Hello, Volume 3**

And with that, we're done with Volume 2. We've covered a lot of ground, but if history, like the MIDP, repeats itself, Sidewalk Labs has saved the meatiest bits for last. Tomorrow, Volume 3: the long-awaited Partnership Overview.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 37: The MIDP Volume 3, Partnership Overview: Introduction

Posted on [August 25, 2019](#) by [bhaggart](#)

What the MIDP's inability to match section headings with its Table of Contents tells us about Sidewalk Labs' commitment to quality control, attention to detail and basic competence. Also, renewed confusion about what Sidewalk Labs actually is.

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

The first thing one notices upon scrolling through [this final volume](#)'s 246 pages is the relative lack of full-page pullquotes (six) and, even more remarkable, artists' sketches of bucolic citylife (also six).

That's because, just as the final part of the Overview dispensed with the sweet talk and razzle-dazzle building raincoats, and got down to business, this volume is all about who's going to do what, what laws need to change, and certainly not least, how Sidewalk Labs is going to get paid.

As with the previous volume, much of this has been covered in the Overview and previous volumes, but I'm sure I'll find some interesting details in here.

Last volume, and then it's only Waterfront Toronto's *Note to Reader* standing between me and freedom. Let's go.

### **Introduction (pp. 18-21)**

The Master Innovation and Development Plan represents a comprehensive proposal for how to realize that potential in a portion of the eastern waterfront. (p. 18)

This portion being more than just Quayside. As I've previously noted, one's opinion of the scope of the MIDP will depend on whether you buy Sidewalk Labs' argument that this report is a good-faith response to Waterfront Toronto's RFP call to "describe your team's ability and readiness to take the concepts and solutions deployed on Quayside to scale in future phases of waterfront revitalization" (p. 20).

I'm not convinced. Everything we've seen suggests that this is not a project that starts in Quayside and then can scale up in the future as lands become available. This includes Sidewalk Labs CEO Daniel L. Doctoroff's insistence that denying a light rail extension (a key part of the overall IDEA District plan, not the Quayside development part) [would likely cause Sidewalk](#)

[Labs to abandon the whole project](#). It also includes the insistence that Sidewalk Labs/Google be allowed to develop Villiers Island.

This, once again, is an all-or-nothing proposal.

### No experience, but research

Sidewalk Labs has no experience working on big projects. Rather, it claims that it can develop what has been described as the most valuable undeveloped waterfront real estate in North America because it has engaged in “intensive research and development” and undertaken “feasibility studies.” (p. 21)

## **Part 1: Harmonizing the Objectives of Waterfront Toronto, the Public, and Sidewalk Labs (pp. 22-25)**

### The most incompetently assembled and formatted report ever?

I have never read a report as incompetently assembled as this one. I’ve noted the incomplete Tables of Contents, the absent indexes and the lack of hyperlinks for endnotes – the use of endnotes instead of footnotes, for that matter. Now, in Volume 3, we can add inconsistent and mislabeled section headings to this list.

See the “Part 1” above? That appears in the Table of Contents on page 12, not on the header on page 22. Instead “Harmonizing the Objectives...” appears in the same font and style as subheaders in the previous volumes. This makes it look like this Part is part of the Introduction, not its own part, and makes it that much harder to locate information in the report.

This pattern is repeated throughout the report, with a few more examples of fundamental incompetence thrown in for good measure: Chapter 6’s “Introduction” (p. 208) is listed in the Table of Contents (p. 14) as “Stage Gates and Risk Mitigation.”

Not to be outdone, the section “Participants in the development of the IDEA District” (p. 218) is listed in the Table of Contents as “Overview of the Participants in IDEA District Development” (p. 14).

Usually, you can count on even the most vacuous report to have its Tables of Contents match section titles, but not the MIDP. And this isn’t even with going into how the Table of Contents styles don’t match from Volume to Volume (e.g., “Part 1:” in Volume 2, versus “Part 1 [tab]” in Volume 3).

This report reflects an absolutely abysmal level of quality control and attention to detail. Just shoddy, with all the characteristics of a rush job. Given the extent to which this entire project has been driven by an attention to public relations, if Sidewalk Labs can’t even properly format its own reports, how can it be trusted to run a huge swath of the Eastern Waterfront?

Okay, back to the substance.

## Overview redux

This section seems to repeat mostly what was in the Overview, although somehow with less detail (p. 22, Objectives for the people of Toronto).

And we're reminded that "The company will seek to earn a reasonable return on its investment" (p. 23).

## Adding to the résumé

On pages 23 and 24 Sidewalk Labs repeats the exercise, first conducted on pages 61-65 of the Overview (and in more detail; this is the rare report in which the overview sections are longer than the actual sections that it's overviewing), telling us why Sidewalk Labs is uniquely suited to this job.

One interesting addition that isn't present in the Overview is that it reframes Advantage One from "An interdisciplinary approach to urban innovation" that emphasizes its team (Overview pp. 61-63) to "Cutting-edge urban design and technology" that summarizes the talent at its disposal but also notes that "Sidewalk Labs has developed, and continues to refine, critical pieces of technology for improving cities," an interesting point that isn't in those original pages and would have been worth highlighting. Instead, that first section makes it sound like Sidewalk Labs is primarily a facilitator that's best at locating tech, not developing it.

It's yet another pointless piece of confusion that leaves me unsure about what Sidewalk Labs actually *is*, and what they bring to the table. Not a good position to be in when you're some 1,200 pages into its master plan. Just shoddy and unprofessional.

## What Sidewalk Labs is promising (pp. 30-31)

- A "bold innovation agenda" (i.e., the bells and whistles from the previous volumes)
- "Develop Quayside as a complete and inclusive community"
- "Develop a major economic development project" (i.e., bring Google to town to anchor an urban tech cluster).
- "Serve as the lead developer of advanced systems" (in Quayside and Villiers West). "Among other responsibilities, this role would include identifying and overseeing sophisticated third-party operators and partners." (i.e., in charge of procurement)
- "Serve as a technical partner and advisor." "Sidewalk Labs would provide a suite of technical advisory and management services." This standard-setting role would include standards and policy setting and running procurement.
  - As stated, Sidewalk Labs' description undersells its contribution. This role would make Sidewalk Labs **less of an advisor and more of a policymaking governmental co-equal**.
- "Deliver essential technology." This would involve procurement as well as developing its own technology, called "purposeful solutions"

- “Optional financing for critical infrastructure.” Including light rail and municipal infrastructure. It’s formed a company that does infrastructure financing.
- “Unlocking \$29 billion in third-party investments.” via some initial investments.

### The intellectual property profit-sharing deal

For certain technologies that Sidewalk Labs develops and deploys at scale in connection with the project, Sidewalk Labs also proposes to share 10 percent of the profits with the public sector. (p. 31)

### What it wants from government

This section repeats Overview pages 208-209. It serves as a reminder that Sidewalk Labs seeks either the restructuring or replacement of Waterfront Toronto:

the proposal calls for government to designate a public entity to serve — or, if Waterfront Toronto is so designated, to continue to serve — as revitalization lead for the IDEA District with certain additional powers. (p. 32)

And as we’ve seen previously, a lot of what Sidewalk Labs wants to do, like build “liveable” super-tiny apartments, is currently illegal. It therefore wants special rules to only apply to its area of the Eastern Waterfront, or as it frames it, “A carefully targeted package of regulatory reforms and development standards” (p. 32)

And it’s also a reminder that Sidewalk Labs wants “performance payments to compensate for non-standard upfront costs and for serving as a catalyst to deliver on Waterfront Toronto’s priority outcomes and accelerate development across the eastern waterfront.” In return it also offers a piece of the action “if Quayside and Villiers West are more profitable than expected,” and that 10% share on some intellectual property. (p. 32)

## **Part 2: Seven Principles Guiding the Proposed Partnership (pp. 26-27)**

Repeats the principles listed on Overview page 200, adding in a list of Waterfront Toronto’s priority outcomes.

### Part 3: Overview of Innovation and Funding Partnership (pp. 28-35)

Quayside is touted as a “scalable proof of concept for the ideas that will drive economic growth, achieve urban progress, and deliver on Waterfront Toronto’s priority outcomes.” (p. 28).

I’m not sure that something can count as a “proof of concept” if you have to agree to the whole package before developing the proof of concept.

And for those of you who like a good table, page 34 has a **Summary of Innovation and Funding Partnership proposal** table (labelled Fig. 0.3, although that doesn't matter much since there's no list of figures anywhere in the report).

### What does Sidewalk Labs do?

Sidewalk Labs structured its Innovation and Funding Partnership Proposal to capitalize on its own unique combination of strengths, including a team that spans urban planning, technology, policy, architecture, engineering, development, and finance; its exceptional technological resources; its access to patient capital that is able to take a long-term view of investing, where warranted; and its ability to serve as an economic catalyst. (p. 42)

This description of Sidewalk Labs' supposed strengths sounds eerily like what a government agency can do and leverage.

## Part 4: How the Proposal Reflects the Seven Transaction Principles (pp. 36-44)

This is an expanded (!) version of Overview pages 199-200, which includes a list of desired outcomes, which we've already seen mentioned several times over the past thousand-plus pages.

Performance targets: If missed, would affect Sidewalk Labs' involvement in the project. (p. 40). I would want an independent evaluation of Sidewalk Labs' numbers for Quayside, as this setup (if it doesn't meet Quayside, e.g., targets it can't proceed) gives it an incentive to underpromise on Quayside.

Also, I'm unsure that Waterfront Toronto has demonstrated the capability of pushing back against, or evaluating Sidewalk Labs.

This seems like a bit of an empty promise for a for-profit company:

And unless and until Sidewalk Labs demonstrates the commercial feasibility and the effectiveness of its solutions for achieving Waterfront Toronto's priority outcomes, no other developments would deploy them. (p. 40)

If a solution isn't commercially feasible, why would Sidewalk Labs deploy it in the first place?

### “Strong public oversight,” underdeveloped governance proposals

Sidewalk Labs' statement that it is interested in “strong public oversight” (p. 42) would be more credible if it had put any thought into the number of people and resources that would be necessary to create the expansive bureaucracies that they've proposed throughout these pages.

## Climate positive?

Sidewalk Labs claims that the IDEA District would be “climate positive” via exporting of energy to the rest of Toronto. Climate experts: would this count as being “climate positive”? (p. 38)

Interesting that pretty much everything they’re proposing on pages 38 and 38 is “financially infeasible” if only done in Quayside. Maybe their financial time horizon isn’t long enough?

If only there were a previously existing institution in society that was designed to make investments in the public interest without having to earn a profit. If only...

## Part 5: A Partnership Proposal Intended for Ongoing Refinement (pp. 45-47)

### The never-ending proposal

This quote fills me with dread:

The Innovation and Funding Partnership Proposal constitutes a proposal. It is subject to further negotiation with Waterfront Toronto and, for certain elements of the proposal, the three orders of government. Ultimately, the proposal’s success will require Sidewalk Labs and government to work together collaboratively and to adapt to unanticipated conditions that could arise. (p. 45)

I’m not looking forward to reading *MIDP II: The Embiggening*.

And how will these responses to unanticipated consequences be subject to democratic review? Neither Waterfront Toronto nor especially Sidewalk Labs are set up for the type of reviews that would be typical of an ongoing City, provincial or federal project.

## Overview of Volume 3 (pp. 48-49)

The chapters that follow provide substantial detail on the overall transaction structure, the proposed roles and responsibilities of the various participants, the financial and legal terms, the preconditions needed to deliver the business case for the transaction outlined and the vision set out in Volumes 1 and 2, and the anticipated implementation of the project and its various components. (p. 48)

tl;dr: There was no need for Volumes 1 or 2, and the Overview should’ve been shortened to an executive summary. Also, Sidewalk Labs should’ve sprung for a copyeditor.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 38: The MIDP Volume 3, Partnership Overview: Chapter 1: The Innovative Design and Economic Acceleration (IDEA) District, Introduction and Part 1

Posted on [August 25, 2019](#) by [bhaggart](#)

This Volume is essential reading for anyone wanting to cut through Sidewalk Labs' PR hype and see exactly what Sidewalk Labs is proposing. For those of us foolish to had read the whole thing front-to-back, it's a distillation of what we've read before.

These final five posts will highlight those issues that stood out to me as being the most significant, or whose importance I hadn't previously fully understood. This first one is a long one, because it's time to end this series. Let's get to it.

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

This chapter discusses a proposal for the consideration of government to achieve these aims by designating a public administrator with the development authorities needed to administer a new targeted innovation strategy for the IDEA District. (p. 48)

### Introduction (pp. 52-61)

It's telling that this section is targeted at the "IDEA District" level, rather than at Quayside, with the rest of the waterfront as a the secondary objective. This proposal's driving theme is "IDEA District or bust."

The IDEA District would have "three essential components," discussed in the rest of this chapter (p. 56):

- **A public administrator**

Mandate: "oversee and steer key real estate, infrastructure, and technology decisions — all with a focus on better addressing the core urban challenges facing Toronto."

Its mission would be economic-focused: "promote innovation and development within the geography"

- **A modified regulatory framework**

In other words, it would be subject to its own particular laws and regulations. This would involve changes to various laws at all three levels of government. It would also require the introduction of new regulations specific to this area.

In other words, Sidewalk Labs – the brains of this outfit – is looking to convince the three levels of government not only to change their laws to suit their needs; it is looking for the right to set its own rules and regulations, in the guise of its Innovation Design Standards Guidelines.

- **Financing mechanisms**

Fees, development charge credits, local governments ponying up cash, “the use of local land proceeds,” **and, potentially, tax-increment financing.**

In short, this is gonna cost the Toronto taxpayer.

### **Confusing geography**

I just figured out that the River District is the IDEA District minus Quayside and Keating West. (p. 59)

Keating West is included in all the area-level results predicted by Sidewalk Labs. So why do you have something called the River District? So confusing.

**Every time I see “could,” I also see, “or maybe something else will happen. Who knows?”**

I thought the purpose of a “plan” was to offer a proposal to do something specific:

The IDEA District

could be established through a Community Improvement Plan (CIP). (p. 61)

### **Incrementalism?**

Quayside, then Villiers West, then the rest of Sidewalk Labs’ desired land. (p. 61)

The decision to move forward would involve

hitting certain performance targets tied to Waterfront Toronto’s priority outcomes  
... (p. 61)

Outcomes that, per the RFP, Sidewalk Labs was given the responsibility of setting. The administrator might be administering the test, but the student chose the questions and the grading rubric.

When it comes to setting my final exams, I will not be offering this innovative, imagineered option to my students.

#### The Everything's Going to Work Perfectly school of urban planning

For analysis purposes, the MIDP assumes that all private landowners opt in to the IDEA District. (p. 61)

## **Part 1: IDEA District Component 1: A Public Administrator (pp. 62-71)**

In which it is proposed that a public administrator that may or may not be Waterfront Toronto be given many responsibilities (p. 62).

“Specifically, the public administrator should be granted the authority to:

1. Set innovation and development objectives for the IDEA District;
2. Impose additional requirements on developments within the district, consistent with the objectives described in Item 1;
3. Determine whether new developments can access the regulatory relief approved for the district;
4. Perform precinct and infrastructure planning for waterfront development;
5. Certify development and construction permit applications before their submission to city agencies;
6. Develop a master transportation and infrastructure plan for approval by relevant city authorities, in phases, and give final approval before construction;
7. Receive and direct infrastructure contributions for the infrastructure proposed for, or built in, the district; and
8. Enter into and oversee agreements with developers, vendors, and partners, including Sidewalk Labs as Innovation and Funding Partner.”

One of the big problems with Waterfront Toronto, as the Auditor General of Ontario [laid out in his report](#), is that its structure and lack of authority impeded its ability to actually develop the waterfront. In this section, Sidewalk Labs says it will attempt the neat trick of providing the public administrator (which may or may not be Waterfront Toronto) with “a greater ability to collaborate with all orders of government to streamline the development process and advance an integrated innovation strategy” (p. 63) all the while not displacing current city, provincial, or federal authority.

After reading this page over several times, I’m not sure how what Sidewalk Labs proposes would break this gridlock. It seems to be based on “granting the administrator [which may or may not be...] a clear mandate and the tools to be successful” (p. 63). Which seems to be simply stating the obvious. I would think the only way you could break this gridlock, as the Auditor General seemed to note in his discussion of a similar agency in Winnipeg, would be by granting decisive

powers to the administrator (#WMOMNBWT). It comes down to authority. If you don't have it, you're reduced to begging and cajoling.

### Public administrator role in planning and implementation (pp. 64-67)

The public administrator (WMOMNBWT) is asked to do A LOT: “to oversee a comprehensive innovation and development strategy,” with the goal of cultivating and expanding “the diverse ecosystem of real estate developers, service providers, employers, design firms, public agencies, research institutions, non-profits, and others — all working together in the IDEA District to advance job creation and economic development, sustainability and climate-positive development, housing affordability, new mobility, and urban innovation.” (p. 64)

Let's leave aside the fact that this paragraph assumes a great deal more unity of purpose among diverse entities than is observable in the real world.

Planning would be done with the City of Toronto (a non-exhaustive list of agencies is provided) (p. 64).

The “planning deliverables”:

- An Infrastructure and Transportation Framework Plan “for areas of the IDEA District with no existing infrastructure master plan” **Question:** Would the public administrator (WMOMNBWT) coordinate with the city to ensure compatibility?
- Innovation Design Standards and Guidelines. Although, as we'll learn below, despite this formal authority, Sidewalk Labs would play a key role in creating these. And based on Waterfront Toronto and Ontario's (and, I'd guess, the Government of Canada's) lack of expertise in the area of smart-city development, these rules would be Sidewalk Labs' to write. (p. 64)
- Precinct plans and implementing bylaws. This would seem to insert Waterfront Toronto and Sidewalk Labs formally into the City of Toronto bureaucracy. I'd love to hear more from municipal government experts about whether it is normal to allow outside agencies and companies bylaw-setting powers. From my vantage point, given Sidewalk Labs' central role in planning in its IDEA District, this would be a key vector for the privatization of the bylaw-setting process, as well as an indirect way for the federal and provincial governments (via Waterfront Toronto) to similarly set municipal bylaws.

### Sidewalk Labs doesn't want to wait for bylaws to be passed

The administrator may also elect to permit the development of certain land parcels following the completion of a precinct plan and prior to the adoption of implementing bylaws, where such development is in the public interest and is consistent with the Precinct Plan. (p. 65)

I'd always been taught that a law has to be passed and go into effect before it can be enforced. Yet here Sidewalk Labs is suggesting that they do not have to wait for bylaws to be passed before getting down to work.

So much for Sidewalk Labs' claim that it would follow the law of the land.

For this whole section, I'm sure the devil is in the details, and I'm not much qualified to discuss bylaw-setting processes. Municipal government experts would do well to pay close attention to this section to assess exactly what Sidewalk Labs is asking for, and the extent to which it does or doesn't follow normal procedures.

Back to the list of "planning deliverables"...

- **Infrastructure and Transportation Master Plan (pp. 65-66).**

Now it's a list of **Administrator (WMOMNBWT) implementation responsibilities:**

- Development call and land disposition management, following City guidelines and those of the (Sidewalk Labs co-created) Innovation Design Standards and Guidelines. **Unclear:** Would this power involve giving a public administrator (WMOMNBWT) control over land that Waterfront Toronto does not currently possess?
- Certification of development and building permit applications, following Innovation Design Standards and Guidelines. And presumably bylaws that have been rewritten to allow for super-tiny "liveable" studio apartments.
- Management of municipal infrastructure development: "Working closely with the City of Toronto, the public administrator [WMOMNBWT] would manage the design, construction, and turnover of all required municipal infrastructure, including site preparation, domestic water, sanitary sewer, storm drain conveyance, shoreline improvements, bridges, and public realm (such as parks, plazas, promenades, and streetscape areas), except where noted in Chapter 2, on Page 114. (p. 66)

That's a lot of responsibility.

- Management of further light rail transit (LRT) development, with corridor design reviewed and approved by the TTC. The public administrator (WMOMNBWT) would procure and oversee contractors, "again with the TTC itself managing certain elements, such as electrical wiring and special track work, as appropriate." (p. 66)

So now the public administrator (WMOMNB...) will also have to pay transit experts and run procurement for something where local expertise presumably rests elsewhere in the city. I can't imagine what could go wrong.

This is going to get pricey, and is going to lead to amateur mistakes. For all of Sidewalk Labs' talk of scale, they've paid precious little attention to the fact that these administrative capabilities make no sense at the scale of a *neighbourhood*.

My prediction: The IDEA District, if it comes to pass, would end up being characterized by less responsive governance (due to the extra layer of unaccountable bureaucracy), more expensive services (due to the huge number of new service fees), and shoddier service delivery (due to the number of disparate tasks that would be foisted upon a new agency that, if it is

Waterfront Toronto, has no track record in delivering). The disparity between the IDEA District and the City of Toronto would be obvious and problematic for the area's elected representatives.

[Back to the list...](#)

- Management of advanced systems. There are a lot of them: “a thermal grid, an advanced power grid, an advanced stormwater management system, a pneumatic waste system, dynamic streets, a digital communications networks, a freight management system, a mobility subscription package, and district parking management” (p. 66).

Sidewalk Labs would deliver them in its two tiny parcels of land (Quayside and Villiers West). The administrator (WMOMN...) would be responsible for developing and managing them everywhere else. And for managing them in Quayside and Villiers West, too.

This is getting expensive, and expansive.

- Oversight of (many, many) new management entities.
- Annual public reports on the IDEA District’s progress.
- Public engagement. Let’s see what they mean by public engagement:

This would include online content, social media, public workshops, charrettes, and meetings with working groups, agencies, and other stakeholders (p. 67).

Which presumably would include elected representatives.

On the **Capabilities and capacities of the public administrator [WMOM...]**. Basically, it has to do everything:

- a sophisticated understanding of land-use planning and the management and implementation of large-scale construction, infrastructure, and transportation projects.
- sufficient knowledge of technology to oversee the work of third-party consultants
- adequate staffing and institutional resources.
- developing and managing the performance of advanced systems in later years will require the administrator to develop specialized expertise.
- appropriate institutional mechanisms to monitor compliance by parties participating in eco-nomic development activities across the IDEA District, including Sidewalk Labs, developers, technology firms, and others.

And it will all be “self-financed,” which is a fancy way of saying taxes and user fees.

Saying that these skills and institutional capacities would be needed, and that they will be “self-financed” is easy. But notice that there is no estimate of how much it would cost to assemble all this skill, especially since they would be asking municipal workers to do complex work that is not being done anywhere in Canada. There is no estimate of how many people would be needed to staff these offices, or of anything resembling serious thought as to whether getting a single agency to do the work of an entire city government is actually workable.

Also, I'll eat my Sydney Swans toque if self-financing of such a small district is actually feasible. More likely, services would be reduced to the level of available self-financing, which may or may not be enough to deliver the incredibly complex goodies Sidewalk Labs is promising.

This is not a plan; it's a notion.

### Governance and management of advanced systems and solutions (pp. 68-71)

I'm getting tired of repeating myself here, so I'll try to be brief and just note some points that catch my eye and that I haven't previously covered about the **five new agencies/bureaucracies that Sidewalk Labs is proposing**. Those interested in more details can note which pages cover which proposed agencies.

The organizations that Sidewalk Labs suggests here are reported without suggesting budgets or human resources that would allow us to determine whether they could deliver the services that Sidewalk Labs wants them to, or what level of "self-financing" (which is still taxes and user fees in some form – nobody rides for free) would be necessary to sustain them.

They assume that the talent needed to run these agencies and implement these services would be easily available, even though they would be asked to implement complex digital systems beyond what municipalities currently deliver.

The proposed **Open Space Alliance** (p. 68) would require resources diverted from the City of Toronto (Parks, Forestry and Toronto). Sidewalk Labs also sees non-profits taking up the slack for the management of many of its green spaces.

I've already talked a lot about the proposed "Urban Data Trust" (p. 69). Ditto the **Waterfront Housing Trust** (p. 69). The **Waterfront Sustainability Association** (p. 69) would be responsible for "Administer[ing] and enforce[ing] all operational service contracts for sustainability-related systems within the district, and Report[ing] on performance relative to sustainability objectives within the IDEA District."

Not sure how this would work, or if it's referring to policies that go beyond current regulations:

The proposal seeks to establish a mechanism to hold operators accountable and to fairly represent the interests of users in the district for systems that are not currently subject to public regulation. (Where they are, those regulations would prevail and not be replaced by any requirements of the WSA.) (p. 69)

And I've already discussed exactly what I think about the **Waterfront Transportation Management Association** (p. 70). It was a poorly thought out idea several hundred pages ago; it remains one now.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 39: The MIDP Volume 3, Partnership Overview: Chapter 1: The Innovative Design and Economic Acceleration (IDEA) District, Parts 2 and 3

Posted on [August 26, 2019](#) by [bhaggart](#)

Our journey continues. This section's important because it details the regulatory changes Sidewalk Labs wants for its section of the Eastern Waterfront.

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

### Part 2: IDEA District Component 2: The Innovation Framework (pp. 72-79)

You have to love the phrase “targeted regulatory adjustments” (p. 72). For the layperson, this means, changing the laws so that the things that we want to do, which are currently illegal, become legal. Of course, it’s all to support innovation and economic development. Also important: These changes would have to be made by the City, Province and/or federal government.

Some other choice phrases: “A predictable policy environment” (p. 72):

To invest the resources required to achieve the vision laid out in the MIDP and to develop the broader waterfront, Sidewalk Labs, vertical developers, and others operating in the district require certainty that the conditions necessary for success are in place. Advancing this initiative is impossible without a clear understanding of the rules governing the Quayside project or the IDEA District as a whole.

Let’s think through the dishonesty in this brief paragraph. Quayside et al already has a “predictable policy environment”: the bylaws, laws and regulations of the City of Toronto, the Province of Ontario and the Government of Canada. What they don’t have is the laws that Google and Sidewalk Labs *want* in order to build their dream town.

Then there’s the call for “A responsive regulatory environment” (p. 72), by which they mean the right to be able to do things that would be otherwise not be allowed under current laws.

What else? “Accountability and incentives to match higher demands for performance.” (p. 73) I think this is a request for higher-than-normal payments because they are being asked to do the extraordinary, as well as penalties if targets aren’t being met.

Finally, Sidewalk Labs' proffered reminder of the importance of "Recognizing the value of scale" serves as the final confirmation (if any was needed) that this is an all-or-nothing proposition. It's IDEA District or nothing. In a surprising twist, there's no mention of the appropriate regulatory or governance scale.

**Stated more succinctly**, Sidewalk Labs is calling for changes to Canadian federal, provincial and municipal laws and regulations to let it and others in its District do things that are not currently allowed under the law. They should receive bonuses for this extra-challenging work, as well as be penalized if they don't meet specified targets (although I seem to recall that the Request for Proposals suggested that the development partner be responsible for naming the targets).

Also, don't bother just giving us Quayside. We want all of it, or none of it.

### Proposed policies: Introduction (pp. 73-74)

This is the section in which Sidewalk Labs details what laws it would need to have changed so that what it's planning would be allowable (i.e., legal), as well as those that would be covered by its Innovation Design Standards and Guidelines (IDSG), which I think would act as a type of Municipal Code for the District.

In other words, this is the part where Sidewalk Labs sets out the proposed laws for its neighbourhood.

This section covers the various areas of its innovation framework:

### Innovation Framework: Mobility (pp. 74-75)

- Related to "**dynamic curbs**," exemptions from the Ontario Highway Traffic Act and Toronto's municipal code, specifically regarding acceptable signage, and from certain parking rules. Would transfer oversight to the WTMA. (p. 74)
- Related to "**curb pricing**" (charges to use curb space): amendment to Ontario's *City of Toronto Act* to permit the city to adopt this approach. Toronto would authorize WTMA to manage program and apply funds to IDEA District. (p. 74)
- Related to **ride hailing**: Amend Toronto's Municipal Code to permit "dynamically shifting areas [for drop-off, pick-up, staging], require drivers to comply with these rules, and empower the WTMA to modify and work with law enforcement to administer them." (p. 74)
- IDSG-covered: **increased bike parking and bike lane access or bike priority streets for all new buildings; underground delivery tunnels and a logistics hub**,

### Innovation Framework: Public Realm (p. 75)

- IDSG-covered: Requiring new developments to contribute to open space management.

## Innovation Framework: Buildings and Housing (pp. 75-76)

- Related to **mass-timber buildings**, “permission to exceed the six-storey limit on wood construction imposed by the Ontario Building Code and permission to use the Shikkui plaster that is a key aspect of the construction.” (p. 75)

“Sidewalk Labs is actively consulting with the city’s building department and with federal and provincial officials on these specifications.” Some enterprising journalist should follow up with officials to see where this proposal is at, as well as subject experts to see how viable Sidewalk Labs’ plans are.

### **Noted:**

The ultimate ability of mass timber construction to proceed will depend on either provincial legislation to allow such construction in the IDEA District or a determination through the city’s “alternative solutions” process that the construction in Quayside, as described, achieves the same or better level of performance to currently permitted approaches. (p. 76)

- Related to **“outcome-based, building use system”** to increase the number of mixed-use buildings in which regulations would be linked to “use-neutral” categories, “Zoning or Community Planning Permit Bylaws permitting a broader range of uses and incorporating real-time monitoring in the building permitting process.”
- IDSG-covered: “Funding below-market housing through a **condo resale fee** for new developments in the IDEA District”

**Building experts:** I’m assuming that Sidewalk Labs’ Stoa proposal, and for flexible interior spaces with easily movable walls is currently allowed under Ontario and Toronto rules?

## Innovation Framework: Sustainability (pp. 76-78)

- Related to its planned **“advanced power grid,”** “Compensating Toronto Hydro at the regulated rate based upon a campus meter, and then charging customers within the campus at a variable rate, requires approval from the Ontario Energy Board to implement the new rate structure and potentially amend Local Distribution Company regulations to allow a campus approach to electricity.” (p. 77)
- Related to its planned **stormwater management system**, “permission from the city for stormwater systems to encroach into the right of way,” permission to allow “stormwater management infrastructure that serves larger swathes of the IDEA District, rather than mandating a development-by-development approach,” “new developments to fund the new stormwater management infrastructure and its ongoing management in lieu of developing their own more expensive, in-building solutions,” and “an equivalent reduction in the portion of the Toronto Water billing for stormwater.” (p. 77)
- IDSG-covered: **Requiring new developments to meet heightened sustainability and active energy management requirements; Developing an outcome-based energy**

**code; Connecting to a fossil fuel-free thermal energy solution; Connecting to a pneumatic waste system (pp. 77-78)**

### Innovation Framework: Social Infrastructure (pp. 78-79)

- Related to “**healthy urban design and construction requirements for new developments**,” “advance existing healthy urban design guidelines and require adherence by new developments.” (p. 78; doesn’t really seem to require any legal changes)
- Related to “**Requiring all new developments to advance health, education, and civic engagement through proactive planning**,” “New developments would need to describe how they align with district-wide community service and facility plans prepared by the city, and detail their specific contributions to establishing healthy communities; creating connected, civically engaged communities; and promoting lifelong learning.” (p. 78; doesn’t really seem to require any legal changes)
- Related to “**Incorporating space for health facilities in new development plans**,” “the administrator [WMOMNB…] would work closely with these bodies to integrate health care service and facility planning into future Precinct Plans for the IDEA District and would explore opportunities to incorporate appropriate, flexible spaces for delivering health care services in new developments if deemed a priority by the province.” (p. 78; doesn’t really seem to require any legal changes, but does make it sound like a level of government co-equal to a city)
- Related to “**Requiring new developments to prioritize community benefits in construction**,” “First, new developments would be required to commit to training, apprenticeships, and jobs for members of historically disadvantaged groups, at minimum participation thresholds (equivalent to 10 percent of all construction labour hours, where applicable). Second, new developments would be required to commit to directing a minimum percentage of project costs to diverse suppliers, small businesses, and social enterprises. Third, during planning and construction, development leads would be required to meet quarterly with a working group of community members and representatives from government agencies to report on progress towards achieving these goals.” (p. 79, again, doesn’t seem to require legal changes)
- Related to “**Establishing sustainable funding for a non- profit neighbourhood association**,” would give the administrator (WMOMNBWT) ability to set user fees or “sustaining contributions from area businesses,” which sounds suspiciously what the olds used to call a “tax.” (p. 79)

### Innovation Framework: Digital Innovation

- Related to the **Urban Data Trust**, “**Compliance with UDT requirements would be enforceable by contract initially**, with a view to a long-term solution that may include transforming the UDT into a public sector or quasi-public sector agency. Public sector entities may need certain exceptions from those requirements where acting in the public interest, such as in an emergency or other urgent situation.” (p. 79)

## Part 3: IDEA District Component 3: Financing (pp. 80-81)

## IDEA District administrator given fee-setting power

One of the things that stuck with me from *The Power Broker*, Robert Caro's masterful account of the rise and fall of New York City's legendary planner Robert Moses, is how Moses, an unelected official, was able to use his access to toll money from a quasi-independent agency he set up, to effectively make himself independent from the City. The ability to raise and use funds was one of the main foundations of his power, which, in Caro's definitive telling, almost wrecked New York. (His mega-planning ideals were also behind the failed Spadina Expressway, which was fought in part by a transplanted New Yorker and Moses' foe Jane Jacobs.)

In this section, Sidewalk Labs proposes giving the public administrator (WMOMNBWT) similar financial independence. It argues that “the public administrator should receive the authority to employ at least three typical value capture strategies”:

- City fee and development charge credits, municipal infrastructure contributions, and local infrastructure contributions;
- Land proceeds reinvestment; and
- An incremental property tax.

This proposal would give whatever ends up controlling the area the power to raise and spend fees. These are government powers.

The question to ask here is, how accountable would this “Public administrator” be to the electorate under this scenario? If Moses’ example is anything to go by, the answer is, not at all. Money is power, and Sidewalk Labs’ proposal would set up the district to have a power base – the ability to raise and spend money – independent of the rest of the city, province or country. It would become that much harder to control.

Achieving this type of independence is a lot of heavy lifting for two pages, buried deep in the final volume of a nearly 1,500-page report.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 40: The MIDP Volume 3, Partnership Overview: Chapter 2: Innovation and Funding Partnership Proposal, Role 1: Development of Real Estate and Advanced Systems

Posted on [August 27, 2019](#) by [bhaggart](#)

It's another long one. Sorry about that. Also, I thought this was regionals.

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

The previous chapter dealt with the proposed role of the public administrator (WMOMNBWT) in governing the proposed “IDEA District.” Now, Sidewalk Labs tells us how they would be involved:

This chapter provides an in-depth review of the four proposed roles that Sidewalk Labs would play as Innovation and Funding Partner. (p. 48)

These roles are:

- Role 1: Development of real estate and advanced systems.
- Role 2: Innovation planning, design, and implementation.
- Role 3: Technology deployment.
- Role 4: Optional infrastructure financing. (p. 49)

### Introduction (pp. 84-85)

#### **Role 1: Development of Real Estate and Advanced Systems (pp. 86-113)**

Real estate: It would be the lead developer of Quayside and Villiers West.

Advanced systems in Quayside and Villiers West: These are: “advanced power grid, thermal grid, waste management system, stormwater management system, freight management system, dynamic streets, district parking management system, digital communications network, and mobility subscription package.” (p. 84)

This role would involve identifying or partnering with “experience third-party operators wherever possible,” (a public-private-private partnership, if you will) (p. 84)

Details of its build program, building design, housing, employment, social infrastructure, and public realm plans are found on pages 89-91. Most, if not all, of the details in this section have been covered elsewhere in this report (some of them, many times).

One theme that Sidewalk Labs seems to be developing here is the extent to which they are foregoing the easy money or are spending more than one would usually on a project like this:

Critically, as part of an overall transaction involving Villiers West, Sidewalk Labs is incurring higher-than-market real estate costs at Quayside, to prove the model — and to enable third-party developers to employ these same sustainable construction methods and innovative building systems on a cost-effective basis. (p. 87)

Proposing a development with lower density and forgoing a request for greater density reduce the financial upside of the project. (p. 89)

To realize the innovation agenda and desired outcomes, Sidewalk Labs would need to invest disproportionately in the development and implementation of these [advanced] systems. (p. 94)

One of the benefits of reading a very, very repetitive (very repetitive) report front-to-back is that we already know that these asides are laying the ground for an ask of a reduced price for Villiers West.

## The Quayside Plan (pp. 88-97)

Quayside would serve as “proof of concept” for its plans:

As the lead vertical developer, Sidewalk Labs would enter into an agreement with Waterfront Toronto to plan, design, deliver, and operate a mixed-use, mixed-income development on the consolidated properties that together constitute Quayside. (p. 88)

## The mechanics of the plan

“Waterfront Toronto:

- “would sell its Quayside land holdings to Sidewalk Labs.”
- “or the public administrator, would assist Sidewalk Labs in pursuing the necessary approvals, financial contributions, or other actions from the city or other orders of governments”
- “would monitor the performance of Sidewalk Labs; and”
- “would fulfill the various governance roles incumbent upon it as the public administrator of the IDEA District.”

They’ll need to change several laws before moving forward (p. 95) (covered in pages 230-231, at the very end of the report. Cliffhanger!)

As is common with real estate development projects, particularly for large-scale projects such as the one proposed, Sidewalk Labs would require a number of regulatory and planning permissions to proceed and implement the proposed innovations. (p. 95)

**Question for municipal and building experts:** How common are the types of changes Sidewalk Labs is asking for?

This might just be business as usual. This page, however, does not give me confidence that this is the case. Remember the list that I mentioned a blog post or two ago regarding the bylaw and other legal changes that would be needed to allow Sidewalk Labs to do its thing? I thought that was exhaustive, and yet we seem to be getting a few more examples of rules that need to be changed, some of which seem pretty important:

Permission to apply certain innovative building techniques, including a flexible interior wall system that speeds up construction times and allows spaces to adapt quickly to a variety of uses. (p. 95)

As someone who has been known to enter buildings from time to time, I would like to know why these “innovative building techniques” are not currently legally available to Sidewalk Labs? Are flexible interior walls workable?

### Public-private-private partnerships

In addition to potential real estate development partners, Sidewalk Labs anticipates entering into partnerships to facilitate the detailed design, construction, and management of specific elements of the Quayside plan. (p. 94)

### I thought this was regionals, or When will we see the final Quayside plan?

*“If we win regionals, then it’s straight on to sectionals. And then a week later is semis, then semi-regionals, then regional semis, then national lower-zone semis!” – Mr. Rad, Community*

Wasn’t the Master Innovation and Development Plan supposed to be a detailed development plan? What are we even doing here?

Upon approval of the MIDP, Sidewalk Labs would prepare a detailed development plan, an infrastructure and transportation master plan, and a site remediation plan for Quayside, all subject to approval by Waterfront Toronto as spelled out in the Implementation Agreements. (p. 95)

This is getting ridiculous. If Sidewalk Labs, after 18 months and several delays, hasn’t been able to put together an actual detailed plan for the 12 acres it was asked to develop, then Waterfront Toronto should can the whole process and call it a day.

Of course, once the current provisional MIDP is approved, the public loses all of its leverage. We'll be stuck with Google and a largely unaccountable Waterfront Toronto (or "public administrator") and whatever changes they want to make to this MIDP, which at the end of the day is more a sales brochure than an actual planning document.

Sidewalk Labs and Waterfront Toronto's continued insistence that we're debating an actual plan insults our intelligence. [Note: I wrote this [before Waterfront Toronto and Sidewalk Labs announced that their relationship would end](#) if Sidewalk Labs did not address several key issues. In other words, if Sidewalk Labs comes up with an alternate proposal, we have to go through all of this nonsense again. So to repeat, in bold:

**If Sidewalk Labs, after 18 months and several delays, hasn't been able to put together an actual detailed plan for the 12 acres it was asked to develop, then Waterfront Toronto should can the whole process and call it a day.]**

### The timeline: Good luck with that

For a company that just admitted one paragraph ago that they haven't finalized their plans for Quayside, plans that would require regulatory changes from governments that follow their own schedules, this timeline is almost charmingly naïve and optimistic:

*Sidewalk Labs estimates that construction on a portion of Quayside could commence as early as 2021 and that the entirety of Quayside could be completed by the end of 2026.*

A detailed timeline is available on page 97. Note the mid-2020 date for the first of the deliverables. [Note: This was also written [before Sidewalk Labs and Waterfront Toronto extended their agreement by six months](#), effectively throwing off these timelines. The MIDP's timelines remain unrealistic.]

### Economics (p. 96)

And here's the ask that they were building up toward. Sidewalk Labs offers to "bear the cost of the research and development embedded in the Quayside development program," which we are informed involves a "higher-than-market costs of the innovation agenda at Quayside." (p. 96)

Here we go:

In transacting for the Quayside properties, Sidewalk Labs would propose to pay Waterfront Toronto a price that places the cost and risk of the innovation agenda on Sidewalk Labs, while recognizing that Waterfront Toronto would receive some of the value for its land in a direct payment and some by achieving the policy objectives it laid out in the Quayside RFP and prior precinct planning. (p. 96)

It's a bit odd that Waterfront Toronto seems to be presenting the IDEA District and all its innovation costs as if this is a one-off project. The reason Sidewalk Labs is even in Toronto is because it wants to develop technologies, services and expertise that it can sell to other cities.

Toronto is doing Sidewalk Labs a favour, not the other way around. No Toronto, no revenue stream. After all, if you can't play ball with affable Canadians, how are you going to do elsewhere in the world?

For all Sidewalk Labs' previous talk of Google's deep pockets, these don't seem to be in much evidence in this part of the report. The risk that Sidewalk Labs is taking here will, if it pays off, be spread out over many other city projects.

And anyway, functioning markets determine the most efficient use of resources. If something has "higher-than-market costs" that simply means that there are more efficient ways to spend those resources. If Sidewalk Labs can't make the numbers work as a for-profit company without asking for a handout, that's the market's way of saying that there are better uses of your resources.

Thing is, this doesn't hold for Sidewalk Labs because Sidewalk Labs isn't responding to the market; it's trying to invent the market – that is, a market for smart-city services.

And if you're a city that wants to do something that doesn't yield a profit, we already have a solution: fund it out of taxes and get government to do it. There's a reason so much infrastructure is funded by governments: it's because building it benefits everyone, and it can be cheaper to build things in the long run if you don't need to seek a profit, as Sidewalk Labs does.

Long story short, this is a deal that Waterfront Toronto doesn't have to take. If you're going to do this plan (and I don't think they should), charge them full price for the land or send them packing. There is no shortage of companies (many of them Canadian) with smart-city development ideas. Sidewalk Labs needs Toronto more than Toronto needs Sidewalk Labs.

### Villiers West urban innovation campus (pp. 98-107)

Proposed home of Google and the Google-linked Urban Innovation Institute.

#### How it would happen

Upon completion of the Don River Naturalization work, the government would need to combine the parcels proposed for the new campus with parcels owned by the City of Toronto and Ports Toronto. To enable the creation of these new economic development assets and realize the catalytic potential of Villiers West sooner, Sidewalk Labs proposes to execute a land transaction to vertically develop the area, with development partners. (p. 98)

#### Google campus or go home

Without the addition of the urban innovation campus on Villiers Island, establishing the IDEA District as a vibrant centre of commerce is unlikely. (p. 98)

The land would include Google's Canada Branch HQ, the Urban Innovation Institute "and a network of mixed-use surrounding spaces." (p. 100)

## Urban Innovation Institute

The Institute is envisioned as an independent, non-profit organization located within the innovation campus. Sidewalk Labs envisions that local academic institutions would collaborate in the design and implementation of the Urban Innovation Institute, which would serve as a centre for applied research, policy development, and skills training. (p. 101)

With Google at its core, it would shape Canadian technological development according to Google's needs. (see: technology is not neutral)

**Question:** Who is going to maintain the Urban Innovation Institute's funding once its seed capital runs out?

## Google Village

These parts about housing and social infrastructure around Google's campus makes it seem like Sidewalk Labs is proposing the construction of a self-contained Google Village. (p. 102) Complete with LRT! (p. 103)

Maybe Sidewalk Labs is running the Google version of Amazon's HQ2 contest?

## The pitch for including Villiers West in the proposal when it wasn't part of the RFP

Sidewalk Labs finds a 2006 MOU:

Although Villiers West was not specifically identified in the RFP, the city's 2006 MOU with Waterfront Toronto contemplates circumstances such as this one where an important economic development opportunity arises outside of the context of a traditional request for proposal. In such circumstances, including where a business seeks to move to or establish operations in Toronto, the MOU provides that "flexibility is required." This reasonably applies to the proposed transaction, which would deliver a major economic development project, bringing a new Google Canadian headquarters and a new applied research institution to Toronto.

Nice to see this new piece of information buried 141 pages from the end of the report. It's a nice try, but it still doesn't change the fact that Villiers West and the IDEA District weren't what was asked for in the RFP and that these additions have happened at the last second. That said, there's no reason why Sidewalk Labs, or Google proper, couldn't submit a separate Google Headquarters proposal.

## Sidewalk Labs roles in Villiers West

Pretty much the same as Quayside, although as with Quayside, they haven't ironed out the details:

Upon approval of the MIDP and the relevant Implementation Agreements, Sidewalk Labs would lead a collaborative planning process with Waterfront Toronto, the City of Toronto, Google, and other stakeholders to further advance the creation of a detailed development plan for the campus. This would include further development of the build program, site planning, and design requirements.

Sidewalk Labs would also solicit institutions interested in co-locating with the Urban Innovation Institute and other tenants. Sidewalk Labs is committed to engaging local development partners in the project and, working with Waterfront Toronto, would solicit appropriate partners. Waterfront Toronto would collaborate with Sidewalk Labs in completing the development plan so that it can serve as the basis for approvals and advance the achievement of the IDEA District goals. Waterfront Toronto would also work with the City of Toronto and, if appropriate, Ports Toronto to facilitate the land assemblage (combination of parcels) and to determine the optimal transactional construct. (p. 105)

Next stop: Regionals!

### Timeline (p. 105)

Applications begin in 2022; approvals: 2024; occupancy: 2027. [*Note: these likely would have to be backed up, in light of Sidewalk Labs and Waterfront Toronto's new understanding.*]

### Economics (p. 106)

Discount, please. Actual details TBD:

Land purchase price, along with the evolution of the proposed program, will be negotiated with Waterfront Toronto and its government stakeholders. Sidewalk Labs is committed to fairly compensating Waterfront Toronto and / or the City of Toronto for Villiers West for the acquisition of the land, regardless of the form of the transaction, while reflecting the value Sidewalk Labs will create as an economic development catalyst.

The proposed transaction would be governed by detailed Implementation Agreements to be developed once the MIDP has been approved. The details of the transaction — including the form of the transaction (such as land-lease versus sale, profit-sharing, joint-venture, or otherwise) and the value of the land — would be incorporated in an Implementation Agreement. (p 106)

### Advanced systems (pp. 108-113)

Sidewalk Labs proposes to serve as lead developer of a range of advanced systems for Quayside and Villiers West. (p. 108)

Sidewalk Labs

would play a hands-on role in the early stages of their development and operation. It would prepare designs, identify or partner with operators, and refine and stabilize the operations to achieve efficiency and deliver the promised performance outcomes. (p. 108)

### Objectives (pp. 108-109)

### Implementation (pp. 112-113)

Pursuant to the [Implementation Agreements that would follow the acceptance of the MIDP], Sidewalk Labs would design, construct, procure, and stabilize the operations of the advanced systems. The Implementation Agreements would incorporate various terms and conditions, including specific performance requirements, user-rate constraints, and a requirement of adequate security.

The use of “pursuant” indicates that this is the serious part of the document.

**With the exception of the digital communications network (which would be implemented directly by Waterfront Toronto’s broadband internet partner with Sidewalk Labs’ technical advisory support), Sidewalk Labs would be responsible for the following implementation framework for all of the advanced systems, including (emphasis added):**

- Preparing preliminary designs supplemental to the ITMP to be used as bridging documents in the form of plans and specifications issued during the procurement of operators for certain systems
- Managing the procurement process and selecting operators based on their merits, including qualifications, rate structure, strength of financing, and cost
- Providing design and construction oversight
- Working with operators to ensure the systems meet the IDEA District objectives
- Working alongside the public administrator to ensure that operators maintain an acceptable level of performance

**Procurement:** Sidewalk Labs would be responsible for procurement decisions, and would have a great deal of leeway in this important area, including the ability to award contracts to itself:

The Implementation Agreements would provide Sidewalk Labs with the flexibility to procure operators that, in its judgment, offer the best solution for Quayside and Villiers West. While relying heavily on joint development agreements with third-party operators, Sidewalk Labs would retain the ability to develop solutions internally, participate in operations, and iterate and adjust those operations. (p. 112)

**Question:** How to prevent Sidewalk Labs from using its judgment to favour either itself or its fellow Google companies? This language would not constrain it much in this area.

The principles that Sidewalk Labs proposes do little to assuage these concerns:

- Sidewalk Labs would seek external partners where available to diversify risk and incorporate expertise from others into the project.
- Second, Sidewalk Labs would limit its provision of products and services to situations when its involvement is needed to achieve the necessary outcomes of each system. This means it would not participate in operations where an existing provider is willing and able to deliver the operational approach and performance outcomes and to do so cost effectively.
- Third, in its role as Innovation Partner, Sidewalk Labs would transfer knowledge to the public administrator to enable it to take over the advanced systems development role after Quayside and Villiers West. (pp. 112-113)

The problem with these reassurances is that at the end of the day, it would be Sidewalk Labs making the call as to whether it should or shouldn't act as the sole source contractor. This is a bad governance practice, to say the least.

Sidewalk Labs commits to providing an advanced system or a component it, when “the solution calls for significant iteration or ongoing management after the initial installation.” (I’m not sure how many foundational systems don’t require ongoing management.)

or when

the approach represents a technological solution that has no suitable alternative available in the market based on the methodology established for classifying purposeful solutions (see Page 123 for more details). (p. 113)

I have a feeling “purposeful solutions” will require some investigation.

If Sidewalk Labs decides it must use a product or service “in which it holds a financial interest,” it must notify the relevant administrator, but it’s still the one that makes the call (p. 113). In such a case, it “may be compensated through operating revenue in place of, or in addition to, advanced system development fees, subject to the terms of a master service agreement” (p. 113)

### **Advanced systems beyond Quayside and Villiers West**

If everything works out, the public administrator (WMOMNBWT) would become the lead developer and Sidewalk Labs would support it: “in procuring operators and partners; working with the operators to integrate the systems in the IDEA District to achieve the envisioned technologically enabled outcomes; and working alongside the public administrator to ensure the operators achieve and maintain acceptable performance levels.” (p. 113)

The public administrator (WMOMNBWT) would be responsible for procurement here (assisted by Sidewalk Labs with the preparation of procurement documents, and on refining standards and guidelines), although given the need for interoperability and the fact that Sidewalk Labs would have already set the foundations in place, this power would likely be much less consequential than the procurement power for Quayside and Villiers West.

This has been a lot to read. Thanks for sticking it out.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 41: The MIDP Volume 3, Partnership Overview: Chapter 2: Innovation and Funding Partnership Proposal, Roles 2-4

Posted on [August 28, 2019](#) by [bhaggart](#)

The roles being:

- Innovation Planning, Design, and Implementation;
- Technology Deployment; and
- Optional Infrastructure Financing (includes municipal infrastructure and LRT financing, and advanced systems)

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

### Role 2: Innovation Planning, Design, and Implementation (pp. 114-119)

Sidewalk Labs would provide advisory services and management services in connection with planning, devising, constructing, integrating, delivering, and operating project-specific infrastructure and advanced systems for the IDEA District. (p. 85)

**Planning services for municipal and advanced systems.** Sidewalk Labs would partner with the public administrator in preparing the IDEA District Infrastructure and Transportation Master Plan (ITMP) documents, with special emphasis on the technical specifications and related considerations attendant to advanced systems and their integration with traditional municipal infrastructure. (p. 115)

**Technical specifications and content development for the Innovation Framework.** Sidewalk Labs would partner with the public administrator in developing the requirements and technical specifications for development... This would include the IDSG. (p. 115)

Sidewalk Labs would have the lead on the IDSG, including updating it “from time to time, in partnership with the public administrator” (WMOMNBWT). It would eventually apply to the entire IDEA District if adopted by the administrator (WMO...).

Page 115 also has a **table of Sidewalk Labs' public administration roles**.

## Payment for services

About \$3 million annually for the first 15 years. (p. 115)

## Implementation and operation phases

Sidewalk Labs would design municipal infrastructure in Quayside and Villiers West. Outside of these areas, Sidewalk Labs “would serve an integration role to coordinate municipal infrastructure designs prepared by the administrator with buildings and advanced systems infrastructure.”

For advanced systems outside of these two areas,

Sidewalk Labs would provide support in procuring operators and partners; work with the operators to integrate the systems in the IDEA District to achieve the envisioned technologically enabled outcomes; and work alongside the public administrator to ensure that the operators achieve and maintain acceptable performance levels. (p. 116)

Sidewalk Labs would not develop or manage the procurement of the Super-PON digital communications network proposed for the IDEA District. Instead, Sidewalk Labs would provide technical advice to the public administrator and Waterfront Toronto’s broadband internet partner, which is expected to deliver the digital communications network. (p. 116)

What technology Waterfront Toronto (or whatever ends up running this area) chooses for the communications network will reveal a significant amount about the nature of the power relationship between Sidewalk Labs/Google and the public administrator (WMO...). It’s kind of hard to believe that Waterfront Toronto would lure Google to town and not use its standard.

More fundamentally, given the tight relationship between Sidewalk Labs and Google, Sidewalk Labs should either have presented a few network options in the MIDP, or not presented the Super-PON network at all. It’s a pretty blatant conflict of interest that makes this late offer not to be involved in its selection appear weaker than was probably intended.

**Support for management entities:** Sidewalk Labs would provide technical assistance and advice to them. Nothing on what Sidewalk labs would do when it would be placed in a conflict of interest regarding procurement outside of Quayside and Villiers West. (p. 117)

**Technical advisory services related to vertical development:** It would provide these, e.g., as they relate to evaluation. No mention of potential conflicts of interest regarding plan evaluation. (p. 117)

## Payment for services

- 8% fee for design management of certain municipal infrastructure (Quayside, Villiers West)
- 2% related costs for support in integrating municipal infrastructure with advanced systems infrastructure.
- “Third- party operators would compensate Sidewalk Labs directly for its responsibilities as lead developer of advanced systems at Quayside and Villiers West. When the public administrator assumes the role of lead developer of advanced systems in later phases, the operator would similarly compensate the public administrator for its work.” (p. 117)

## Role 3: Technology Deployment (pp. 120-127)

Sidewalk Labs would source or create key technological solutions needed to deliver on the MIDP targets. These would include a number of new technologies where no suitable alternative exists, including for mobility and digital innovation, that qualify as **“purposeful solutions.”** In addition, as part of this role, Sidewalk Labs would share profits of certain technologies deployed in connection with the project. (p. 85, emphasis added)

It’s kind of weird that the one example Sidewalk Labs uses to illustrate the development of a “necessary innovation if none exists” is Google’s Super-PON internet network” (p. 121), a digital system which it says it will not have a role in procuring. Although actually procuring something is less important than setting the standard, which may be what’s going on here.

Statements like this are also very misleading:

Sidewalk Labs anticipates that the total number of solutions it would develop itself represents a tiny fraction of the thousands of products to be deployed in connection with the project. (p.121)

Sidewalk Labs uses a similar argument throughout the MIDP in noting how small the parcels of land it is asking for in Villiers West and Quayside are in the context of the Eastern Waterfront. In both cases, the answer is the same: size is irrelevant. It’s the type and foundational nature of the tech that matters; in the case of land, it’s the fact that Sidewalk Labs is going beyond Quayside to demand Villiers West that matters. Sidewalk Labs’ framing is very misleading.

## Sidewalk Labs’ four principles on digital tech (p. 122)

I’ve covered these elsewhere. I will note this on patents, however:

As a further means of advancing openness and innovation by third parties, Sidewalk Labs is making a “patent pledge,” that it would not assert its digital innovation hardware or software patents issued in Canada against any third party who develops

and sells an innovation relying on those patents, with narrow exceptions (see Page 127).

This commitment would be a lot more powerful if it were made with reference to the world, as opposed to the tiny Canadian market.

### Purposeful Solutions (pp. 123-125)

It looks like this is a term that Sidewalk Labs invented or is using in a novel way for this project. These are:

A limited set of innovations that are necessary to achieve agreed-upon project goals and for which there is no suitable alternative on the market. (p. 123)

These would be developed in-house by Sidewalk Labs and produced without competitive bidding. (p. 123)

Key to this process would be who decides when this can happen, and the review process. Otherwise, it would be open to enormous abuse for the installation of foundational systems and de facto standards.

While the MIDP spells out a couple of possibilities for adjudicating whether a no-competitive bidding, “purposeful solution” should be undertaken, the actual criteria would be left for the post-MIDP world.

One huge issue is that Sidewalk Labs’ involvement in the running of this whole area places it in a conflict of interest when it comes to the evaluation of these proposals. It does not seem like the MIDP fully considers this in this section. And at any rate, it just gives us some ideas, not an actual proposal that we can evaluate.

There’s also the question of how much Waterfront Toronto would have to change in order to develop the capacity to actually evaluate these proposals (I’m pretty certain they don’t currently have this capacity). And just hiring an independent evaluator won’t cut it; you still have to be knowledgeable to evaluate the evaluator’s report.

### Profit-sharing for Waterfront Toronto from Testbed-Enabled Technology (pp. 126-127)

This is the intellectual property section.

“Sidewalk Labs is committed to sharing with the public sector proceeds from certain products or other solutions that would not have been developed but for the opportunity created by the project,” which they refer to as “**Testbed-Enabled Technology**” (p. 126). Whether a particular technology fit this description would be jointly determined following to-be-determined (of course) criteria. **The general take for the administrator (WMO...) would be 10%.**

**Question:** Is this a sufficient return on Canadians' investment? Let the debate begin!

## Role 4: Optional Infrastructure Financing (pp. 128-147)

Sidewalk Labs is prepared to arrange or enable front-end financing for the accelerated construction and support of certain critical infrastructure and advanced systems. (p. 85)

There is a useful list of definitions on page 129.

### Role 4A: LRT financing (pp. 130-134)

TTC owned and operated (p. 128)

Total cost: \$1.5 billion to \$2 billion. (p. 132)

Sidewalk Labs would provide financing support, recommending borrowing against future increase in property value. (p. 133) Or public funds could be used (p. 134), which of course raises the question of what the best use of taxpayers' money is. This question is not dealt with in the MIDP.

One big caution here: The economic payoffs to the city (e.g., tax revenue, economic output) all assume that everything goes off without a hitch. However, several proposals in this report depend on things that are outside of Sidewalk Labs' control. The number of failures (and in a project like this, which is all about experimentation, things are going to fail) will almost certainly affect future revenues, and thus the viability of Sidewalk Labs' financing proposal.

### Role 4B: Municipal infrastructure (pp. 135-138)

city owned and operated (p. 128)

Total costs (p. 135): \$240 million for Quayside; Villiers West: \$180 million; IDEA District: \$1.8 billion).

Sidewalk Labs proposes, among other things, a "local infrastructure contribution" that would be equivalent to "avoided costs" that would be realized due to the advanced nature of the neighbourhood. (p. 137)

The same caveat regarding actual versus projected outcomes applies here. Also, I'm not sure that Sidewalk Labs took into account businesses' propensity to react differently to taxes than to costs that they never paid.

This is all a bit out my depth – you can check out the **table on page 138 for more information.**

**Questions:** Is front-end financing – financing something before developers move in – a usual practice? Maybe, if Google wants to be an owner here, they should pay a special developer's fee?

### Role 4C: Advanced systems (pp. 139-147)

privately owned and operated (except dynamic streets, which is city owned and WTMA operated) (p. 128)

This section is a reminder of just how much privately operated infrastructure would be present in this neighbourhood.

For me, it's also a reminder that I may understand economics (more or less), but financing schemes are a bit beyond me. So, everyone else, have at it. It may be because I'm just over 100 pages from the end, but I'll have to leave this section to others to figure out if it represents a smart plan. All I've got is the common-sensical points that:

- **Nobody rides for free; someone always ends up paying;**
- **At least a part of business fees get passed onto the consumer/user;**
- **If you're borrowing against the future, and the future doesn't pan out, then you're in trouble; and**
- **Public finding leaves the public on the hook when things go wrong.**

Page 140 has a table of cost estimates for the advanced systems infrastructure proposed by Sidewalk Labs. Total cost: \$2.1 billion)

### User charges and the rest of Toronto

This was helpful to know: In charging for utilities:

Sidewalk Labs assumed that aggregate utility bills for end users could not exceed BAU rates by more than 5 to 10 percent.

And here:

Sidewalk Labs commissioned a preliminary cost-of-living analysis to determine how utility costs in the IDEA District would compare with other neighbourhoods in Toronto. This analysis

found that, depending on household composition and unit size, average utility costs in the IDEA District would be between 1.4 percent lower and 4.9 percent higher than standard rates. This is despite delivering a level of sustainability unavailable in other areas of the city. (p. 142)

As I think I've indicated throughout these posts, I'd been wondering if Sidewalk Labs had been thinking about how the costs of living in Quayside versus the rest of the city would affect things

like apartment rentals and condo purchases. These lines suggest that they have, although I still wonder about whether other user charges have been factored into their analysis.

### Additional expenses (p. 146)

Sidewalk Labs would receive some preliminary design fees, advanced system development fees (paid by third-party operators).

There would also be **public administrator sustainability fees**, the amount of which “would vary depending on the costs incurred and the nature and extent of the operations.”

Is it churlish to ask how much these fees *might* be, so we could judge whether they were reasonable?

### Optional financing from Sidewalk Infrastructure Partners (pp. 146-147)

SIP would not privatize or operate Toronto’s existing traditional infrastructure, or affect expansions of traditional infrastructure systems (such as roads, highways, and transit) by the public or private sector. (p. 147)

One more post, and we’ll be at the end of our journey! Sort of.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 42: The MIDP Volume 3, Partnership Overview: Chapters 3-7; Supplemental Tables

Posted on [August 29, 2019](#) by [bhaggart](#)

Could it be? Is this the end? Finally?

Again, these chapters contain summary information of what we've already seen, supplemented with some specific details that I've noted. The best way to use this post is as a guide to specific topics that you may be interested in.

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

### **Chapter 3: Transaction Economics (pp. 148-179)**

This chapter comprehensively reviews the financial terms associated with the proposed project, including the assumptions underlying the expected revenue, expenses, and returns associated with the overall transaction. (p. 39)

#### Introduction (pp. 150-155)

- Summary of foreseen benefits and commitments by Sidewalk Labs.
- A reminder, not often stated in this report, that this is a \$39 billion project.
- Table of sources and uses of funds: pages 154-155

#### Part 1: Sources and Uses of Funds (pp. 156-165)

#### Real estate at Quayside and Villiers West (pp. 157-160)

This Part discusses how Quayside and Villiers West could be valued. I'm not an expert in land valuation, so I will leave this to others, but it seems to be based on whether you concentrate on the returns it could currently generate based on existing zoning, etc. rules; whether you deliver a scenario that fits Waterfront Toronto's stated objectives; or whether you take into account all the amazing innovation and economic development this project will deliver for the city.

I think the argument here is that Waterfront Toronto should give Sidewalk Labs a discount based on the amazing-innovation scenario for Quayside. And that "To protect Waterfront Toronto if Quayside's returns are higher than anticipated, Sidewalk Labs proposes to pay Waterfront Toronto an earnout — a share of upside value above an agreed-upon return threshold — from the Quayside proceeds." (p. 159)

A question for building and municipal experts: is this type of payout usual?

## Infrastructure finance (pp. 161-163)

The proposal: leverage future growth to fund current infrastructure investment. Or governments could do public investment.

LRT financing, which we've previously discussed, is on page 161. Municipal infrastructure financing is on page 162, and advanced systems financing on pages 162-163.

## Additional Sidewalk Labs investments (p. 164)

- Timber factory: up to \$80 million (alongside partners)
- Venture capital: \$10 million, alongside partners, including one or more local venture capital firms
- To create the MIDP: \$65 million (\$US50 million)
- Urban Innovation Institute: \$10 million grant

## Third-party real estate catalyzation (p. 165)

Sidewalk Labs' internal analysis suggests that beyond Quayside and Villiers West, the IDEA District could generate an additional \$29 billion in real estate investment. (p. 165)

## Part 2: Public Sector Impact (pp. 166-173)

Measured in terms of property taxes, development charges and total proceeds from the sale of public land, measured through 2050. (p. 167)

A reminder: The further out your projections, the more of a fantasy they become. And as far as I can tell from the charts in this part, the biggest advances don't happen until the mid-2040s, over 20 years from now. Or, in other words, after self-driving cars have conquered the streets.

Discount these numbers as you see fit.

## Part 3: Sidewalk Labs' Returns (pp. 174-179)

I think we've covered this sufficiently. Market returns for financing and real estate, investment in a mass-timber factory, fees for services. Oh, and three performance payments:

Sidewalk Labs would receive an initial payment in 2028 and additional payments in 2032 and 2035, if it achieves additional project milestones. To earn these performance payments Sidewalk Labs must meet growth and performance targets related to the acceleration of development and the achievement of Waterfront Toronto's priority outcomes. (p. 178)

The targets:

- 2028: Delivery of Google Canada HQ (A hard one to miss, given that Google and Sidewalk Labs are pretty much the same company)
- 2032 and 2035: increased development activity measured against a TBD baseline.

In advance of signing Implementation Agreements, the parties would negotiate metrics and target thresholds tied to each priority outcome — job creation, sustainability, mobility, affordability, and urban innovation — for each performance payment.

And also, though they don't mention it (but should), one big return to Sidewalk Labs is the ability to use Toronto as a calling card for other projects and to develop the skills needed for Sidewalk Labs to get work in other cities.

**Page 179 provides a table of their proposed potential revenue sources.**

## **Chapter 4: Achieving Waterfront Toronto's Priority Outcomes (pp. 180-193)**

This chapter presents a series of tables indicating how the various elements of the MIDP advance” Waterfront Toronto objectives, as “first identified in its RFP and elaborated on in the PDA. (p. 49)

There's nothing here we haven't seen a million times already, so feel free to check out whatever interests you. The only thing I can think to add is that this Chapter doesn't even bother to report results at the Quayside level – it's all IDEA District, all the time.

**Introduction (pp. 182-183)**

**Part 1: Job Creation and Economic Development (pp. 184-185)**

Confirming once again that the economic anchor of this proposal is the Villiers West-located Google Branch headquarters and the Urban Innovation Institute. (p. 184) These two projects don't have much to do with Quayside, do they?

**Part 2: Sustainability and Climate-Positive Development (pp. 186-187)**

**Part 3: Housing Affordability (pp. 188-189)**

**Part 4: New Mobility (pp. 190-191)**

**Part 5: Urban Innovation (pp. 192-193)**

Ah! The Urban Data Trust is about “protecting … the public good.” (p. 192)

Sigh. This makes as much sense now [as it did before](#).

## **Chapter 5: Implementation (pp. 194-205)**

This chapter describes how the MIDP would be implemented, describing the Implementation Agreements, timelines, and approval processes. (p. 49)

Check it out. My takeaway is that they want this to happen quickly, but I'm not sure how fast various levels of government can (or will) move to accommodate Sidewalk Labs/Google's wishes.

### **Part 1: Approval Process, Transaction, and Implementation Timeline (pp. 196-201)**

In which we are treated to a timeline of the development of the MIDP and future implementation, if accepted. Here, we learn that Waterfront Toronto in December 2018 “introduced a series of goals and objectives as well as a set of priority outcomes for the MIDP,” and “shared a list of process-focused requirements for the implementation of proposals included in the MIDP, with particular focus on an approach to data privacy and governance.” (p. 196)

This would seem to contradict [Waterfront Toronto CEO Stephen Diamond’s claim](#) that

Waterfront Toronto did not co-create the MIDP. While Waterfront Toronto and Sidewalk Labs did work together earlier in the process to do research, generate ideas, and consult the public, the roles of the two organizations then separated, allowing Waterfront Toronto to focus on creating a robust framework for review and evaluation of the MIDP. Sidewalk Labs’ responsibility is to prepare and submit the MIDP. (Open Letter from Waterfront Toronto Board Chair, Stephen Diamond regarding Quayside)

### **On the MIDP evaluation process**

We also get some interesting details on what Sidewalk Labs expects the consultation process would look like:

Sidewalk Labs anticipates that Waterfront Toronto will undertake additional public consultation and analysis as part of its formal review and assessment of the draft MIDP. This assessment will likely inform further revisions to the MIDP by Sidewalk Labs. (p. 197)

Depending on when Waterfront Toronto issues its formal MIDP review, the three-week July consultations may be the most consequential input the public gets into this process.

Lending even more credence to the notion that the summer consultations were the most important ones is Sidewalk Labs’ note that it

estimates that the initial approvals for the project [by all three levels of government, I believe] could be completed by Q1 2020. (p. 197)

That does not leave a lot of time for consultation or consideration, by several levels of government.

*[Note: This post was written mere minutes before Waterfront Toronto announced that it and Sidewalk Labs would be extending the review process. Given that I'm doing these posts on my own time, I decided to let them stand as they were rather than figure out how to revise all these posts in light of this new uncertainty. As I write this particular note, it's unclear when the public review will happen, or whether it will be focused on this MIDP or a later version, or whether or when Waterfront Toronto will issue a formal reply to this MIDP. Basically, who knows what's going to happen!]*

## Part 2: Phase 1 Project Delivery Timeline: Quayside Plan (pp. 202-203)

Page 203 has the Quayside timeline. [Note: The above note holds for all of these timelines.]

## Part 3: Phase 2 Project Delivery Timeline: Villiers West Urban Innovation Campus (pp. 204-205)

Page 205 has the Villiers West timeline.

## Chapter 6: Stage Gates and Risk Mitigation (pp. 206-215)

This chapter addresses the mechanisms in the transaction designed to ensure that the project advances in phases and limits risks to government and the public, including by requiring Sidewalk Labs to achieve a series of project milestones before advancing to successive stages of the project. (p. 49)

## Introduction [listed in Table of Contents as “Stage Gates and Risk Mitigation” (pp. 208-215)]

The milestones that would need to be met for everything to continue are listed in a table on page 210.

## Additional strategies for managing the risks of innovation (pp. 212-215)

Pages 214 and 215 list the ways Sidewalk Labs would mitigate risks in this project. Worth a look if you're interested. It doesn't really have any more details about, say, realistic staffing levels for its proposed agencies.

## Chapter 7: Overview of the Participants in IDEA District Development (pp. 216-219)

This chapter summarizes the roles and responsibilities proposed for Sidewalk Labs, Waterfront Toronto, the public administrator, the City of Toronto, and other third parties in the success of the MIDP. (p 49)

## Participants in the development of the IDEA District [Listed in the Table of Contents as “Overview of the Participants in IDEA District Development”] (pp. 218-219)

All here in two convenient pages. Covered elsewhere; summarized here.

## Supplemental Tables (pp. 220-231)

This addendum provides informational tables with further details related to certain aspects of the proposal. (p. 49)

You know what would've looked great next to these supplemental tables? The Technical Appendix.

### I. Management Entities (pp. 222-223)

We've covered all of these ad nauseum, and they don't provide any answers to our most pressing questions (resources needed to do the job, how to address the inexperience issue). But it's all in one place, so that's something.

- Open Space Alliance: p. 222
- Urban Data Trust: p. 223
- Waterfront Housing Trust: p. 223
- Waterfront Sustainability Association: p. 223
- Waterfront Transportation Management Association: p. 223

### II. Regulatory Adjustments (pp. 224-226)

Again, covered in great detail above, but it's all here over three pages. That's a lot of laws to ~~change~~ adjust.

- Mobility: p. 224
- Public realm: p. 225
- Buildings and housing: p. 225
- Sustainability: p. 226

### III. Initial Innovation Design Standards and Guidelines (pp. 227-229)

As they relate to:

- Mobility: p. 227
- Public realm: p. 227
- Buildings and housing: p. 228
- Sustainability: p. 228
- Social infrastructure: p. 229

#### IV. Upfront Permissions (pp. 230-231)

These are the rules that need to change before they start the project. Check them out.

As they relate to:

- Mobility: p. 230
- Public realm: p. 231
- Buildings and housing: p. 231
- Sustainability: p. 232
- Social infrastructure: p. 232

And that's the entire MIDP.

My journey, however, is not yet complete. Up next is the final document on our journey, Waterfront Toronto's oft-referenced Note to Reader. And then maybe a final summing-up post. Or I might just go curl up somewhere dry and dark and dream of a world without Byzantine smart city plans.

See you tomorrow for the dénouement.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Entry 43: Waterfront Toronto Note to Reader

Posted on [August 30, 2019](#) by [bhaggart](#)

Qualified praise for a mostly honest document that should never have been written.

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)

I am of several minds about Waterfront Toronto's [\*Note to Reader\*](#). As a guide to the [Master Innovation and Development Plan](#), it's a bit of a mess, but it's a mess that I recognize, understand and empathize with. As an analysis, it raises many good points, including a few I missed in my own review (mostly I think because Waterfront Toronto has access to information that I don't. Or maybe I flatter myself). But as an official Waterfront Toronto document, it shouldn't exist at all.

In other words, it's par for the Quayside course.

### **It me**

The *Note to Reader* summarizes the MIDP, provides some context, offers some critiques and suggests some questions. In other words, it's exactly like the briefing notes and legislative summaries I used to prepare as a researcher with the Library of Parliament.

Overall, it's pretty overwhelming and also a bit of a mess. Which is understandable because, as I've noted so many times over the past month, the underlying MIDP is a mess.

I'm pretty sure, based on professional experience, that I know how this went down. Waterfront Toronto gave, say, six analysts a week or less to summarize and analyze specific sections of the report, then did a bit of quality control (probably more than seems to have gone into the actual MIDP) to help everything to more or less line up, and then published it. Given these constraints, the analysts and writers at Waterfront Toronto did an amazing job to produce a document as coherent as this. I read it quickly (I'm exactly as burned out on MIDP-related docs as you might imagine), but it seems to hit all the key points. Sure, they could've produced a somewhat more coherent document, but not in the time allotted.

From one analyst to another, if you worked on this report and run into me at a bar, and you didn't take my past 49 posts as a personal affront, I'll buy you a beer. Good job.

### **What is this weird document?**

While professionally the *Note to Reader* is a quality piece of work (given the constraints the authors faced), and I don't think I have any complaints about the summary part of the document, the oddest thing about it is that it exists at all. It's the Executive Summary that should've been included in the report proper; it's what the Overview document should've been.

It's also a summary written by an organization that, by its own admission, was (and is) still in the process of figuring out exactly what's in the MIDP and what it all means. Moreover that it was published before the public had had a chance to have its say was odd, to say the least. I would've expected a government agency to wait to hear from the public *before* issuing what is effectively its response to the MIDP.

Then there's the problematic matter of the non-arm's-length relationship between Sidewalk Labs and Waterfront Toronto. The *Note to Reader* is a critique of a document by an organization for which the Plan Development Agreement, signed July 31, 2018, [and renewed a year later](#), assigned joint responsibility.

It's rewriting history a bit to note, as the *Note to Reader* does, that

The PDA outlined the parameters under which Sidewalk Labs would develop a proposal for Waterfront Toronto's consideration. While Waterfront Toronto and Sidewalk Labs did work together earlier in the process to do research, generate ideas, and consult the public, the roles of the two organizations then separated, allowing Waterfront Toronto to focus on creating a robust framework for review and evaluation of the MIDP. Sidewalk Labs' responsibility is to prepare and submit the MIDP. (p. 48)

In a [very early post](#), I ran through the many, many, many places that the PDA gave both Waterfront Toronto *and* Sidewalk Labs joint responsibility for the preparation of the MIDP. You can't just wish that away.

The fact of the matter is, the two organizations are – for better or worse – joined at the hip. This leads the reader to suspect Waterfront Toronto's motives in raising these critiques. Which is not to say that Waterfront Toronto doesn't make some very good points: it was heartening to see the in-writing recognition that Villiers Island was out of scope, and that Waterfront Toronto also has issues with Sidewalk Labs being in charge of procurement (p. 51).

It's that critiquing a report that you were formally charged with producing is all a bit ... off. The relationship is such that the two organizations cannot be separated. And so we outsiders cannot know for certain whether these critiques are seriously deal-breakers, or whether they're all for show, offering the illusion of democratic accountability. To be blunt, I'm not sure how far I can trust Waterfront Toronto.

## All up in the air

As it happens, minutes after I finished reading the *Note to Reader* and typing up a preliminary blog post, [Waterfront Toronto announced](#) that it and Sidewalk Labs were extending the Plan

Development Agreement by six months, and Waterfront Toronto had given Sidewalk Labs until October 31 to address several fundamental concerns with the MIDP. So what happens next, I have no idea.

I do know that its purpose as a “Guide to reading the draft Master Innovation and Development Plan proposal submitted by Sidewalk Labs” was undercut by the fact that it was prepared *before* Waterfront Toronto had had an opportunity to digest and fully understand the report. I can recognize a hot take and a deadline-driven document when I see it. Its rushed production necessarily limits its utility to the public.

Moreover, the rushed public consultations for which it was prepared, running for three weeks in July, remain a terrible idea.

That said, as I write this (early August, and reviewing it in late August — [time travel!](#)), I’m still uncertain what form the upcoming consultations will take, or what the timeline should be. Given Waterfront Toronto’s October 31 ultimatum, I see no sense in Waterfront Toronto publishing either a report on the summer consultations, or issuing its own pre-October 31 report, or holding public consultations before we’ve seen Sidewalk Labs’ response.

But even this talk of extended consultations and consideration is being too generous to Sidewalk Labs. This company has failed, over the past 18 months and so many extensions, to come up with a minimally satisfactory proposal that stuck to the original RFP and didn’t require things that Waterfront Toronto couldn’t possibly deliver. The changes requested by Waterfront Toronto go to the heart of Sidewalk Labs’ MIDP; it doesn’t deserve a rewrite.

## Where does this leave us?

So we’ll see.

Personally, in terms of this blogging project, which began over a month ago with the [Auditor General of Ontario’s examination of Waterfront Toronto](#), the *Note to Reader*, while problematic for the reasons mentioned above, was a nice way to end a journey through some of the most reader-hostile public documents I’ve ever had the mispleasure to endure. So much of the MIDP was so obviously a sales job designed to mask some unbelievably audacious asks that it was draining to get through: it’s difficult to read a document that is designed to mislead and confuse.

I remain far from convinced that Waterfront Toronto is fully owning either its role in this project or the consequences of the events it has set in motion; I’ve already pointed out one instance of what seems to me to be a bit of historical revisionism. I also don’t think that Waterfront Toronto has demonstrated that it is capable of implementing even a scaled-back version of a smart-city project. (Then again, recall that the [Ontario Auditor General noted](#) that the province was similarly lacking in this capacity.)

And although Waterfront Toronto has committed to consulting with the other levels of government and effectively giving them a veto over whether the project will go forward, I have no idea how much this promise is worth. [Ontario Premier Doug Ford has called the MIDP “a terrible deal for](#)

[the taxpayers](#)” but I’m not sure what this will mean in concrete terms. Toronto will apparently be holding consultations of some sort. And the Trudeau government [apparently](#) is deferring to the Waterfront Toronto board, so I guess no separate, independent oversight from that level of government.

All the more reason to make Quayside a federal election issue, an issue I’ll revisit in a final, wrap-up op-ed that’ll be published soon.

Still, on a professional level, I recognize and appreciate it when a document has been prepared by people who are trying to help others understand the world, to explain rather than to sell us something. Or at least not mainly to sell us something.

For a report whose very existence is problematic, the *Note to Reader* is – mostly – an honest document. The same cannot be said for Sidewalk Labs’ *Master Innovation and Development Plan*.

## Bonus posts

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Bonus entry: Waterfront Toronto takes the Douglas Adams approach to public consultation

Posted on [July 16, 2019](#) by [bhaggart](#)

[Previous Master Innovation and Development Plan liveblog entries available here](#)

*“But the plans were on display...”*

*“On display? I eventually had to go down to the cellar to find them.”*

*“That’s the display department.”*

*“With a flashlight.”*

*“Ah, well, the lights had probably gone.”*

*“So had the stairs.”*

*“But look, you found the notice, didn’t you?”*

*“Yes,” said Arthur, “yes I did. It was on display in the bottom of a locked filing cabinet stuck in a disused lavatory with a sign on the door saying ‘Beware of the Leopard’.”*

**Douglas Adams, “The Hitchhiker’s Guide to the Galaxy”**

As I was touching up my introductory post yesterday, it occurred to me that readers and the remaining [Toronto royalty who have not yet made up their minds about a 1,500-page report that was released only a few weeks ago](#) might want to know how to participate in the fulsome consultations Waterfront Toronto has promised the city.

Finding out how to participate ended up being much more difficult than I expected. Waterfront Toronto and Sidewalk Labs might be planning the innovative, accessible smart city of the future, but there is nothing innovative or smart about their consultation process. To be blunt, they are not making it easy to participate, and the poorly designed process that Waterfront Toronto has put in place raises questions about how useful results will actually be.

Neither does Waterfront Toronto’s actions in the first public consultation (July 15) provide much confidence in their commitment to full transparency and maximum public engagement, as [they did not make any audio or video recordings of the meeting](#). According to the *Toronto Star*, “Waterfront Toronto officials told The Star that they expect to record and make publicly available all subsequent meetings, with written summaries to be posted online.”

Waterfront Toronto has been on this file for three years now, and providing a written and video record of one of Toronto’s most important urban development projects in a generation would seem to be a no-brainer. That they didn’t do this for the first meeting, followed by a reassurance that they will start recording in the next one has the strong feel of an organization that’s reactively improvising.

### **An advisory consultation**

There's also the reality that at the end of the day this is all very much an advisory consultation. If Waterfront Toronto wants to go ahead with this project, all the negative feedback in the world can't stop them. As the [Auditor General of Ontario's report](#) points out, our elected officials "can only influence Waterfront Toronto through their appointees to its Board of Directors" (p. 694).

The Auditor General also notes that, as of December 2018, Waterfront Toronto's "protocol" for soliciting governments' review and comments on the MIDP:

only requires Waterfront Toronto to provide to each of the three governments the key agreement and any supplementary agreements for comment. The protocol does not clarify whether Waterfront Toronto would approve the MIDP if Sidewalk Labs does not make changes to the draft that the governments may request. (p. 694)

The long and short of all this is, if you want to influence the outcome of this project, don't just focus on these consultations. Contact your local councillor and your federal Member of Parliament. The federal election is just around the corner, and it looks like the Liberals will need to hold Toronto to stay in power. Ask your candidates where they stand on Waterfront Toronto, Sidewalk Labs and the MIDP.

Still, being responsible citizens, let's try to offer our opinion, shall we?

## **"Down to the cellar"**

Our journey begins early on the morning of July 15. It's a digital world, and Waterfront Toronto is offering us the city of the future, with everything conveniently at our fingertips. So it's off to their main project site, [quayside.to](http://quayside.to), which prominently features a link to the MIDP proposal, but no obvious link for feedback.

The misleadingly labelled "[Contact Us](#)" button brings us to a page whose most prominent offering is the opportunity to "Sign up for Waterfront Toronto's Monthly Newsletter," so no help here. (In fairness, it also includes their general email address, [quayside@waterfronttoronto.ca](mailto:quayside@waterfronttoronto.ca), on which more later.) And no "How can I make my voice heard?" in the [FAQ](#), either.

Success! Clicking on the menu button – the digital equivalent of opening the door to the cellar – brings us to something labelled "[Get Involved](#)".

## **"Stuck in a disused lavatory"**

One's initial read of Waterfront Toronto's "Get Involved" page does not inspire confidence in the ability to conduct a thorough public consultation. The page first informs us that "The next public consultation will be announced following the submission of the MIDP to Waterfront Toronto. From there it is on to another invitation to subscribe to their newsletter, an invitation to interact with them on Facebook and Twitter (where reasoned discourse thrives), and a suggestion that one check "back here for details later in the Spring."

Beyond just getting “involved,” and also stretching the meaning of the phrase “get involved,” Waterfront Toronto wants to share with us their [Engagement history](#) (option 1) and their [document library](#) (option 4). They also take this opportunity, at the bottom of the page, to pitch their newsletter one more time, which makes me wonder if someone’s performance bonus is linked to hitting a newsletter-subscriber target. #bigdata

We’re also given the chance to [participate in a “Civic Lab”](#) (option 3), where people can “discuss thoughts, feedback, and questions pertaining to the Quayside Project.” Unfortunately, this link only takes us to reports on three previous Civic Labs and offers us the chance to visit their document library. Waterfront Toronto here passes up a golden opportunity to goose their Newsletter numbers, as the page features no invitation to subscribe to their newsletter.

Much more relevant to actually getting involved is Option 2, Participate in a public consultation. Why, yes, I would like to [“Check for upcoming events.”](#) Let’s do that!

## ***“The lights had probably gone.”***

Three levels down from the main page. It opens with the by-now-inevitable invitation to subscribe to their monthly newsletter or to contact them on Facebook or Twitter.

But we also see, for the first time, how Waterfront Toronto plans to consult with the public. They have planned a series of meetings, which will include “a main presentation and multiple breakout sessions.” Four presentations are planned across the city, starting … yesterday (July 15) and ending … in eight days (July 23).

They will also be hosting a series of “Quayside Dialogue Boxes,” to be held at various Toronto libraries, at which “staff from Waterfront Toronto will share information about the proposal, answer questions, and listen to your feedback.” Five of them are already passed; two are upcoming, on July 18 and 25.

If you’re keeping track of these timelines, Sidewalk Labs released its ***one-thousand-five-hundred-page*** report on June 24. Waterfront Toronto, on its consultations page, offers Torontonians four public consultations spread over eight days, held in the depths of summer three weeks after this mammoth report was released, a report that Waterfront Toronto itself had only recently seen for the first time in its entirety. And some library-based info sessions, most of which have already finished.

Perhaps reflecting the digital spirit of the multi-billion-dollar project, starting on July 15 Waterfront Toronto also began offering residents the opportunity to participate online via not [one, but two, surveys](#). The shorter survey, “to share quick responses about how receptive you are to the proposals in Sidewalk Labs’ MIDP,” is almost comically superficial. It asks “How receptive are you to Sidewalk Lab’s proposals about” the ***one-thousand-five-hundred-page*** MIDP’s various sections, with choices of: Receptive; Receptive to some; Not receptive; and Need more information.

The [longer “Detailed Survey”](#) is actually quite good. It provides background information and asks pointed but open questions about each section that seem to allow for people to raise a wide variety of concerns and opinions. A section for general comments would’ve been helpful, but otherwise it’s exactly the type of online engagement that a project like this needs.

But there’s a rather short time limit. According to the “Participate in a public consultation” page also says “The deadline for Round One Online Consultation feedback is July 31, 2019.”

Which brings us to the main problem. The Detailed Survey is appropriate for this project precisely because it is so detailed. It has to be, because the MIDP covers so much ground. However, what this means is that it would take someone well-versed in the MIDP (itself of daunting length) the better part of a day to fill out. And Waterfront Toronto is seeking (presumably informed) comments for its Round One within the next 15 days.

(An aside: the reference to a “Round One” only appeared on July 15, and only in passing. Previously, there was nothing on this page to indicate that public consultations would last beyond late July.)

This is madness. Most governments hold longer, more in-depth hearings on less-complicated legislation than this. Each part of Sidewalk Labs’ proposal has so many moving parts that it requires not one two-week survey (followed by... what?), but separate hearings into each aspect. Any less and the responses to even the Detailed Survey are likely to be as superficial as the short survey.

## ***“In the bottom of a locked filing cabinet”***

All of this would normally lead me to become frustrated at the inadequacy of Waterfront Toronto’s consultation process, but my problem was that I hadn’t descended deeply enough into the cellar. Thankfully, Natasha Tusikov, who is also working her way through all of these documents for a SSHRC-funded project on smart-city data governance, points out that, in fact, Waterfront Toronto clearly lays out their extensive public consultation process.

In its [Note to Reader](#).

On pages 46 and 47 of a 66-page document.

Which is only available as a pdf.

In this easily accessible document, the public is informed that the aforementioned public meetings are only round one of a two-round process. The first round will end on July 31, 2019, and feedback received up to then “will be summarized and shared publicly by the end of August 2019.”

Waterfront Toronto also helpfully suggests that “Given the volume of material in the proposal (1,500+ pages in total), members of the public may choose to attend more than one of the public meetings.”

Round Two, which is only hinted at on Waterfront Toronto’s webpage, is planned for the Fall, “exact timing to be determined,”

once the Waterfront Toronto team and the public have had more time to work through and consider the Draft MIDP. Round Two will include a report on the public feedback during Round One and will take the public conversation further to focus on particular areas of the Draft MIDP where the Waterfront Toronto team would benefit from additional public feedback and advice.

Take a moment to unpack this remarkable paragraph.

Waterfront Toronto is holding a second round of consultations in the Fall (but didn’t think to mention this on their “Get Involved” page) because it’s beyond unreasonable to ask anyone, even the people at Waterfront Toronto who are professionally invested in this scheme, to come up with a reasoned opinion on this mastodonic proposal in just over a month.

And they plan to give a report on the feedback from Round One in Round Two. Round One’s unreasonably tight timeline means that the discussion in Round Two will be shaped by two types of people: those who have can and have devoted several working days to plowing through this report (howdy), and those who don’t mind weighing in on a complicated subject without first doing their due diligence.

But most importantly: *Waterfront Toronto is asking the public to comment on a report that it admits it has not yet fully analyzed.*

Also, why the arbitrary July 31 deadline?

This is, in short, not a great consultation plan. It smacks of improvisation, which is not something one would necessarily desire from an organization trying to convince the public it can manage a multi-billion-dollar tech development and effectively supervise a subsidiary of one of the world’s most powerful companies.

## ***“Beware of the Leopard”***

Page 46 of Waterfront Toronto’s Note to Reader offers one final hard-won tidbit of information, in which we are informed that the Smart Consultation may be alive and well beyond the aforementioned surveys:

For those unable to join us in-person, the <http://www.QuaysideTO.ca> website includes more information about the project and an online portal to submit written comments.

Submitting written comments to Waterfront Toronto using their online portal is complicated somewhat by the fact that the portal does not seem to exist. There is the survey (which just went live on July 15), but a survey is not a portal, and the survey itself did not even exist when the

Note to Reader (a genteel-sounding title that seems more suited to a Jane Austen novel than a development agency) was released.

Ever the intrepid researcher, Dr. Tusikov sent Waterfront Toronto an email to [quayside@waterfronttoronto.ca](mailto:quayside@waterfronttoronto.ca) asking to be directed to their portal.

Their response (form-letter, of course):

Hello,

Thank you for taking the time to write to us about the Quayside project. We will be retaining feedback related to Quayside and Sidewalk Labs' proposal for consideration throughout our engagement and evaluation process.

We are working to address to your individual inquiries as best we can. You can anticipate a more detailed response within a few weeks of this message.

For more information about Waterfront Toronto's evaluation and consultation process, details on upcoming events, and to read an electronic version of Sidewalk Labs' proposal head to [quaysideto.ca](http://quaysideto.ca).

We hope to see you at an upcoming consultation.

Thank you,

Waterfront Toronto team

A few weeks likely being after the July 31 Round One deadline.

The effects of difficult-to-find and incomplete consultation information, the tight timelines and the oddly structured consultation rounds are significant. As currently set up, this process will minimize informed comment and citizen participation. For an organization that has stepped on one rake after another over the past several years, having to go through so many hoops just to figure out how to participate in a public consultation is not a great look.

A positive first step would be to scrap the arbitrary deadlines, especially for the Detailed Survey, nix the idea of Rounds, and start extensive, focused, detailed consultations in September, once Waterfront Toronto has had a chance to read and understand the report it commissioned. Used the summer to help inform people, and for Waterfront Toronto to analyze fully the report they're supposed to be evaluating. There's no need to rush this, and true public consultation involves more than information provision and reading a newsletter.

But please, do sign up for Waterfront Toronto's monthly newsletter. I fear someone's livelihood hangs in the balance.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Bonus entry 2: On poorly designed consultations, conflicts of interest, cheating on the test, and getting to know your business partner

Posted on [July 19, 2019](#) by [bhaggart](#)

[Previous Master Innovation and Development Plan liveblog entries available here](#)

A quick follow-up to [Tuesday's post](#) regarding the, shall we say, haphazard consultation process Waterfront Toronto has convened around Sidewalk Labs' [Master Innovation and Development Plan](#). Way back then, some 48 hours ago, I was concerned about the ineffectiveness of holding two weeks of consultations in the depths of summer, which would be used to shape some indeterminate Fall consultations.

Such short consultations on such a comprehensive report, which this series will get to eventually (promise!) and which is almost custom-designed not to be read or understood, seems a sure-fire way to ensure that the only responses you'll get are rushed analyses from people with the ability to invest the week or so needed to ingest the report, or superficial and/or self-interested takes from people who haven't done their homework.

Ah, those bygone, innocent times.

Now, thanks to [James McLeod's excellent and mind-boggling article in yesterday's National Post](#), my initial bafflement and concern has been upgraded to incredulousness. Here's the current iteration of Waterfront Toronto's plan—only parts of which, it cannot be emphasized enough, [were included in either its webpage or in the pages of its Note to Reader dealing with public consultations](#), as best as I can figure, but who knows? Waterfront Toronto is either making this up as they go along or not bothering to communicate their plans precisely with the public:

- **July 25:** Waterfront Toronto concludes its in-person consultations.
- **July 31:** Last chance to submit responses to its [online surveys](#) for inclusion in its September report.
- **September:** Waterfront Toronto publishes its response to the MIDP “pulling together criticisms and concerns based on public commentary and responses from the various levels of government.”
- **Next step:** Sidewalk Labs responds to Waterfront Toronto's report with a final MIDP
- **Then:** Waterfront Toronto holds another round of public consultations.
- **And finally:** Waterfront Toronto performs “an assessment on the final document, and make a recommendation to the board of directors.”

If anything, this process is worse than the one briefly set out in the [Note to Reader](#), even without commenting on the wildly optimistic deadlines of late 2019/early 2020 they've set for themselves.

The Note to Reader made it sound like these summer hearings were basically a public temperature-taking, with the more in-depth consultations to be held in the Fall. In that plan, the biggest problem was that Waterfront Toronto would “include a report on the public feedback during Round One” (p. 47).

Now, it turns out that these rushed, wholly inadequate two-week consultations will feed into Waterfront Toronto’s actual response to the MIDP. The Round Two consultations will actually be focused not only *yet another* version of the MIDP, but will also have to address whether or not Waterfront Toronto’s response to the draft MIDP was adequate. Which means we will have to go through this entire nonsense again, times two.

This process is absolutely bonkers. If one were actually interested in legitimate, informative public consultation, the consultations would begin in September. This would allow both the public and Waterfront Toronto (which admits has not yet had enough time “to work through and consider the Draft MIDP” (Note to Reader, p. 47)) to take enough time out of their holidays to digest this index-deficient **one-thousand-five-hundred-page, four-volume report.** Consultations would be extensive, with several sub-rounds of meetings on each part of the report.

Only then, based on Waterfront Toronto’s analysis and public input, would Waterfront Toronto issue its report. Sidewalk Labs would then respond, and Waterfront Toronto could hold a brief second round of hearings addressing the specific changes Sidewalk Labs proposed. Then, based on all that, its Board could decide whether or not to proceed.

This is not that complicated.

Instead, we currently have a process that minimizes both the quality and quantity of up-front public input, and that effectively forces those of us who are deeply engaged in the process, most of whom also have lives outside of this bureaucratic rollercoaster, to double the amount of time we’re devoting to a file whose parameters seem to change on a daily basis. After all, why should I waste my time rushing to finish this unreadable monstrosity in the next seven days, and then spend a day filling out Waterfront Toronto’s survey if there is going to be a second round of consultations?

I’ve been spending most of my working days for the past couple of weeks on Sidewalk Labs-related work, and I’m almost certainly not going to be finished by July 31.

Even Bianca Wylie, who has devoted more time than any other non-Sidewalk Labs/Waterfront Toronto person to this project, is still working her way through the report (according to her tweets). If, 12 days from the consultation deadline, this project’s most attentive critic is still working her way through it, what hope do other Torontonians have of being able to come up with a reasoned opinion by the end of the month?

On a personal note, I fear that this project is turning me into [Tristram Shandy](#).

## Waterfront Toronto’s secret judgment criteria

As an added bonus, Waterfront Toronto apparently will not be releasing the criteria it will be using to evaluate the MIDP because, in the words of Waterfront Toronto senior vice-president for project delivery Julius Gombos, “it would be giving away the examination papers to the class before we had the test.”

Which makes absolutely no sense, in any way. This isn’t about testing whether Sidewalk Labs has been paying attention in class; it’s about ensuring that they are delivering what Waterfront Toronto, the customer, is ordering. **You should want Sidewalk Labs to see the answers.**

It’s also about accountability. Beyond Sidewalk Labs, you should want the public to know how you’re evaluating its proposal, so that we can tell if Waterfront Toronto is asking the right questions. And also to ensure that everything is being done on the up-and-up because, to be blunt, Waterfront Toronto does not have a lot of credibility when it comes to this project.

## **Partner or oversight agency? Waterfront Toronto’s already made its choice**

[More news from McLeod’s article:](#) If only boneheaded scheduling decisions were the worst of Waterfront Toronto’s missteps. It also faces a fatal legitimacy-challenging conflict of interest:

Originally Waterfront Toronto worked cooperatively with Sidewalk Labs on research and generating ideas for the new neighbourhood, but last year the federal-provincial-municipal agency repositioned itself as an oversight agency, assessing the MIDP.

Here’s the thing. Waterfront Toronto can’t simply “reposition[ ] itself as an oversight agency.” The Plan Development Agreement (which I’ll cover in Monday’s post, so, spoilers), signed by Waterfront Toronto and Sidewalk Labs **on July 31 of last year**, commits the two organizations to deep cooperation, including the joint preparation of the MIDP.

When in the “last year” did Waterfront Toronto make the decision to alter the nature of its relationship with Sidewalk Labs? I’ve been following this story pretty clearly and I don’t recall hearing about it. As far as I know, the Plan Development Agreement – again, which is not even a year old – was never amended or superseded.

And even beyond this legalese, this “close contractual relationship,” as McLeod calls it, emerged from the incredibly tight relationship that was apparent from the moment this project was announced. Recall that [Will Fleissig, the former Waterfront Toronto CEO who oversaw the RFP and choice of Sidewalk Labs, was forced out by the Waterfront Toronto Board in July 2018](#) in part because of “his oversight of a decision to allow Sidewalk Labs personnel to temporarily occupy office space in the Waterfront Toronto headquarters.”

Legally, the two are joined. They have a deep, intertwined history, by design. These conflicts of interest are insoluble, meaning Waterfront Toronto cannot act as an independent arbiter of the MIDP. This relationship was never on the table.

I can’t help but think that some Waterfront Toronto employees know all this, that these consultation contortions are being driven by the realization that the original Request for

Proposals, conducted under a previous CEO, was fatally flawed. The RFP has placed Waterfront Toronto in an untenable governance situation, opening a Pandora's Box that previous leadership perhaps thought they could control. As much as anything else, inertia, rather than basic good governance principles, seems to be driving this very flawed process forward.

## **Inertia carries the day**

In fact, it's hard to read one final amazing (in a bad way) revelation in McLeod's article as anything other than an exercise in path-dependent damage control. Apparently Waterfront Toronto is tracking Google's "corporate conduct."

(Note: the article refers to Alphabet, which is formally Google and Sidewalk Labs' parent company, but for all practical purposes, Alphabet is Google.)

Kristina Verner, vice-president of innovation, sustainability and prosperity at Waterfront Toronto, said that the public agency has been keeping tabs on Alphabet's corporate conduct.

"Certainly, Sidewalk itself is a relatively new company; that being said, it is a child of Alphabet," Verner said.

"All of the infractions, all of the violations that have been reported over the last few years, and before then, we actually have a tracker where we've been documenting all of that, so we have our eyes fully open as well."

Verner said that tracking Alphabet's corporate behaviour is important in order to have a clear sense of who they're dealing with "when we discuss what the partnership looks like, and the ethical underpinning of it."

To which one can only say, how could Waterfront Toronto not possibly already have "a clear sense" (McLeod's paraphrasing of Verner) about what type of company Google is? It's one of the biggest companies on the planet! A quick Yahoo! search reveals this 2012 *Wired* article, titled "[Google is Evil.](#)" Or how about "[Top 10 Ways Google Does Evil,](#)" published mere weeks before Sidewalk Labs officially won the RFP?

And that's just general Google bad behaviour. Much more relevant for Waterfront Toronto is Google's behaviour toward a couple of other acquisitions. [DeepMind Health](#) (a UK health AI company), and [Nest](#) (smart appliances) were initially treated as Google sister companies before being absorbed into Google itself, raising privacy and data-governance concerns.

Given everything we know, any responsible analysis has to assume that Sidewalk Labs is Google.

It strains credulity to think that anyone at Waterfront Toronto in 2017 would not have been aware about the type of company Google is.

So, the question for Waterfront Toronto is, given “all of the infractions, all of the violations” that you have been tracking, given all that we know about Google, why do you think that they can be trusted to develop Toronto’s Eastern Waterfront?

It's a question that should've been asked in 2017, but better late than never.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Bonus entry 3: What responsible public consultations look like, and why the Quayside consultations are not that

Posted on [July 20, 2019](#) by [bhaggart](#)

[Previous Master Innovation and Development Plan liveblog entries available here](#)

As a former federal parliamentary committee staffer, who has helped organize my fair share of consultations and who has written many reports on said consultations, it's been professionally painful witnessing [the amateurish chaos storm engulfing the consultations over Sidewalk Labs' plans for Toronto's Eastern Waterfront.](#)

To understand exactly how unhelpful the Waterfront consultation process is, imagine for a moment that Sidewalk Labs were a government agency proposing this development, and that a parliamentary committee (Waterfront Toronto) were charged with reviewing it.

In this scenario, the agency would submit its report to the committee, and the worker bees (i.e., me and my colleagues) would begin analyzing it for the committee. The committee clerk, under direction from the committee members, would start scheduling hearings. The hearings would probably begin with agency officials being questioned (in public) about the proposal, followed by public consultations, their intensiveness and extensiveness being determined by the nature of the proposal.

Then, we worker bees would prepare a report and recommendations based on what the committee had heard, and the parliamentarians would discuss and amend the committee report as needed. This report would be used as the basis for adjusting, if needed, the agency's proposal.

This process could also easily incorporate a review of the revised proposal. For Parliament, it's up to the government to accept or reject the committee's recommendations, so this would likely rarely happen, but it's a logical addition to the Waterfront Toronto-Sidewalk Labs review.

Anyway, that's what you'd likely see when the system is working: proposal; public consultations; report on the proposal with suggested amendments; final proposal; brief review; final decision.

### **What not to do**

What you would *not* see is:

- the committee (i.e., Waterfront Toronto) issuing a [\*de facto\* preliminary report](#) days after the agency proposal had been submitted, and before the consultations had started.

- the agency (i.e., Sidewalk Labs) [flatly contradicting the committee's opinion](#) as expressed in said unorthodox preliminary report.
- the agency conducting its own, post-submission [de facto hearings](#), especially under a name (in this case, Sidewalk Toronto) that will appear to some as if the hearings are being held by the committee.
- public consultations [held before anybody had had a realistic opportunity to analyze the report](#).
- a final committee report [based](#) on a draft proposal and rushed, inadequate public consultations.
- a substantive round of consultations, post-committee-report and post-final-draft, in which the public would have to assess both the committee report's adequacy and the agency's final proposal.

Of course, nothing about this Quayside/Eastern Waterfront development project is normal. As originally conceived, Waterfront Toronto and Sidewalk Labs were/are the co-developers of this project. In this scenario, it would make sense for the two to take their proposal to the public and then modify it based on public and government consultations.

This fundamental dysfunction, in which one partner to the project is seeking the veneer of impartiality and the other can't stop running public-relations plays, is driving this broken process.

And so we have an ill-advised preliminary report and rushed formal consultations, and Sidewalk Labs holding its own *de facto* consultations and publicly challenging its partner/overseer.

It's a mess, but it's the kind of mess you'd expect when you muddy the distinction between regulator and regulated with absolutely no regard for basic principles of good governance and accountability. To my eyes it's yet another indication that this entire project is fundamentally unworkable.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Bonus Entry 4: Follow the regs, not the tech

Posted on [July 23, 2019](#) by [bhaggart](#)

[Previous Master Innovation and Development Plan liveblog entries and key available here](#)

[In making my way through Sidewalk Labs' Master Innovation and Development Plan](#) (first actual MIDP post arriving tomorrow! Tell your friends.), I've started wondering why Sidewalk Labs needs all of these changes to existing laws and new institutions that it's asking for.

The pitch has always been that the Quayside development offers the opportunity to build a community from scratch, "from the Internet up," [as Sidewalk Labs used to say](#) before people realized that tech companies don't necessarily have their best interests at heart. Working from scratch would allow Sidewalk Labs (and other companies) to develop and test new tech that it could then sell to other cities.

But it's hardly realistic to assume that urban tech – including that developed in partnership with Sidewalk Labs – would be deployed elsewhere on a blank slate. It would, one assumes, be deployed in cities with their own laws, idiosyncrasies and existing infrastructure. From this perspective, how suitable would blank-slate tech be for other cities?

Technology exists in particular social, political and regulatory milieus. Understanding this point, I think, helps us better understand what Sidewalk Labs is up to in Toronto.

Sidewalk Labs is not just (or perhaps mainly) interested in developing specific technologies, which would then have to be adapted to other cities' particular needs, or not be adopted at all.

Rather than traditional technology, Sidewalk Labs is working to create and develop an off-the-shelf social-norms, regulatory and standards framework that aligns with the technologies and services that companies like Google would then sell to those cities that adopt its framework. They're as much (if not more) a service provider than a tech manufacturer or software developer.

In other words, Sidewalk Labs isn't a tech company; it's Google's Division of Urban Policy.

It seems to me that for Sidewalk Labs, the Toronto Smart City project is not primarily about developing technology to fit other cities needs. It's about developing standards and norms that will redefine other cities' norms about what they want to ensure that their perspectives coincide with those of Sidewalk Labs and Google.

It's about getting cities to adapt to a particular technological vision of the world, rather than adapting technology to what citizens have determined they want and need, as set out in their laws and norms. It's about the law adapting to fit a particular technology (which embodies a particular view of the world), rather than technology adapting to fit the (democratically enacted) law.

In short, if you want to understand Sidewalk Labs and its Toronto project, focus on the regulations and standards, not the tech.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Bonus entry 6: Review period extended

Posted on [August 2, 2019](#) by [bhaggart](#)

Yesterday afternoon Waterfront Toronto [announced](#) that it and Sidewalk Labs had amended the July 2018 Plan Development Agreement (new version [here](#) and on [my MIDP page](#); news release [here](#)). The key changes are (quoting from the news release):

- Extending the review process for the Master Innovation and Development Plan until March 2020 to allow “Waterfront Toronto more time to receive public feedback on the MIDP and to undertake an expert evaluation of it prior to making a recommendation to its Board of Directors.”
- Terminating the agreement “should certain threshold issues [outlined](#) by Waterfront Toronto’s Board Chair not be resolved” by October 31, 2019.

These “threshold issues” mentioned in Chair Stephen Diamond’s open letter are:

- **Geographical over-reach:** “Sidewalk Labs proposes the up-front creation of an IDEA District that covers a much larger area than the 12 acres of Quayside. Waterfront Toronto has told Sidewalk Labs that the concept of the IDEA District is premature and that Waterfront Toronto must first see its goals and objectives achieved at Quayside before deciding whether to work together in other areas. Even then, we would only move forward with the full collaboration and support of the City of Toronto, particularly where it pertains to City-owned lands.”
- **Procurement:** “Sidewalk Labs proposes to be the lead developer of Quayside. This is not contemplated in the PDA. Should the MIDP go forward, it should be on the basis that Waterfront Toronto lead a competitive, public procurement process for a developer(s) to partner with Sidewalk Labs.”
- **Many issues beyond Waterfront Toronto’s control:** “Sidewalk Labs’ proposals require future commitments by our governments to realize project outcomes. This includes the extension of public transit to Quayside prior to development, new roles for public administrators, changes to regulations, and government investment. These proposals raise important implementation concerns. They are also not commitments that Waterfront Toronto can make.”
- **Fundamental digital governance issues:** “Sidewalk Labs has initial proposals relating to data collection, data use, and digital governance. We will require additional information to establish whether they are in compliance with applicable laws and respect Waterfront Toronto’s digital governance principles.”

### **Extending consultations was the right move**

Waterfront Toronto has done the right thing in extending the consultations, something that I have [argued](#) for [several times over the past month](#). This extension recognizes that it was unrealistic to expect the public, other government agencies and even Waterfront Toronto to conduct a

thorough review of this document in a few rushed weeks. This is particularly true since the MIDP was [seemingly designed to be as difficult to understand as possible](#).

This extension is also significant because it overturns Sidewalk Labs' [proposed](#) (and, frankly, unrealistic) timelines. Sidewalk Labs had initially proposed that the initial approvals for Quayside be completed by the first quarter of 2020 (Volume 3, p. 197). This extension presents Sidewalk Labs and Waterfront Toronto with an opportunity to propose realistic deadlines and takes artificial time pressures off the table.

Six months, moreover, actually fits with my back-of-the-envelope thinking about how much time a thorough consultation would require to deal with the MIDP as currently constituted. That said, the extent of the changes Sidewalk Labs would need to make to its MIDP to make it acceptable to Waterfront Toronto (discussed below) means that even this six-month extension may not be long enough.

Now that Waterfront Toronto has reduced the false arbitrary-deadline-fuelled urgency around this project, it must now design a reasonable consultation process, one that does not require the public to review a new MIDP every few months. (Also, I want to get back to my life.) We need concrete deadlines.

An obvious progression would be for Sidewalk Labs to deliver a revised MIDP that responds to Waterfront Toronto's requirements by October 31 (or late November at the latest, if Sidewalk Labs indicates that it is willing and able to make the required changes by October 31). Because the current MIDP is effectively a non-starter, Waterfront Toronto should scrap its Fall public consultations (although of course it should continue its own analysis and discussions with relevant government agencies). Consultations could run from January to March 2020, *after* Waterfront Toronto has received a revised MIDP and the public has had enough time to process it. Then it can report, and the Board can make its decision.

## Waterfront Toronto's “off ramp”

As David Skok [noted on Twitter](#), the October 31 deadline to resolve the above issues provides Waterfront Toronto with a clear “off ramp” to end its relationship with Sidewalk Labs. The issues identified by Diamond, while not an exhaustive compilation of all of the problems with this report, are fundamental enough to require a complete revision of the entire plan:

- The MIDP does not only propose some plans beyond Quayside; its fundamental pitch is that Sidewalk Labs would develop the entire “IDEA District” or nothing at all. Quayside is not treated as a viable development project in and of itself.
- Similarly, as far as I can tell, almost all of the economic development promise of Sidewalk Labs’ plans is based on bringing Google to Villiers West (out of scope of the original RFP) and creating a mass-timber industry (which would only be viable in Sidewalk Labs’ telling at the IDEA District level).
- The MIDP basically assumes away the enormous and time-consuming issue of getting various levels of government to change laws and regulations. Even when a government

wants to make changes, these takes time. And there is almost always opposition to legislative projects, for any number of reasons, not necessarily nefarious.

- And that's without pointing out that governments change, they have their own agendas, and they move at their own speed. Neither Waterfront Toronto nor Sidewalk Labs (even backed by Google) necessarily have the pull to impose their wills on governments that have decided they don't want to play ball.
- A realistic, revised plan would have to allocate much, much more time to getting these changes, and would have to include contingency plans for situations in which such reviews are not forthcoming.
- Also, to make this project work, Sidewalk Labs had to invent any number of new agencies. Waterfront Toronto is right to be concerned about these proposals. They are, in a word, undercooked, failing to provide any sense of the resources (human and financial) that would be needed to run them, and completely ignoring the political realities of carving out new bureaucracies out of the existing city to serve a relatively tiny part of said city. Much more in upcoming posts.
- I was very happy to see Sidewalk Labs' proposed procurement role be called out. This is not a governance role you want to give to a private company.
- As for the digital governance issues, yes. The MIDP places so many conditions on Sidewalk Labs' supposed commitments to privacy, all the while inventing and repurposing terms ("urban data," "trust") to suit its own interests, that it's almost impossible to trust (normal sense of the word) anything the company says about data and surveillance. There's also the reality that these issues are best dealt with at the provincial and/or federal level, not in the context of a tiny waterfront development. Again, more in later posts.

## Next steps

Given these concerns from Waterfront Toronto, it's hard to see how Sidewalk Labs' MIDP survives in anything resembling its current form. This means that the most likely outcomes are either the cancellation of the PDA by October 31 or a much-truncated development plan in which Sidewalk Labs rolls out its limited suite of technologies (e.g., smart awnings). In any case, we're going to learn in Sidewalk Labs was bluffing when CEO Daniel L. Doctoroff said that they [wouldn't be interested in a development project that didn't include light rail](#).

That Waterfront Toronto has extended the consultations doesn't solve everything, of course. As I argued in my submission to Waterfront Toronto, the deal itself is fatally flawed and should be rejected. If Waterfront Toronto wants to undertake smart city-like projects, it needs first to develop the internal expertise to propose and evaluate these programs, not outsource the planning to an outside company.

Furthermore, it remains the case that Waterfront Toronto is isolated from public pressure; while parts of the current MIDP remain out of its control, the decision to accept or reject it rests only with Sidewalk Labs and Waterfront Toronto's (appointed) board.

## Quayside should be a federal election issue

Given that much of the initial pressure to do this deal came from [Ottawa](#), and that the federal government appoints four of the board's 12 directors, the upcoming federal election offers a rare opportunity for Torontonians to make opinions heard.

The election will be on October 21, at the latest. This is 10 days before the October 31 “off ramp.” Torontonians should insist that local candidates and the leaders of the federal parties commit to replacing its current appointees with members who will commit to severing Waterfront Toronto’s relationship with Sidewalk Labs.

For my part, I’m going to continue blogging the MIDP in its current form. Whatever happens, October is shaping up to be an interesting month.

## Liveblogging Sidewalk Labs' Master Innovation and Development Plan, Bonus Entry 7: The Toronto Star, Sidewalk Labs, and the tediousness of Us v Them journalism

Posted on [August 21, 2019](#) by [bhaggart](#)

*Over and over again*

[Monday's \*Toronto Star\* editorial](#) praising Sidewalk Labs' waterfront proposal as preferable to the local-developer-beholden status quo is the type of article that drives policy experts up the wall. Political journalists' tendency to reduce any policy issue to a tribal battle royale is a sadly accurate truism, as we relearn every election season. And it comes at a real cost to substantive political debate.

(Bianca Wylie also has a [very good response to said editorial](#). Check it out.)

This tendency is on full display in this empty-calorie editorial. It simultaneously turns a complex policy issue – the suitability of Sidewalk Labs' Master Innovation and Development Plan – into a left-right political horse race ("Suddenly the critics of Sidewalk Labs, especially those on the left, seem happy to embrace the premier's judgment about what's best for the waterfront") while invoking a false dichotomy ("Because Sidewalk Labs is a terrible deal for traditional developers ... that's one reason it has real potential to be good for the rest of us").

This us-versus-them argument is the type you make if you are either unwilling or unable to discuss issues of actual substance.

Rather than injecting some desperately needed fact-based analysis into the local Sidewalk Labs debate, the august minds at the *Star* go straight to Ontario Premier Doug Ford's possible motivations for saying that it's a "terrible deal for the taxpayers" while also insinuating that Sidewalk Labs critics ([of which I am definitely one](#)) are agreeing with Ford purely for political reasons. Oh, and asserting that the project's opponents are "shortsighted" complainers standing in the way of what will be a glorious urban development.

It's a neat trick: accusing the project's opponents of lacking substance while failing to actually make a single substantive argument in favour of the actual, as opposed to imagined, project.

For the record, I've little doubt that Doug Ford has the best interests of Ontario condo developers at heart, or that the status quo is ugly condo buildings all the way down.

But that doesn't mean that Sidewalk Labs' plan is a positive alternative for Torontonians as this editorial assumes, and that just by its mere existence "it has real potential to be good for the rest of us" (i.e., non-developers). That's the kind of conclusion you can only come to if you haven't dug into the substance of the MIDP.

## Ford is correct. Deal with it

Here's the thing: The *Star* editorial never takes seriously Ford's claim. Instead, it seems to assume that because Ford said it, it must be wrong, and even if he's correct his motives are corrupt so there's no need to think about the substance of his claim.

This is a problem for two reasons. First, it moves us further away from a fact-based world in which assertions can be confirmed or rejected based on the truth of the assertion, and toward a world in which something is considered true if someone on "our team" says it.

Second, as it happens, in this case Ford is correct: this is a bad deal for taxpayers.

In saying this I'm not embracing "the premier's judgment." I didn't come to this conclusion because I'm a lefty, Sidewalk Labs-hatin', Ford-worshipin', tech-despisin' luddite. I came to it because [I actually read the entire report](#). Very, very closely. And in reading it I emerged with an (informed) opinion about it, one that drew on what I've learned over 20 years as (at varying times) a professional economist, a professor of political science, and an analyst for various federal parliamentary committees. This last role, which involved drafting many committee reports, proved very useful in helping me realize that the MIDP is a sales document, not a substantive plan.

## Team substance

Like many others who are experts in [data governance](#), [intellectual property](#), [innovation](#), [urban governance](#) and so forth and who are not very fond of this whole exercise, I'm drawing my conclusions from professional expertise, not from any tribal allegiance. When you come at an issue from a perspective of personal expertise or experience and if someone says something that you think is correct, you'll agree with them, no matter their political affiliation.

In short, I'm not on Team Ford or Team Progressive. I'm interested in the substantive issue.

It should also go without saying that just because somebody agrees with someone on one issue doesn't mean they'll agree with them on everything. Most grown-ups are capable of making such distinctions.

(And even if we're just talking politics, the *Star* should try asking ~~ultra-right-wing developer-friendly~~ leftist NDP [Sidewalk Labs critic Charlie Angus](#) if he thinks that the MIDP is a "terrible deal for the taxpayers.")

For my part, just because I have some expertise in this area doesn't mean that my analysis is infallible, but I'm not wrong in the opinions-of-the-earth's-shape-differ manner that the *Star* editorial staff is deploying here. This is not a political opinion I'm expressing.

I'd be happy for someone to point out where I've gotten something wrong. One of the reasons I've undertaken this blogging project is precisely because I want to hear from others who have read the report to let me know where I've misunderstood something. That's how academics roll.

Of course, to do that, you'd have to actually have read the report and counter my analysis with actual evidence.

Sadly, the *Star* editorial board shows no signs in helping us reach any kind of deeper understanding of the Sidewalk Labs project. Almost two months after Sidewalk Labs unleashed its behemoth on Toronto, the *Star* here is treating the MIDP as a serious policy document merely because it exists, rather than dissecting it to see if its claims actually adds up.

Because, yeah, it would be great “if Sidewalk Labs actually managed to pull off its grand vision of environmentally sustainable buildings with a welcome share of rental housing, family-sized units and greater affordability.”

Unfortunately, based on my reading of the MIDP, this vision is little more than a pipe dream that follows the Silicon Valley playbook of “Overpromise and underdeliver” [à la Elon Musk](#). But again, that’s just what I concluded based on two decades of relevant experience and *having actually read the report*.

## A desperate plea for substance

Here’s my challenge to the Toronto *Star*: Rather than treating this issue like a hockey game or a morality play (Progressives v Evil Ford; the *Star* versus Evil Developers), tell us *why* you think the MIDP is a good deal for taxpayers, and in what specific ways it is preferable to the status quo.

Tell us why and how you think that Sidewalk Labs, a company with no track record, is capable of realizing its “grand vision.”

Tell us why you think that Toronto’s only choice is between Sidewalk Labs’ plan and the status quo.

Run a series covering each of Sidewalk Labs’ promised innovations. Interview actual experts to see which ones are actually viable.

And while you’re at it, tell us why you think that its “innovative” governance proposals, [which would create five new agencies](#) and give Sidewalk Labs control over foundational standards, is preferable to the status quo.

Actually look into how situating Google in the heart of the Toronto tech scene would affect Canadian technological development.

Oh, and you can also tell us why you think it's "shortsighted" to be concerned about Sidewalk Labs' "urban data" (a term they coined that obscures much more than it illuminates) approach to data governance.

Or why it's not a concern that so much of their innovative affordable housing plans seems to hinge on changing Toronto's rules on how small a legal apartment is allowed to be.

Of course, to do all this you would have to actually engage in substantive analysis, instead of playing yet another tedious game of Us v Them.

Do better, *Toronto Star*.

[Previous Master Innovation and Development Plan liveblog entries and relevant documents available here](#)