



Board of Directors Meeting

Agenda and Meeting Book

THURSDAY, DECEMBER 9, 2021 FROM 8:30 AM TO 12:15 PM

MICROSOFT TEAMS MEETING



Meeting Book - Board of Directors Meeting

Agenda - December 9, 2021 Board Meeting

Open Session Agenda

8:30 a.m.	1. Land Acknowledgement	Information	S. Diamond
8:35 a.m.	2. Motion to Approve Meeting Agenda	Approval	S. Diamond
8:35 a.m.	3. Declaration of Conflicts of Interest	Declaration	All
8:40 a.m.	4. Chair's Opening Remarks	Information	S. Diamond
8:45 a.m.	5. Consent Agenda		
	b) DRAFT Minutes of the Open Session of the October 7, 2021 Board Meeting - 4	Approval	All
	c) CEO Report - 10	Information	G. Zegarac
	d) HRGSR Committee Chair Open Session Report - November 17, 2021 - 20	Information	W. Cartwright
	e) IREC Committee Chair Open Session Report - November 18, 2021 Meeting - 21	Information	J. Winberg
	f) FARM Committee Chair Open Session Report - November 25, 2021 Meeting - 22	Information	K. Sullivan
	g) Priority Projects Update - 24	Information	D. Kusturin
	h) Fundraising MOU with the City of Toronto - 44	Information	L. Taylor
9:05 a.m.	6. Committee Appointments	Approval	S. Diamond
	Report - 48		
9:10 a.m.	7. Villiers Island Precinct Planning	Information	A. Barter / J. Kilbourn
	Coversheet - 49		
	Presentation - 50		
9:20 a.m.	8. Q3/2021 Construction Cost Forecast and Risk Update and Quantification - Port Lands Flood Protection	Information	D. Kusturin
	Presentation - 66		
9:35 a.m.	9. Motion to go into Closed Session	Approval	All

Closed Session Agenda

The Board will discuss items 10(a), (b), (c) & (d), 11 through 20 being consideration of the draft Minutes of the Closed Session October 7, 2021 Board meeting, the HRGSR Committee Chair's Closed Session Report, the IREC Committee Chair's Closed Session Report, the FARM Chair's Closed

Session Report, MNP Report on Board Effectiveness, Board Retreat, Update on Government Review, Fundraising Action Plan, Interim Activation & Events Strategy, Draft Rolling Five-Year Strategic Plan, Update on Acquisitions, PLFP Utilities Risk Update, Quayside Update, and Board Closed Session Discussion respectively, in Closed Session, as permitted by By-Law No.2 of the Corporation. The exceptions relied for the discussion of item 10(a) in Closed Session is contained in the minutes of the Board Meeting held October 7, 2021 as provided in item 5(b) of this agenda, for item 10(b) is Section 6.1.1(h), for item 10(c) is Section 6.1.1(c) for item 10(d) is Section 6.1.1(k), for item 11 is Section 6.1.1(b), for items 12, 13, 15 & 16 is Section 6.1.1(k), for item 14 is Section 6.1.1(b) & (k), for items 17 & 19 is Section 6.1.1(c), for item 18 is Section 6.1.1(k) & (l), and for item 20 is Section 6.1.1(b) of By-Law No. 2. The Board will continue in Open Session at the end of the Closed Session to discuss and vote on any resolution(s) pertaining to the Closed Session.

Closed Session - 87

12:05 a.m.	21. Motion to go into Open Session	Approval	All
	Public Session Agenda		
12:05 a.m.	22. Resolution(s) Arising from the Closed Session	Approval	All
	Form - 88		
12:10 a.m.	23. Chair's Closing Remarks	Information	S. Diamond
12:15 p.m.	24. Motion to Terminate the Meeting	Approval	All
FYI	Next Meetings		
	Tuesday, February 15, 2022 (TBC)		
	Thursday, March 24, 2022		
FYI	Upcoming Board and Committee Meetings		
	Schedule - 89		

**MINUTES of the Open Session Meeting of the Board of Directors of the
Toronto Waterfront Revitalization Corporation
Via Microsoft Teams Teleconference
Thursday, October 7, 2021 at 8:30 a.m. local time**

PRESENT: Stephen Diamond (Chair)
Paul Khawaja
Leslie Woo
Jack Winberg
Drew Fagan
Rahul Bhardwaj
Kevin Sullivan
Jeanhy Shim
Wende Cartwright
Michael Galego
Councillor Joe Cressy

REGRETS: Andrew MacLeod

ATTENDANCE: WATERFRONT TORONTO
George Zegarac (CEO, Waterfront Toronto)
Meg Davis (Chief Development Officer)
Lisa Taylor (Chief Financial Officer)
Christopher Glaisek (Chief Planning and Design Officer)
David Kusturin (Chief Project Officer)
Cameron MacKay (VP, Strategic Communications and Engagement)
Pina Mallozzi (VP, Design)
Rose Desrochers (VP, Human Resources and Administration)
Catherine Murray (Senior Legal Counsel)
Ian Ness (General Counsel)
Ed Chalupka (Director, Government Relations)
Kristina Verner (VP, Innovation, Sustainability & Prosperity)
Iain McMullan (Executive Director, Philanthropy)
Charmaine Miller (EA to the CEO & Acting Board Administrator)

Also in attendance for part or all of the meeting were:

- Laura Robbins, Program Analyst, Kira Heymans, Analyst, Yassine Ben Rejeb, Portfolio Analyst, and Anne-Marie Rozon, Director, from Investment, Partnership and Innovation Branch of Infrastructure Canada,
- Chris Monahan, Director, Policy and Planning Branch of Infrastructure Research and Planning Division, Andre James, A/Manager, Bhavika Kotak, Senior Policy Analyst and Louis Bitonti, Senior Policy Advisor, Agency Oversight Unit, Infrastructure Policy Division Ministry of Infrastructure at Ontario Ministry of Infrastructure,
- Tom Davidson, Director, Waterfront Initiatives, Office of Councillor Joe Cressy, City of Toronto, and David Stonehouse, Director, Waterfront Secretariat, Jayne Naiman, Waterfront Project Manager, Waterfront Secretariat

The Chair, Stephen Diamond, appointed Ian Ness to act as secretary of the meeting.

With notice of the meeting having been sent to all Directors in accordance with the Corporation's By-laws and a quorum of Directors being present, the Chair called the meeting to order at 8:39 a.m. and declared that the meeting was duly constituted for the transaction of business.

1. Land Acknowledgement

Stephen Diamond acknowledged Indigenous People's presence and connections to lands under revitalization by Waterfront Toronto.

2. Motion to Approve Meeting Agenda

ON MOTION duly made by Jack Winberg, seconded by Rahul Bhardwaj and carried, it was **RESOLVED** that the Agenda for the October 7, 2021 meeting be approved, as presented.

3. Declaration of Conflicts of Interest

Stephen Diamond and Kevin Sullivan declared conflicts of interest with respect to item 16(b) on the agenda due to their existing development partnerships with one or more proponents involved in the Quayside project. While neither Mr. Diamond nor Mr. Sullivan have any involvement with the proponents relating to the Quayside project or any other WT projects, neither participated in the meeting during the discussion of item 16(b).

George Zegarac also noted that neither Mr. Diamond nor Mr. Sullivan received or had access to any materials distributed to the board regarding Quayside.

Jack Winberg, IREC Committee Chair acted as chair of the board meeting while Mr. Diamond was absent.

4. Chair's Opening Remarks

Stephen Diamond welcomed Paul Khawaja, a new provincial appointee to the WT Board of Directors.

Mr. Diamond also welcomed and thanked everyone for joining the meeting remotely, especially the government partners for their participation and their ongoing support of Waterfront Toronto. Mr. Diamond explained that meetings continue to be held remotely, due to the ongoing COVID-19 pandemic. He added that the day's meeting would be recorded and made available to the public afterwards.

5. Consent Agenda

The **Highlights of Key Messages** were taken as read.

Draft Minutes of the Open Session June 24, 2021 and July 19, 2021 Meetings:

ON MOTION duly made by Jeanhy Shim, seconded by Wende Cartwright and carried, it was **RESOLVED** that the Minutes of the June 24, 2021 meeting of the Board of Directors be approved as presented.

ON MOTION duly made by Leslie Woo, seconded by Drew Fagan and carried, it was **RESOLVED** that the Minutes of the July 19, 2021 meeting of the Board of Directors be approved as presented.

CEO Report

George Zegarac provided a brief overview of key matters in the CEO report including an update on the Corporation's continuing Indigenous communities engagement, and in particular, recognized Canada's first National Day for Truth and Reconciliation on September 30th. Mr. Zegarac also briefly provided updates on the Quayside project, citing the Request for Proposals (RFP) deadline for submissions is November 12, 2021, Marine Use Strategy/Parliament Slip, Eastern Waterfront LRT Extension, COVID-19, establishing a WT Volunteer Corps, Government Oversight which included an update on the Tri-government Strategic Review, continuing resourcing review of workforce requirements and the Corporation's ongoing commitment on Diversity, Equity & Inclusion (DE&I), and update on the Port Lands Flood Protection project.

The 2022 Board and Committee Meetings Calendar was shared by General Counsel, Ian Ness for information.

The HRGSR, FARM and IREC Committees Chairs Open Session Reports were provided for information and taken as read.

6. Governance Documentation

Ian Ness noted that of the fourteen (14) documents that were previously identified as requiring review and update, six have previously been approved and eight were to be reviewed by the board today. All documents were reviewed by internal legal counsel, members of the Senior Management Team and external counsel, Mr. Barry Reiter of Bennett Jones LLP.

Ian Ness provided the following documents to the board for approval:

1. By Law #1 General By Law
2. By Law #2 Open meeting By law
3. By Law #3 Board remuneration
4. Mandate of the Board
5. Mandate of the Board Chair
6. Mandate of the CEO
7. Wrongdoing Policy
8. Mandate of FARM Committee (note: this document was

considered in March 2021 but a minor change is now requested to conform to other committee mandates)

ON MOTION duly made by Jack Winberg, seconded by Drew Fagan, and carried, it was **RESOLVED** that the Board approve the noted governance documents of the Corporation, each in the form presented to the meeting.

7. Appointment of External Auditors

Chief Financial Officer, Lisa Taylor presented management's recommendation, for approval, to appoint BDP Canada LLP as the Corporation's external auditor based on the results of a competitive procurement.

ON MOTION duly made by Leslie Woo and seconded by Wende Cartwright, it was **RESOLVED** that the Board of Directors hereby appoints BDO Canada LLP as the Corporation's external auditor for an initial three-year term ending March 31, 2024, for the fixed fees submitted per BDOs proposal, with an option to extend for two additional one-year terms at Waterfront Toronto's sole discretion.

8. Priority Projects Update

Chief Project Officer, David Kusturin provided updates on some key priority projects. Several slides consisting of pictures and three drone videos were presented to illustrate the progress made on the Port Lands Flood Protection (PLFP) project as well as other construction projects undertaken by Waterfront Toronto (WT).

9. Third Bridge Arrival Event

The CEO indicated that the Corporation planned to invite all three levels of government to an event when the third bridge of PLFP arrives. At the time of the meeting, the arrival date was not known, and any event may be subject to weather considerations.

10. Motion to go into Closed Session

In accordance with By-Law No. 2 of the Corporation and **ON MOTION** made by Jeanhy Shim and seconded by Wende Cartwright and carried, the Board **RESOLVED** to go into Closed Session to discuss items 11(a), (b), (c) & (d), 12 through 17. The exception to the Open Meeting Law relied on for the discussion of item 11(a) is contained in the minutes of the Board Meetings on June 24, 2021 and July 19, 2021 as provided in item 5(b) of this agenda, for item 12 & 13 is Section 6.1.1(b), for item 14 is Section 6.1.1(c) for item 15 is Section 6.1.1(l) for item 16 is Sections 6.1.1(c) and for item 17 is Section 6.1.1(b) of By Law No. 2. The Board continued in Open Session at the end of the Closed Session to discuss and voted on the resolution(s) pertaining to the Closed Session.

11. Consent Agenda

Draft Minutes of the Closed Session June 24, 2021 and July 19, 2021 Meetings

Closed Session Committee Chair's Report for HRGSR September 9, 2021 meeting, FARM September 14, 2021 meeting and IREC September 23, 2021 meeting.

12. Update on Government Reviews

13. Fundraising Action Plan

14. Update on Acquisitions

15. PLFP Risk Update

16. Quayside Update

- a) Lessons Learned**
- b) RFP Update**

Stephen Diamond and Kevin Sullivan left the meeting during item 16(b) presentation and discussion.

17. Board Closed Session Discussion

18. Motion to go into Open Session

ON MOTION made by Jack Winberg, seconded by Leslie Woo and carried, the Board **RESOLVED** to go into Open Session.

19. Resolutions Arising from the Closed Session

ON MOTION duly made by Jeanhy Shim and seconded by Drew Fagan and carried, it was **RESOLVED** that the Minutes of the Closed Session of the Board of Directors meeting held on June 24, 2021 be approved, as tabled.

ON MOTION duly made by Jack Winberg and seconded by Wende Cartwright and carried, it was **RESOLVED** that the Minutes of the Closed Session of the Board of Directors meeting held on July 19, 2021 be approved, as tabled.

20. Termination of the Meeting

The Chair thanked everyone for attending the meeting.

There being no further business, **ON MOTION** made by Leslie Woo, seconded by Jack Winberg and carried, it was **RESOLVED** that the meeting be terminated at 11:25 a.m. local time.

Board Chair

Secretary

I am pleased to provide this CEO Report for the upcoming quarterly Board meeting. Since the last report, I have continued to be fully engaged with staff, governments and other stakeholders and agencies operating on the waterfront.

I would like to thank the City of Toronto staff and Council for extending Councillor Cressy's term on the Board until November 14th of 2022 to ensure continuity and consistency in this very busy time for the corporation.

Quayside RFP

In May, ten compliant submissions for the Quayside Development Opportunity Request for Qualifications (RFQ) were received. The number and quality of submissions is a clear indication that Toronto's waterfront remains a desirable development destination, and that Quayside can and will contribute to the province's post-pandemic recovery.

Following the evaluation of the ten RFQ submissions, four Proponent teams were selected to proceed to the Request for Proposals (RFP) stage including:

- Hines Canada (with Tridel)
- KMT Quayside Developments Inc. (Kilmer, Mattamy and Tricon)
- Quayside Impact (Dream, Great Gulf)
- The Daniels Corporation and Hullmark Developments Ltd.

The Shortlisted Proponents were invited to respond to the RFP which was released on July 26th. The deadline for submissions was November 12, 2021. The Evaluation Committee will evaluate the submissions with a view to selecting the preferred proponent at the Board meeting in February 2022.

Parliament Slip

The Parliament Slip proposal is a complement to the Marine Use Strategy (released in March 2021) and a first step towards implementing the strategy and includes new swimming pools, mooring opportunities, better access to the water's edge and floating structures on the water to accommodate concessions, and a floating restaurant. In addition, the WaveDeck will enable us to create important aquatic habitat beneath its surface (similar to the WaveDecks further west) and will create a very dynamic and welcoming public space.

Waterfront Toronto formally submitted the Parliament Slip business case to the federal and provincial governments in April of this year seeking capital funding for a portion of the

project proposal. We also continue to work with the City of Toronto to ensure year-round activation of the slip and on an ongoing operations and maintenance strategy.

Former federal Infrastructure Canada Minister, Catherine McKenna, expressed her strong support for the project and began the approvals process in advance of the federal election, however, they were not secured in time. Waterfront Toronto will brief Minister Dominic LeBlanc at the earliest opportunity to continue to pursue federal government support for the project. In addition to positive media reports there has been enthusiastic support for the project when I have spoken to the concept at public meetings.

COVID-19

The Joint Health and Safety Committee has played an integral role in the COVID-19 pandemic response and is guided by public health directives. They have been making recommendations to the Senior Management Team to help preserve the health and safety of our employees and adapt WT's operations and actions in response to the pandemic.

I am very pleased that the Corporation continues to operate effectively and efficiently with excellent collaboration across the organization and with our government partners and I am incredibly proud of how agile and resilient our staff have been throughout this period.

The Joint Health and Safety Committee has created a "Return to the Workplace Plan" and implemented safety measures throughout the office along with the building safeguards put in place by our landlord regarding social distancing, mask wearing, and capacity limits in certain areas of the office.

The gradual return to the workplace began in August with a phased in approach that had the Senior Management Team return to the office one day per week. By mid-September, all staff returned one day per week and the Senior Management Team moved up to two days per week. As of mid-October, all staff have returned to the office two days per week.

As the COVID cases start to rise and with the arrival of the new variant, we continue to monitor the situation and will adjust the return to workplace plan, if necessary, based on guidance and direction from Public Health officials.

Following the lead of our government partners and to meet our obligations to provide a safe work environment, Waterfront Toronto instituted a mandatory vaccination policy as part of our Return to Workplace Plan that required all staff to be fully vaccinated in order to return to the office, by October 31, 2021 and applies to all guests to the office as well.

Government Oversight

Strategic Review

In 2020, The Intergovernmental Steering Committee (IGSC), in response to a 2018 recommendation from the Auditor General, initiated a strategic review of Waterfront Toronto's mandate including roles and responsibilities of existing organizations that may have overlapped mandates or interest on Toronto's Waterfront. The IGSC also directed the review to consider if a mandate extension, supported by a new long-term vision for waterfront revitalization, is appropriate. As part of the review KPMG was retained to:

- Update the findings of the 2015 Waterfront Strategic Review
- Assess strengths and weakness of waterfront revitalization delivery, including roles and responsibilities of various agencies
- Review Waterfront Toronto's financial outlook and fiscal sustainability
- Determine how Waterfront Toronto's current legislative mandate to 2028 (and beyond, if applicable) aligns with the Corporation's existing and proposed scope of work
- Examine how government partners are coordinating with one another to support Waterfront Toronto in fulfilling its mandate

A City Staff Report went to Executive Committee October 27th and City Council November 9th. The report was prepared with input from both Waterfront Toronto and the Federal and Provincial governments and made the findings of the Strategic Review Background Study, completed by KPMG, public. Staff will report back to Council early in 2022 on project priorities as they relate to future tri-government phase of waterfront revitalization as well as address potential government funding and mandate extension. Roles and responsibilities ((Villiers Island/Port Lands)) will also be addressed at that time.

City Council approved amending Waterfront Toronto's existing government borrowing and revenue consents, as well as the material terms to a fundraising memorandum of understanding between Waterfront Toronto and the City of Toronto – all three items are required to support implementation of Waterfront Toronto's Rolling Five-Year Strategic Plan, including implementation of Quayside and the fundraising action plan for the Signature Projects. The borrowing and revenue consents are now making their way through the approvals process at both the federal and provincial levels. It is anticipated that the revenue consent will be signed off by the end of the year with the borrowing consent approvals to follow early in the new year.

The work with respect to ongoing roles and responsibilities (Villiers/Port Lands) is ongoing and the results are expected to be reported back to Council in Q2 (calendar year) 2022. As part of the work staff and KPMG will review the real estate development responsibilities of Waterfront Toronto and CreateTO to ensure that there is alignment, including the ability

to leverage the skills of both organizations to enable effective and efficient project delivery in the Port Lands.

The staff report also directed the City Manager to lead a public consultation and stakeholder engagement process as part of “Audacity” that will result in a renewed vision for Toronto's waterfront the results of which will be to be reported back to Council in Q1 (calendar year) of 2022.

Strategic Plan

The Rolling Five-Year Strategic Plan (2022/23-2026/27) is the third one-year update/ roll-forward of the original Rolling Five-Year Strategic Plan first approved by the Board approved in December of 2018. As you know, WT's legislation requires the Board to approve an Annual Business Plan for the coming fiscal year on/or before December 31, 2021.

The original plan articulated the shared vision of the Board and Management and incorporated the input of Board members, Management and the three government stakeholders. The theme of this Updated Plan is Leading with Landscape, chosen in recognition of Waterfront Toronto's landscape-first revitalization approach, which has long been viewed as a leadership strength and core competency of the Corporation.

The Updated Plan of \$1.4 billion is consistent with the Original Plan with respect to the three strategic priorities including:

- Priority Projects (PLFP)
- Next Generation Sustainable Communities (Quayside); and
- Signature Projects

New items as part of this year's update include:

- Addition of development charges as a material funding source for Quayside municipal infrastructure (subject to City Council budget approval).
- Implementation of Parliament Slip (subject to federal and provincial funding).
- Modest increase to the corporate operating budget. We have been holding a number of vacancies which we plan to fill over the next year pending the completion of the Strategic Review and the Resource and Succession planning review. This increase is funded from new revenues as well as savings from prior years.
- Inclusion of the Interim Use & Events Strategy. The long-term nature of waterfront revitalization can result in temporarily underutilized assets. We are developing a plan with an overarching goal of a robust, year-round program of events, festivals and temporary uses across available sites on the waterfront.

- Fundraising Action Plan (revised as per the Planning Study).

Resourcing

The Resource and Succession Planning review is the second of six audits included in WT's three-year internal audit plan (2021/22- 2023/24) being undertaken by WT's internal auditors MNP LLP.

The review will assist Waterfront Toronto to effectively identify and proactively manage areas of exposure to help maintain continuity of operations and proactively adapt to changing resourcing needs as required.

The review scope focuses on three areas:

1. Resource and succession planning,
2. Retention and employee engagement, and
3. Diversity, equity, and inclusion.

As part of finalizing the report and recommendations, MNP has been working with senior management to summarize, validate, and prioritize organizational resource capacity needs as well as validate identified skill and capability strength and gap areas required to deliver on the Corporation's Rolling Five-Year Strategic Plan.

The final report, including process, skill set and capacity related recommendations is expected before the end of the calendar year.

Diversity, Equity & Inclusion (DE&I)

Waterfront Toronto is committed to creating a diverse, equitable and inclusive workforce and culture. Toronto is among the most ethnically diverse cities in the world and if the Corporation is to deliver on its promise to create a "waterfront for all" we must identify and remove barriers to the participation of Canada's diverse communities in waterfront revitalization. While we have had success in some areas, more must be done.

MNP was selected as the successful firm and extensive work is now underway to develop an implementation plan to achieve a diverse, resilient and united workforce and improve upon WT's existing DEI framework.

There are three main areas of focus of the DEI program including:

1. Establishing baseline metrics to get an accurate snapshot of our current team - *this information is an important starting point;*

2. Reaching out and engaging with community members and the public from all backgrounds, voices that we have yet to hear from; and
3. Developing recommendations to improve on the first two areas and also on how to start a pipeline/pool of diverse candidates for SMT roles.

Work has begun on developing a communication strategy and the identification of stakeholders including the Board, Waterfront Toronto's senior management team as well as internal and external stakeholders to help form a clear view of our current state. We will provide an update at our next Board meeting on the progress being made.

As part of our continuous learning on Indigenous Cultural Sensitivity, all staff, Board and Design Review Panel (DRP) members will be taking the next course called: From Bystander to Ally. This is a 5-hour course which builds upon the core training completed last year and focuses on learning the social change needed to reconcile and reform our relationships with Indigenous people in Canada. This training started November 22nd and is initially targeting Board and DRP members and some of our staff. The program will be rolled out to remaining WT staff after the holidays with a view to completing the course by the end of the fiscal year. I would also like to point out that as new staff come on-line the training is mandatory. We also offer up the training to all new board members as part of their on-boarding/orientation.

In addition, and as a requirement of Accessibility for Ontarians with Disabilities Act (AODA), updated training on the Human Rights Code has been introduced to all staff and was completed by November 30th.

Indigenous Engagement

Waterfront Toronto continues to be committed to ongoing engagement with Indigenous communities and specifically to deepen our relationship with the Mississaugas of the Credit First Nation (MCFN) as the Treaty Holders and Host Nation, as well other Urban Indigenous groups, as the Corporation moves forward in our revitalization efforts.

We continue to have ongoing discussions with MCFN regarding their participation and role in Quayside. MCFN participated in the Commercially Confidential Meetings (CCM's) with the shortlisted proponents as part of the Quayside RFP process and are also part of the technical team evaluating proposals.

MCFN and Waterfront Toronto have also been working together to advance the idea of locating an Indigenous Centre on the waterfront. The Centre would be of national significance and representative of all First Nations Cultures from coast-to-coast. Programming would be led by First Nations senior leadership with MCFN serving as the Host Nation and convening the discussion. The working group, comprised of staff from

both MCFN and WT are currently exploring the vision, features, and potential locations on the waterfront.

Port Lands Flood Protection

The thirteenth report of the Independent Capital Project Monitor appointed by the FARM Committee notes that the Port Lands Flood Protection project (PLFP) remains on budget and has no material scope changes. BTY have noted that they are unable to validate the current schedule and have recommended that Ellis Don re-baseline the schedule next quarter.

Access to the construction site is now allowed although the number of attendees on any given tour is limited to minimize risk of the potential closure of the site due to an outbreak of COVID-19. EllisDon continues to maintain screening protocols, cleaning, mask and physical distancing on site. We are hoping to coordinate a site tour for Board members when feasible.

Potential risks with respect to utility relocations which may generate cost and schedule impacts continue to be of concern. The project team continues to work cooperatively with the utilities to finalize designs and implementation schedules to further minimize impacts due to utility delays and costs.

Construction on the Lake Shore Blvd East – Bridge and Public Realm Project (LSBE) will commence in December and will continue through 2024.

The Cherry Street South Bridge is scheduled to arrive in early December. With the gradual easing of site restrictions and the arrival of the new bridge Waterfront Toronto is trying to organize a tri-government event the week of December 6th to mark the arrival of the bridge. The arrival of the bridge and exact timing/date(s) are subject to the weather conditions.

The final Cherry Street North vehicular bridge is scheduled to join the LRT bridge over the Keating Channel in spring 2022.

Excavation of the Central River Valley, Don Greenway and Ice Management areas is now complete, and the river is in varying stages of completion in these zones. Excavation in the “elbow” is substantially complete south of Commissioners Street and wet excavation at Polson Quay is nearing completion.

Municipal services and utilities installations have commenced on New Cherry Street and Commissioners Street both of which roads will reopen through next summer. Other progress being made include:

- Completing the horizontal directional drilling installation of the watermain on Commissioners Street and at the Keating Channel;
- Completing the micro-tunneling at the Cherry / Lake Shore intersection;
- Completing the placement of risk management measures in the Spillway and starting placement of risk management measures in the Ice Management Area;
- Beginning the west dock wall removal.

Sincerely,
George Zegarac
President and CEO

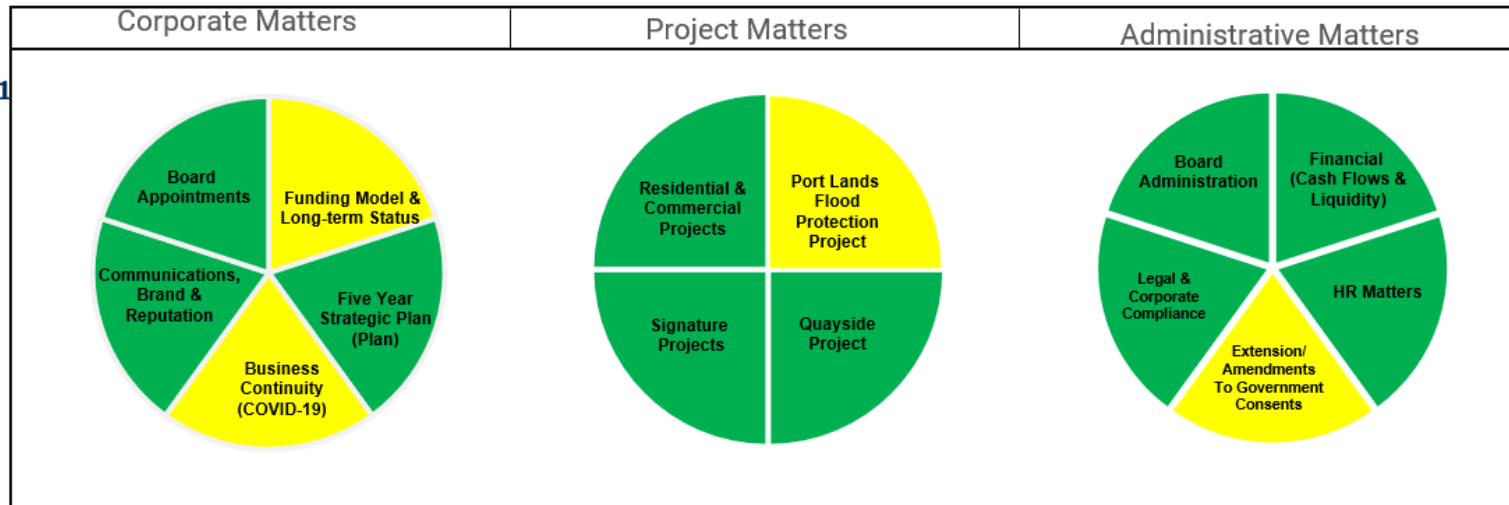
Appendix 1 – Corporate Dashboard and Summary of Dashboard Changes

Dashboard Highlights

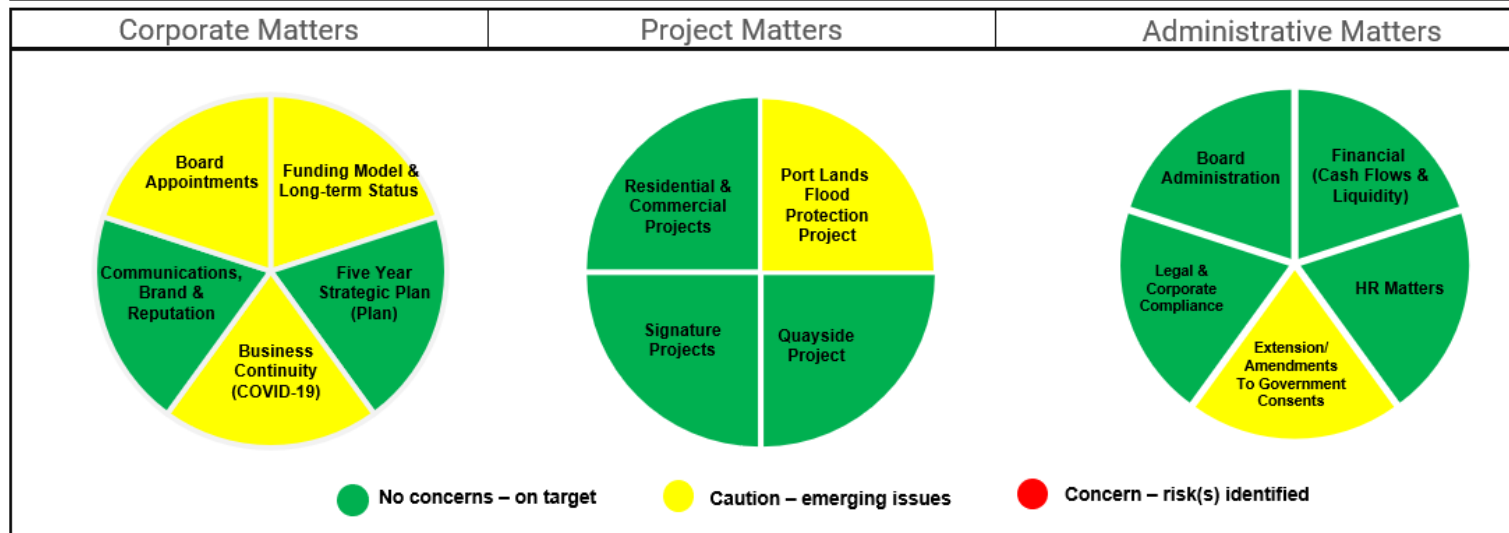
Dashboard Item	Previous 30/9/21	Current 02/12/21	Status
Business Continuity (COVID-19)	●	●	Organizational efficiency near 100%. Our return to workplace plan is being implemented in a phased strategy. We continue to monitor the situation and follow public health guidelines to inform our plans.
Board Appointments	●	●	Councillor Cressy's term extended to November 2022. Both Chair and provincial appointments terms expiring early 2022.
Consents	●	●	Revenue consent amendment expected to be executed by end of 2021. Borrowing Consent to increase LOC anticipated by end of fiscal 2021-22.

Corporate Dashboard

Current
02/12/2021



Previous
30/9/2021



The HRGSR Committee met on November 17, 2021. All members of the Committee were in attendance.

I wish to report on the items set out below which were discussed at the open session of the November 17, 2021 Committee meeting:

1. Human Resources Update

Rose Desrochers, VP Human Resources and Administration, provided the committee an overview of some of our Human Resources practices since our last meeting that focused on our general HR Framework including Recruitment, Learning and Development, Talent/Succession Management, and Diversity, Equity and Inclusion. The materials provided included a dashboard on matters of importance, and the Committee noted its appreciation of this development and would work with management to refine the dashboard going forward.

In accordance the agreed work plan for the Committee, Rose Desrochers also provided a listing of our HR guidelines. Although there are a large number of guidelines, Ms. Desrochers highlighted that several require annual sign off, and training and education is provided to employees. It was agreed that management would continue to review the guidelines to see if the number could be reduced, or they could be arranged by themes to make it easier for staff.

The Investment and Real Estate Committee (“IREC” or the “Committee”) met on November 18, 2021. This report reflects a summary of the Committee’s discussions in the Open Session of the meeting. A quorum was achieved for the meeting.

I wish to report on the items set out below which were discussed at the November 18, 2021 Committee meeting:

1. Consent Agenda – Development Dashboard
2. Development Project Presentation

1. Consent Agenda – Development Dashboard

The Development Dashboard was taken as read. There were no items of concern to be highlighted.

2. Development Project Presentation

Management provided a presentation on the Villiers Island Precinct Plan and Approach to Implementation. It was subsequently agreed that a presentation, reflecting comments from the Committee, would also be made to the entire board, as the presentation contains useful background information for directors. The presentation is identified under agenda item 7 for today’s board meeting.

The Finance, Audit & Risk Management (FARM) Committee met on November 25, 2021. Quorum was achieved with all four members attending the meeting via Microsoft Teams.

This report covers the following eight items, six for information and two for approval:

1. Corporate and Project Reporting Dashboards and Reports
2. Internal Audit Update
3. Port Lands Flood Protection Project:
 - a. Q3 2021 Construction Cost Forecast and Risk Update & Quantification
 - b. Project Update
 - c. Independent Capital Monitor Report
4. Draft Interim Activation and Events Strategy (reported in closed session)
5. Fundraising Action Plan (reported in closed session, **for approval**)
6. Draft Rolling Five Year Strategic Plan (2022/23 – 2026/27) (reported in closed session, **for approval**)
7. Update on Government Reviews (reported in closed session)
8. Port Lands Risk Discussion (reported in closed session)

Note that Item 3a) above is reported separately under Agenda Item 8 in the Open Session, and items 4 to 8 above are reported under Item 10d) FARM Committee Chair's Closed Session Report as well as under Items 13 to 16 and 18 of the Closed Session.

1. Corporate and Project Reporting Dashboards and Reports

- Management provided its quarterly dashboards and reports covering areas related to 2021/22 corporate plan performance, enterprise risk management, audit, liquidity, interim financial statements, capital projects, procurement, regulatory compliance, fundraising and COVID-19 impact.
- While the reports were taken as read, the Committee Chair commented that liquidity remains strong and good progress is being made by management regarding increasing the Corporation's borrowing limit.
- The Committee asked questions of management regarding the financial performance of the Corporation's interim property portfolio which is strong this year to date due to a number of new interim leases, as well as the interim parking facilities back to performing at pre-COVID levels.

2. Internal Audit Update

- Veronica Bila, Partner, MNP LLP provided an update with respect to the Corporation's three-year internal audit plan, which is approximately at the mid-way point, with three of six internal audits substantially complete, including the Resourcing & Succession Management Review which will be reported at the next FARM Committee meeting.
- The next internal audit relates to the Corporation's ERP system and program management related processes and internal controls.

3. Port Lands Flood Protection (PLFP) Project

- a) Q3 2021 Construction Cost Forecast and Risk Update and Quantification

- Management presented the Q3 2021 *Construction Cost Forecast & Risk Update and Quantification* for the PLFP project to the Committee.
- The semi-annual update, which is a key part of the Corporation’s project risk management framework, involves the reassessment of construction risk to ensure that the likelihood of achieving the program budget remains high as risks are realized and retired throughout the life of the project.
- The Q3 2021 results indicate that the PLFP project remains on budget and on schedule however the forecast probability of delivering the project on budget has decreased from 63% (in Q1 2021) to 53% primarily due to increased utility costs and current market conditions for commodities and labour.
- Additional contingency in the amount of \$5.6M (current contingency balance is \$43.1M) would increase the probability to 75%.
- While management continues to identify opportunities to increase the contingency these opportunities become less available as construction continues.
- As such, management has begun to review options to address the potential situation of a budget and/or schedule overrun, which at worst-case based on the current risk portfolio would be no more than \$10M in additional cost and/or 5-8 months schedule delay.

b) PLFP Project Update

- Waterfront Toronto’s Chief Project Officer provided a visual progress report for the PLFP project.

c) Independent Capital Monitor Report

- BTY Consulting LLP (BTY) presented their **13th report** as Independent Capital Monitor for the PLFP project and noted that:
 - a. Budget remains at \$1.185 billion.
 - b. The remaining contingency of \$43.1M is 3.6% of the total project budget and 6.3% of the total project cost-to-complete.
 - c. Schedule and project completion date of March 31, 2024 could not be substantiated. BTY recommended that the schedule be re-baselined to revalidate the critical path and March 2024 completion date.
 - d. No scope changes have been made to the project this quarter.

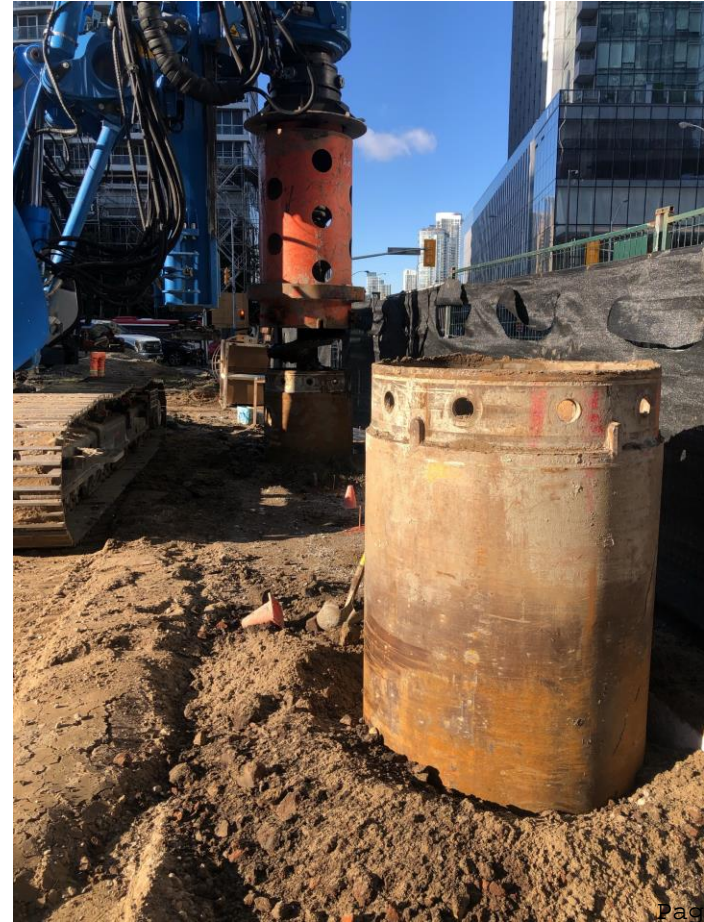
Priority Projects: Construction Update



Love Park: Pond Wall Excavation



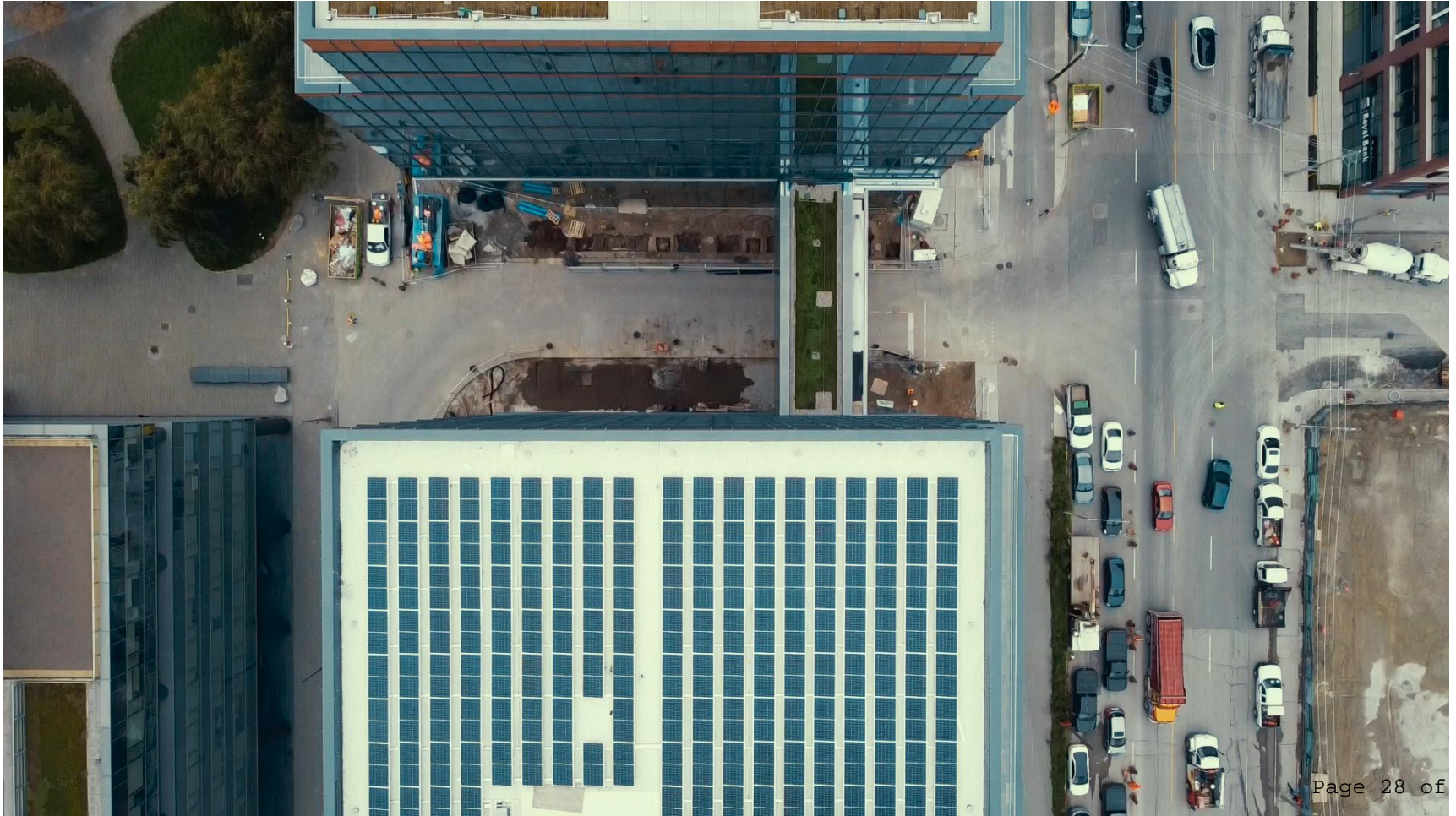
Love Park: Caisson Drilling



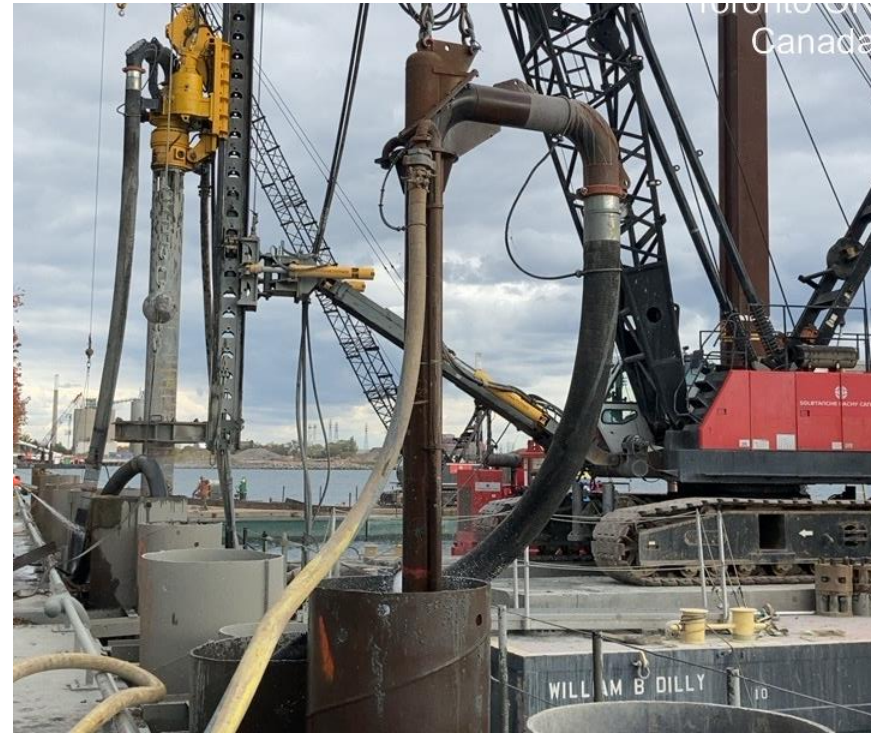
Waterfront Innovation Centre



Waterfront Innovation Centre



In-Water Pipes



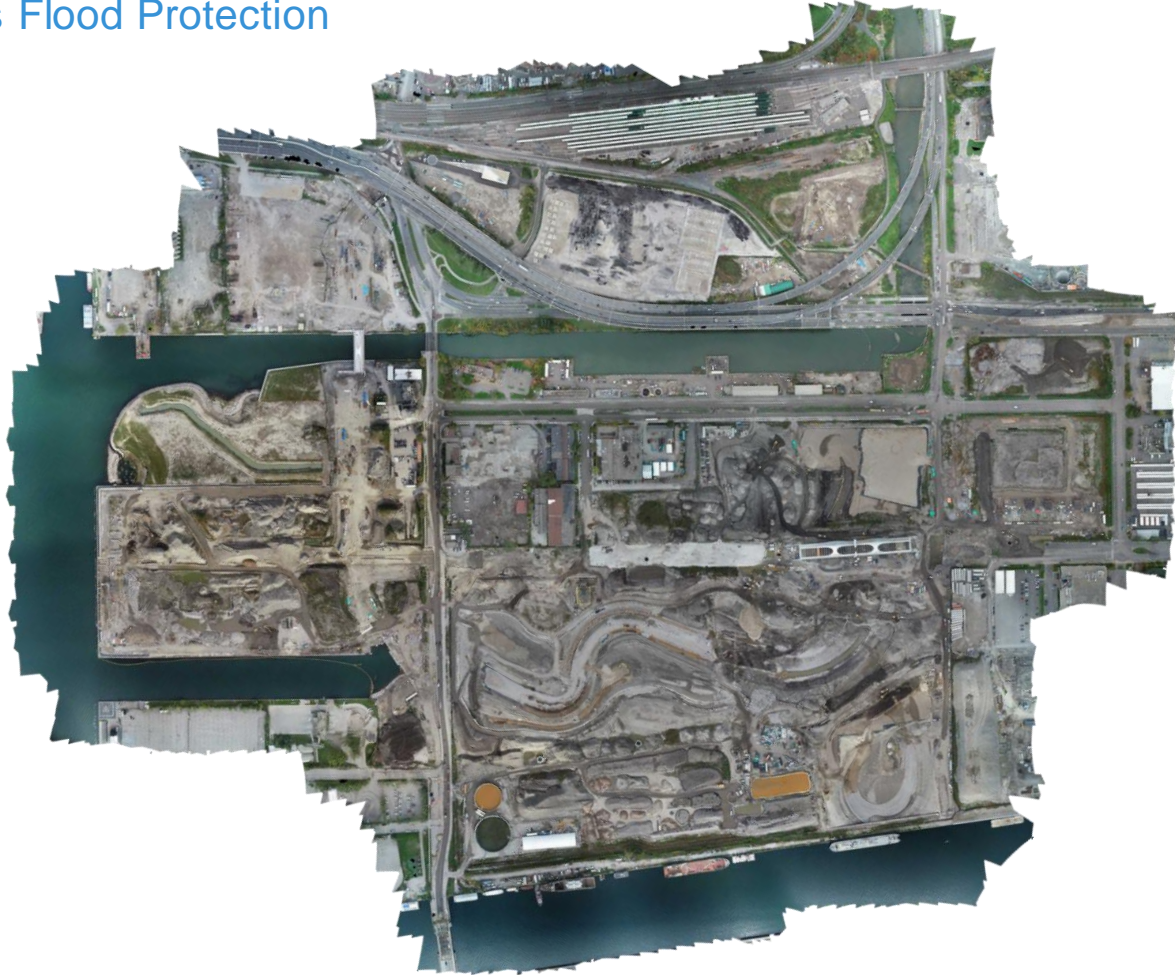
Lake Shore Boulevard East



Lake Shore Boulevard East

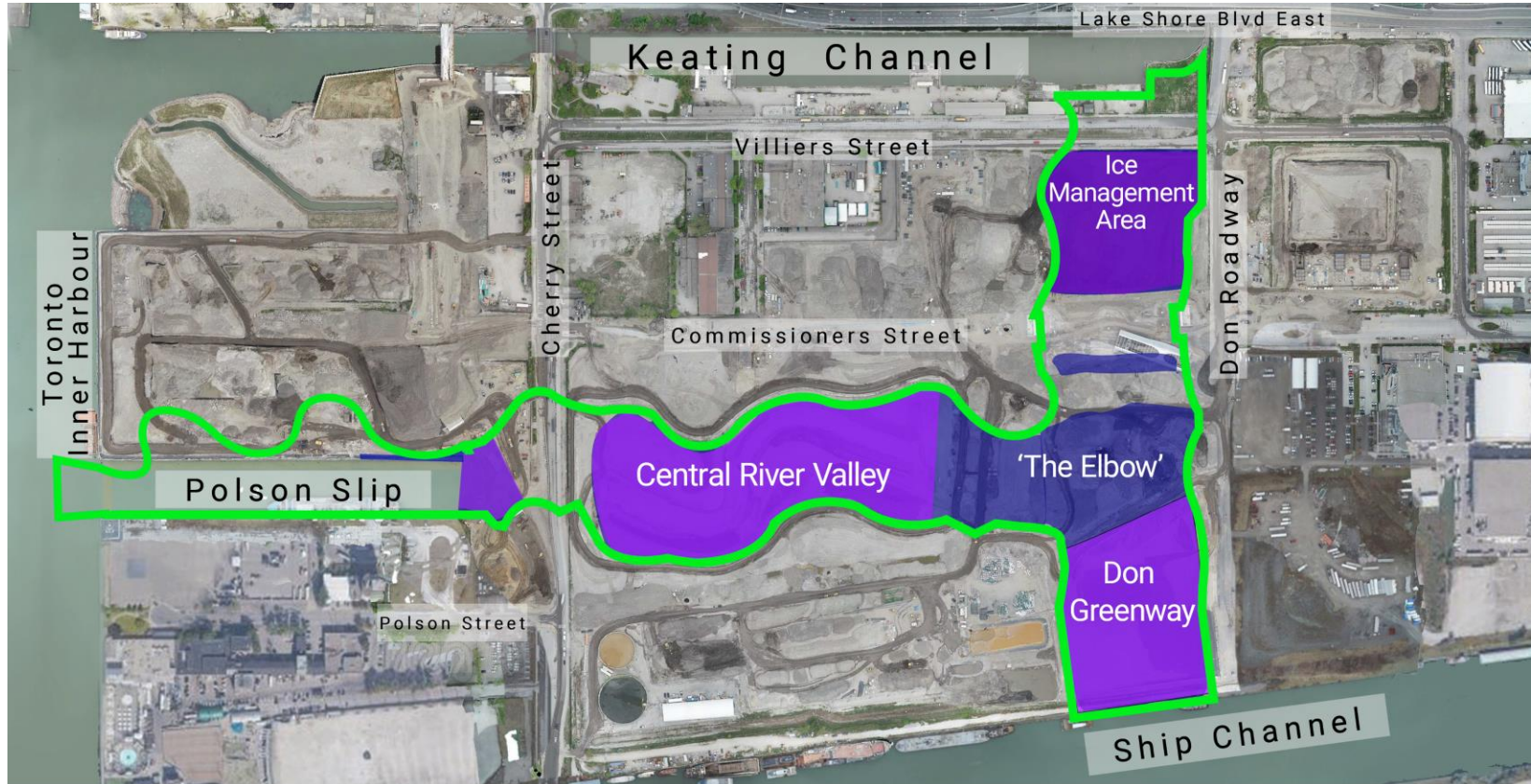


Port Lands Flood Protection





Port Lands Flood Protection: Excavation in Ice Management Area 100% Complete



Port Lands Flood Protection: Central River Valley



Port Lands Flood Protection: Pedestrian Bridge Foundations in Central River Valley



Port Lands Flood Protection: Cribwall Placement



Port Lands Flood Protection: Fibre Encapsulated Soil Lift Installation



Port Lands Flood Protection: 'Elbow' Excavation



Port Lands Flood Protection: Ice Management Area Excavation



Port Lands Flood Protection: Polson Slip Wet Excavation



Port Lands Flood Protection: Commissioners Street Bridge Welding



Port Lands Flood Protection: Cherry Street South Bridge



Purpose	<p>For information.</p> <p>This item covers the major terms of the planned Fundraising Memorandum of Understanding (MOU) between Waterfront Toronto and the City of Toronto.</p>
Areas of note /Key issues	<ul style="list-style-type: none"> • Waterfront Toronto has been negotiating the terms of a Fundraising MOU with the City of Toronto for the Signature Projects. • The Fundraising MOU seeks to coordinate fundraising efforts and ensure consistency with City fundraising policies for WT projects on City-owned land. • The major terms were approved by Toronto City Council on November 12, 2021 and provide for delegated authority to Waterfront Toronto to receive donations of any dollar amount (previously Council approval required for donations over \$50,000) if a joint WT/City Fundraising Liaison Committee has approved the relevant project charter and fundraising campaign. • Note that Waterfront Toronto is required to follow City policy with respect to naming at this time. • Refer attachment 1 for further details.
Resolution/ Next Steps	<p>The Fundraising MOU with the City of Toronto is anticipated to be executed by Waterfront Toronto and the City of Toronto prior to March 31, 2022.</p>

Attachment 1:

MAJOR TERMS: DONATIONS AND SPONSORSHIPS MOU CITY OF TORONTO AND WATERFRONT TORONTO

Parties	Toronto Waterfront Revitalization Corporation ("Waterfront Toronto") and the City of Toronto ("City")
Background	Waterfront Toronto's Board-approved Rolling Five Year Strategic Plan identifies several unfunded projects (referred to as the Signature Projects) that are consistent with its mandate, which it believes to be capable of attracting private philanthropic support.
Goal	To establish a process for Waterfront Toronto and the City to coordinate the donations and sponsorships program for projects that are to be City-owned assets.
Scope of MOU	Proposed projects within the scope of the MOU are (i) intended to vest with the City, and must be (ii) approved by the Waterfront Toronto Board of Directors as part of Waterfront Toronto's Rolling Five Year Strategic Plan, (iii) be consistent with the Central Waterfront Secondary Plan and relevant precinct plans, (iv) be located within the waterfront, and (v) subject to approval by the City/Waterfront Toronto Fundraising Liaison Committee ("the Liaison Committee").
Net New Projects	<p>Net new fundraising projects are those that are intended to vest with the City but:</p> <ul style="list-style-type: none">(i) Have not yet been approved by the Waterfront Toronto Board of Directors,(ii) Are not consistent with the Central Waterfront Secondary Plan and relevant precinct plans. <p>Net new fundraising projects would be subject to approval by the Liaison Committee and City Council, as required.</p>
Project Charter	<p>Waterfront Toronto will form working groups specific to relevant workstreams (such as design, governance etc.) and conduct meetings with City staff to discuss proposed projects and to obtain support, in principle.</p> <p>Waterfront Toronto will prepare a project charter for each proposed project that will set out information such as the scope, schedule, budget, operations and maintenance responsibilities and costs.</p> <p>The Project Charter would include a "risk registry" where information about potential items of conflict are identified, along with risks and mitigation measures. The Project Charter would also identify programming that projects would require as well as benefits and recognition to be offered.</p>
Fundraising Campaign	Waterfront Toronto will also prepare a fundraising campaign that will include a fundraising strategy for capital works and will include options for funding operations and maintenance. Sponsorships are not expected to be an emphasis of Waterfront Toronto's fundraising efforts.

Fundraising Approval	Once the Liaison Committee approves the project charter and fundraising campaign, and City Council has approved any net new projects, as appropriate, the project will continue to the next steps of design and development, and active fundraising can begin.
Sponsorship and Donation Agreements	Waterfront Toronto will review donation agreement templates and/or any exceptions to these, and proposed donor and/or sponsor recognition or benefits with the Liaison Committee before they are secured with donors. The City will be party to agreements where applicable.
City/Waterfront Toronto Fundraising Liaison Committee	<p>A City/Waterfront Toronto Fundraising Liaison Committee will be established and co-chaired by City and Waterfront Toronto staff and would be made up with an equal number of representatives from the City and Waterfront Toronto. Committee membership is proposed to include the following officials or their designates:</p> <ul style="list-style-type: none"> • Director, Strategic Partnerships, City Manager's Office; • General Manager, Parks, Forestry and Recreation; • General Manager, Economic Development and Culture; • Executive Director, Philanthropy, Waterfront Toronto; • Chief Planning & Design Officer, Waterfront Toronto; • Chief Financial Officer, Waterfront Toronto. <p>Executive leadership will participate in the Liaison Committee for decision-making purposes on an as-needed basis:</p> <ul style="list-style-type: none"> • Deputy City Manager, Community and Social Services; and • CEO, Waterfront Toronto. <p>They will serve as decision-makers who will liaise with other relevant City of Toronto divisions, agencies, boards and commissions. The Liaison Committee will:</p> <ul style="list-style-type: none"> (i) meet on a regular basis at a working group level and at an executive leadership level when approvals are required, (ii) ensure fundraising campaigns and key terms of fundraising agreements align with the City's goals and priorities, and the City's fundraising policies, (iii) ensure that the City and Waterfront Toronto work together efficiently and effectively, (iv) approve projects for fundraising through review of project charters and fundraising campaigns, (v) review of prospects on a confidential basis by a restricted group (vi) review design updates, (vii) review risk registries, (viii) support implementation, and monitor progress.
Land Parcels	Will be at no cost to use the lands or rights for the construction of the approved project where the City owns the lands within the boundaries of the approved project.
Planning and Development Approvals	Waterfront Toronto can proceed to seek any necessary planning and development approval for approved projects. The City may assist in facilitating approval applications to ensure delivery of an approved project in a timely manner. The City shall charge and Waterfront Toronto will pay all permit fees.
Coordination of Fundraising	The City and Waterfront Toronto will work together efficiently and effectively and avoid potential conflicts.

City's Fundraising and Sponsorship Policies	<p>Fundraising by Waterfront Toronto will align with the City's Sponsorship Policy, Donations to the City of Toronto for Community Benefits Policy, and City of Toronto Individual and Corporate Naming Rights Policy, and any other applicable City policy.</p> <p>The City will make best efforts to advise Waterfront Toronto of issues that could create potential conflict such as existing City contractual obligations and conflicts with City policies.</p>
Project Delivery	<p>Projects will be delivered by Waterfront Toronto through Delivery Agreements with the City. Delivery Agreements will include budget, schedule, roles/responsibilities and other implementation matters. Project implementation will be led through a project implementation steering committee, co-chaired by the lead City Division and relevant Waterfront Toronto project delivery lead.</p>
Reporting	<p>The Liaison Committee shall provide an annual report regarding approved projects, approved fundraising campaigns and progress, and unresolved issues. Reports will also be provided to the Intergovernmental Steering Committee.</p>

Purpose	For Approval
Areas of note/ Key issues	New provincial appointees, Paul Khawaja and Alysha Valenti, have recently joined the Board of Directors. It is now appropriate that each of the individuals be appointed to a committee of the Board. In addition, Andrew MacLeod has been serving on two committees and, in recognition of the fact that we now have our full complement of directors, Mr. MacLeod is no longer required to serve on both IREC and HRGSR. It is intended that Mr. MacLeod continue to serve only on IREC.
Resolution & Next Steps	<p>The Chair of the board has the power and authority to recommend directors for appointment to one or more committees. At the meeting, the chair will be presenting his recommendation that Paul Khawaja join the HRGSR Committee, Alysha Valenti join IREC and Andrew MacLeod continue to serve on IREC, but not HRGSR.</p> <p>Be it resolved that the Board of Directors approve the recommendations of the Board chair with respect to the committee memberships of Paul Khawaja, Alysha Valenti and Andrew MacLeod.</p>

**Item 7 – Villiers Island Precinct Plan and Approach to Implementation
Aaron Barter & Jed Kilbourn**

Purpose	For Information
Areas of note/ Key issues	<p>The Development team will provide a presentation on the planning framework for Villiers Island. This will include guiding planning documents as well as the Villiers Island Precinct Plan, including municipal planning context and the next steps for the island's development.</p> <p>The presentation will include:</p> <ul style="list-style-type: none"> • Site context, including a brief overview of the broader planning context • Description of the Guiding Principles and Key Elements of the precinct plan • Articulation of the steps involved in implementing the precinct plan and key milestones in that process • Timeline outlining the approach to implementation
Next Steps	Staff will continue to work with the City of Toronto and CreateTO on the implementation of the Villiers Island Precinct Plan. Staff will update the Board on progress in the New Year

December 9, 2021

Villiers Island Precinct Plan and Approach to Implementation

Waterfront Toronto Board of Directors

Opportunity

Inspired by the transformation of the West Don Lands and Toronto's central waterfront, Torontonians, young and old and from all walks of life, came together to imagine a better way of living on the edge of the city.

Their vision for what will be Villiers Island was, and is, uncompromising. Confident in the 15 years of revitalization Waterfront Toronto delivered on the Central Waterfront and West Don Lands citizens and urban planners alike developed a plan that is rooted in reality, founded on experience and sensitive to the immediate and future needs of the city and province.



Villiers Island will provide the connective tissue between the Central Waterfront precincts, the downtown and the Port Lands, linked together by the river, open space and transportation systems. It will integrate the historical industrial identity of the Port Lands with contemporary uses.

*As Toronto's first mixed-use community primed to achieve **climate positive** goals, Villiers Island will showcase innovative and sustainable community design, and celebrate the area's industrial and natural heritage. This means that Villiers will achieve net-negative greenhouse gas emissions associated with energy, waste and water.*

*Villiers will be an escape from the ordinary attracting visitors from near and far to its many **nationally-significant public amenities** like Canada's first Destination Playground—at nearly three acres, the largest playground in Toronto and a significant draw for the broader city and region—three kilometers of waterfront access, and over 1,000 affordable housing units.*



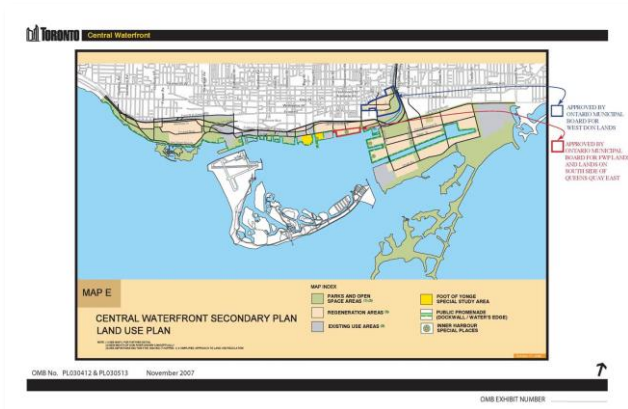
Opportunity

- To drive **outsized economic growth** in the cleantech and creative industries, while maximizing the value of Villiers Island as a tourism asset for Toronto and Canada.
- To deliver **Canada's first climate positive neighbourhood** through a strategy of zero-carbon buildings, solar PV, energy storage and district energy with Enwave
- To provide over **1,000 units of affordable housing**, including the opportunity of exploring new models to provide more affordable housing
- To deliver a **nationally significant network of parks and public realm** to draw people from across the City and region to the water's edge

This opportunity is enabled by **high-quality public transit** servicing Villiers Island and mixed-use development within the eastern downtown, and design work on the **Waterfront East LRT Extension** is ongoing.



Central Waterfront Secondary Plan & Port Lands Planning Framework



■ Central Waterfront Secondary Plan (2003)

- Removing Barriers/Making Connections
- Building a Network of Spectacular Waterfront Parks and Public Spaces
- Promoting a Clean and Green Environment
- Creating Dynamic and Diverse New Communities



■ Port Lands Planning Framework (2017)

Developed in partnership with the City of Toronto to guide development over the next 50+ years

Villiers Island Precinct Plan



Villiers Island Precinct Plan

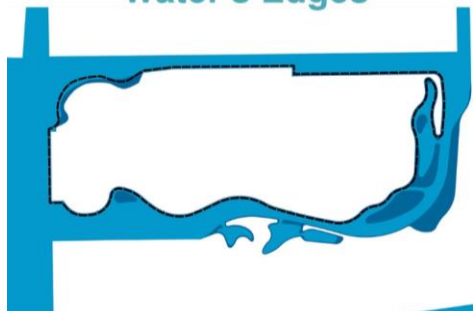


Villiers Island Precinct Plan: Guiding Principles



Villiers Island Precinct Plan: Key Elements

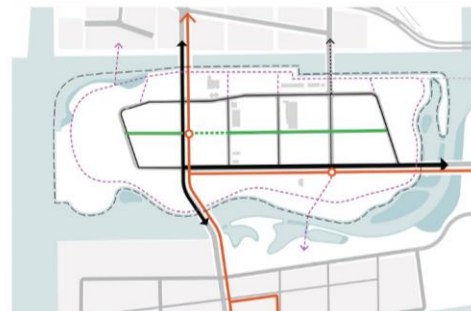
**An Island with Varied
Water's Edges**



A Central Living Room



A Connected Island



A Complete Island



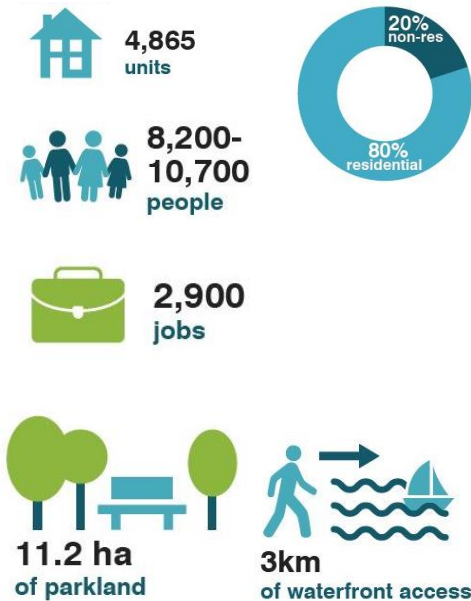
A Destination Island



An Island with History



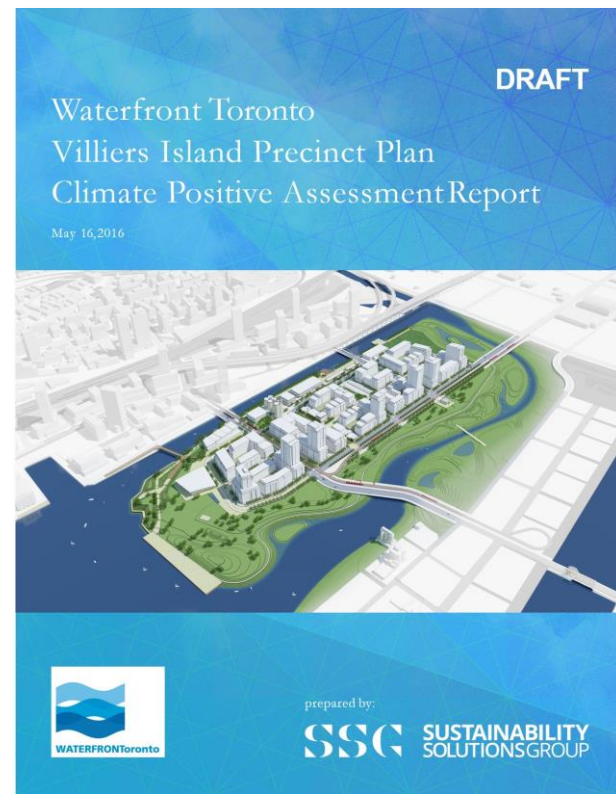
Villiers Island Precinct Plan: Development Plan



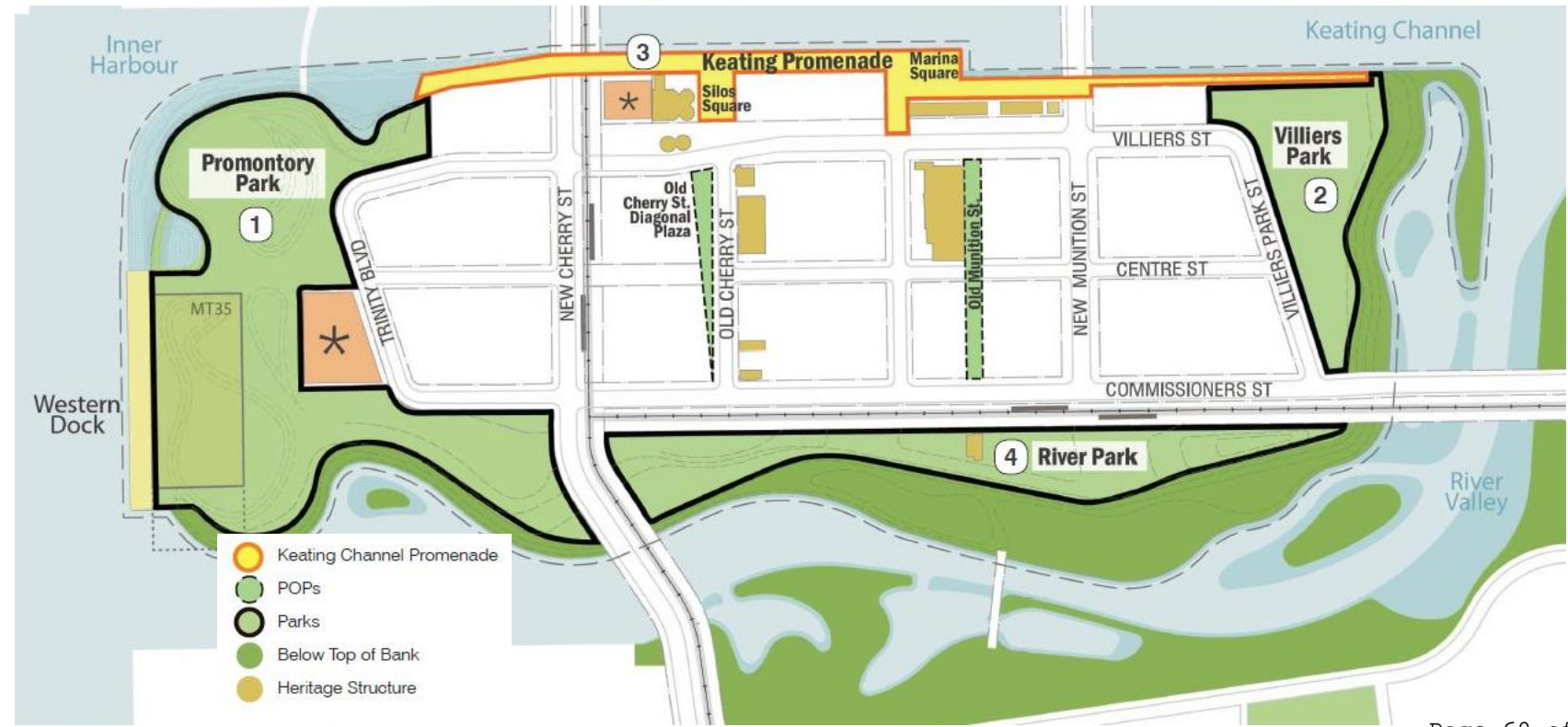
Villiers Island Precinct Plan: Climate Positive

The Villiers Island Climate Positive Assessment identified six major neighbourhood design recommendations:

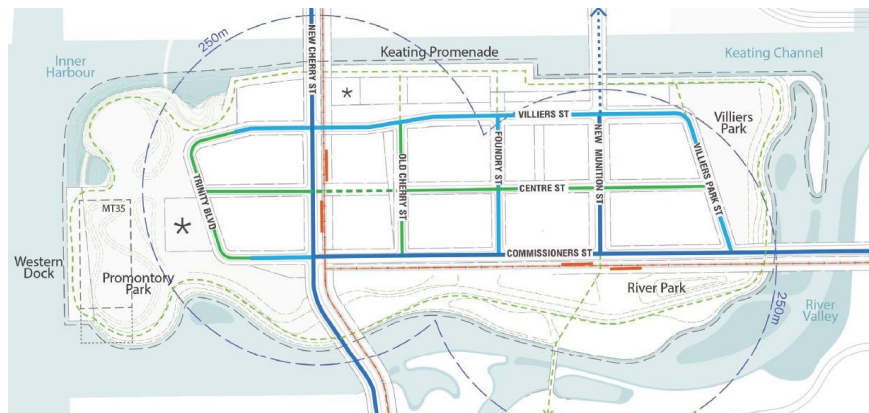
- Design to zero-carbon, passive building standards
- Optimize the urban form for energy harvesting
- Maximize solar photovoltaic (PV) capacity
- Meet remaining energy demand with district energy
- Reduce car travel and explore limiting non-electric vehicles
- Design with the 'climate positive' goal in mind



Villiers Island Precinct Plan: Parks, Open Space & Heritage



Villiers Island Precinct Plan: Mobility



Road Network

- Streetcar Route and Platforms 
- Major Streets 
- Local Streets 
- Shared Streets/Mews 
- Pedestrian Only Street 
- Trails 



Pedestrian, Cycling & Trail Network

-  Dedicated Cycling Route
-  Park Trails
-  Small-scale Plaza
-  Pedestrian Only

Villiers Island Implementation: Major Milestones

1) Port Lands Flood Protection & Enabling Infrastructure

Unlocking Development Potential with PLFP Green Infrastructure



✓ **Funded and Ongoing**

2) Villiers Island Precinct Plan & Port Lands Planning Framework

Establish the Vision through City Council-Approved Plans



✓ **Approved and Underway**

3) Villiers Island Due Diligence Report & Business Implementation Plan

Preparing an Implementation Plan and Approach to Realize the Vision



Current Opportunity



WATERFRONToronto

1.5M Annual visitors to Villiers Island by 2041

3,000+ Permanent Jobs (estimated)

5.5M ft² Net-zero carbon buildings, in Canada's first climate positive neighbourhood

27.7 ac High quality parks and public realm
(11.2ha)

1,000+ Units of affordable housing (exceed 20% target)



Villiers Island Implementation: Timeline

Milestone	Timing (Calendar year)
Planning Approvals (ZBA & Draft Plan Approval)	Q1 2021 for Q4 2022 approvals
Due Diligence Report	Q1 2022
Business and Implementation Plan (BIP) to City Council	Q2 2022
Phase 1 Developer RFP Release, Selection, Negotiation	Q2 2022 – Q4 2023
Planning Approvals (Site Plan Application)	Q1 2024 – Q2 2025
Construction Start	Q2-3 2025
First Occupancy	Q2-3 2028



a waterfront for everyone



Port Lands Flood Protection and Enabling Infrastructure Semi Annual Cost Estimate Update September 30, 2021

For Information

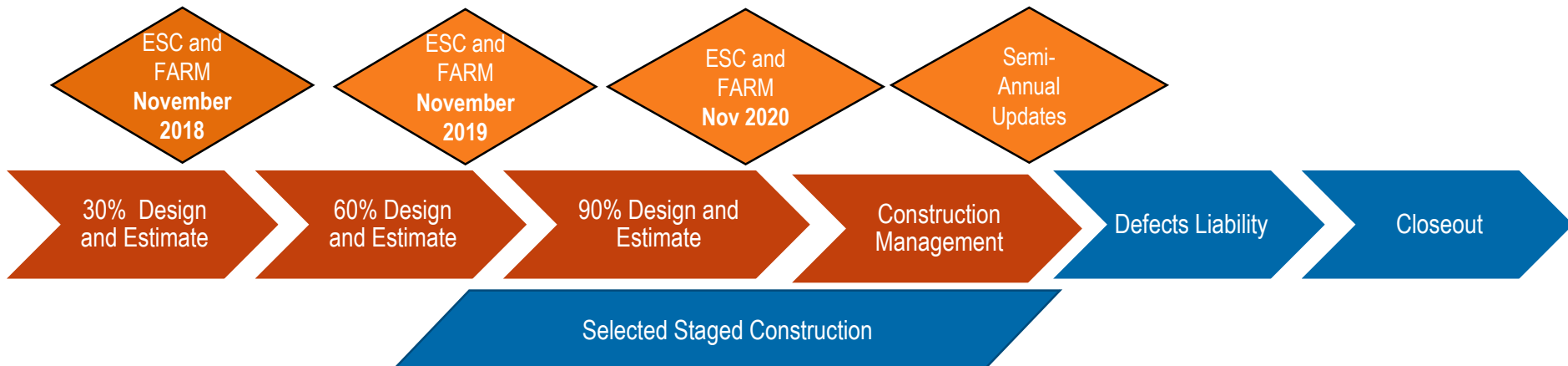
**Presentation to the Board of Directors
December 9, 2021**

Table of Contents

1. Project Status Update
2. Summary of Program Current Status
3. Program Contingency Analysis
4. Project Risk Update & Analysis
5. Secondary Contingency Items
6. Appendices

Project Status Update

- 30% Stage Gate design and cost estimates provided to Executive Steering Committee on November 21, 2018.
- Project Charters and budgets developed from 30% cost estimates; executed April 2019.
- 60% Stage Gate design and cost estimates provided to Executive Steering Committee (ESC) on November 12, 2019. ESC approved of the 60% Stage Gate Estimate at Completion.
- 90% Stage Gate finalized, presented and approved at the ESC (December 9, 2020), Finance and Risk Management Committee (FARM) (November 26, 2020) and WT Board of Directors (December 10, 2020).
- Schedule re-baselined February 28, 2021.
- Semi-Annual Cost Updates will be provided to the ESC, FARM and WT Board of Directors (Q1/2021, Q3/2021, etc.).



Current Status – Earthworks, Marine and Parks



River Valley

Design

- Resolved coordination of ground improvement strategy for Flood Protection Landform
- Progressed 90% Issue For Tender (IFT) design for Don Roadway Flood Protection Landform - to be issued Q4 2021

Construction

- Progressed deep excavation in the River Valley Elbow Area (approximately 50% complete)
- Completed installation of drainage layer and Risk Management Measure in River Valley Ice Management Area
- Completed construction of piers and abutments for River Valley and Wetland Pedestrian Bridges
- Progress installation of river finishes in Central River Valley

Marine

Design

- Finalized Issue For Construction (IFC) drawings for cycling detour
- Progressed IFC drawings for Sediment and Debris Management Area - to be issued Q4 2021

Construction

- Commenced construction on Cousins Quay Dock Wall (MT 35 Building)
- Completed east dock wall removal in Polson Slip and begin dock wall removal in Canoe Cove

Parks

Design

- Issued 100% drawings for Park finishes (Work Package 9)
- Received Toronto and Region Conservation Authority (TRCA) Ontario Regulation (O'Reg) 166 Permit for Park Finishes (Work Package 9)

Construction

- Relocated Fire Hall 30 and continue to progress the foundation construction
- Continued to surcharge across the various parks

Procurement (September 30, 2021)

- Awarded: 78.8% = \$404.9 M
- In progress: 9.6% = \$ 49.2 M
- Not started: 11.6% = \$ 59.5 M

Current Status – Bridges

Design

- Reached tentative agreement with Enbridge to accommodate construction of NPS 20-inch gasmain on Lake Shore Bridge
- Obtained permits from City of Toronto (City), TRCA, Fisheries and Oceans Canada (DFO) for Lake Shore Boulevard East, Bridge and Public Realm
- Finalized Don Roadway / Lake Shore intersection design
- Issued for Construction drawing package for Gardiner / Logan ramp demolition

Construction

- Completed construction of Jarvis off ramp modifications (by City)
- Closed Gardiner / Logan ramps and completed demolition
- Implemented detour on the Lower Don Trail south of Lake Shore Boulevard
- Completed Toronto Hydro duct enclosures on Cherry North Light Rail Transit (LRT) bridge
- Completed fabrication of east half of Commissioners Street bridge and delivered to the site
- Continued with steel fabrication of bridge superstructures for delivery to site in accordance with following schedule
 - Cherry South: November 2021 delivery
 - Cherry North Vehicular: April 2022 delivery

Procurement (September 30, 2021)

- | | | |
|----------------|-------|-------------|
| • Awarded: | 93.0% | = \$116.0 M |
| • In progress: | 1.2% | = \$ 1.5 M |
| • Not started: | 5.8% | = \$ 7.2 M |

Current Status – Roads and Services

Design

- Completed IFC design for future LRT right of way and obtain approvals for City, TRCA, Hydro One (HONI) and Toronto Transit Commission (TTC)
- Obtained approval from Toronto Hydro Energy Systems Ltd. (THESL) for construction of hydro assets at Spillway
- Advanced ground improvement strategy for Enbridge assets
- Progressed with Release for Construction for all major roads with City stakeholders

Construction

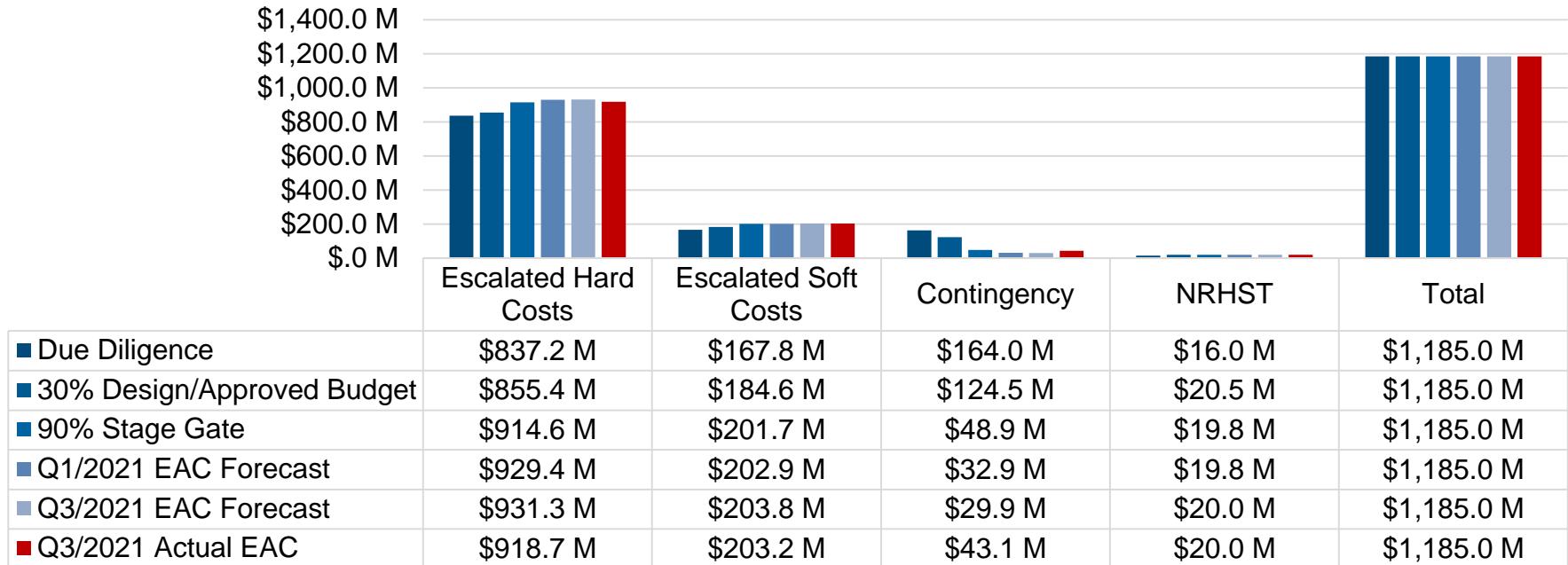
- Completed construction of Don Roadway feeder duct bank and chambers
- Completed surcharging and removed excess material on Cherry Street south of Keating Channel
- Initiated construction of Cherry / Lake Shore Boulevard East intersection
- Completed majority of main manhole shafts
- Completed horizontal directional drilling (HDD) Commissioners watermain and progress Cherry north watermain (50% complete)
- Completed rigid inclusions west of Commissioners bridge and progress east of Commissioners bridge
- Progressed construction of load transfer platforms for utilities on Commissioners Street (70% complete)
- Progressed construction of utilities on Cherry Street south of Keating to Cherry South bridge (90% complete)

Procurement (September 30th, 2021)

- | | | |
|----------------|-------|-------------|
| • Awarded: | 85.2% | = \$139.5 M |
| • In progress: | 5.3% | = \$ 8.7 M |
| • Not started: | 9.5% | = \$ 15.5 M |

PLFP – Q3/2021 EAC Forecast

Port Lands Flood Protection Q3/2021 Estimate at Completion (EAC) Forecast



- **The Forecast EAC remains unchanged at \$1.185B.**
- Construction cost estimate has increased \$16.7M from the 90% Stage Gate, and \$1.9M from the Q1/2021 Forecasted EAC.
- \$1.9M Q3/2021 EAC Forecast from Q1/2021 EAC Forecast is primarily related to:
 - \$8.1M increase in Hard Construction costs primarily driven by increased Utilities Cost and off-set by a reduction in EAC related to Earthworks
 - Recouped costs related to Utilities has increased by an estimated **(\$6.2M)**

Q3/2021 Construction Cost Estimate Variance

The overall increase in the Construction Cost Estimate (Hard Costs) is **\$16.7 M (1.83%)** over the 90% Stage Gate EAC (December 2020) and **\$1.9M (0.2%)** over Q1/2021 EAC Forecast.

Major Variances from Q1/2021 Forecast is driven by:

- +\$2.9M: Settlement with Enbridge to accommodate 20" gas main on Lake Shore Blvd. Bridge
- +\$3.7M: THESL utility installation
- +\$2.5M: Dry utilities, telecom enhancements not previously included in EAC (see cost sharing slide 9)
- +\$2.0M: Removals at Polson Slip
- +\$1.7M: Market Value Adjustment for storm sewer and sanitary sewer infrastructure
- **-\$8.6M:** Earthworks soil remediation

Program Segment	Due Diligence	30% Stage Gate: Program Budget	90% Stage Gate	Q1/2021 EAC Forecast	Q3/2021 EAC Forecast	Q3/2021 EAC Actual	Variance: Q3/2021 EAC Forecast to Q1/2021 EAC Forecast	
							\$	%
Roads and Services	\$ 188.0 M	\$ 136.0 M	\$ 173.2 M	\$ 175.3 M	\$ 179.1 M	\$ 177.5 M	\$ 3.8 M	2.1%
Earthworks, Marine and Parks	\$ 604.3 M	\$ 577.3 M	\$ 599.6 M	\$ 617.4 M	\$ 610.0 M	\$ 601.8 M	-\$ 7.4 M	-1.2%
Bridges	\$ 114.9 M	\$ 142.1 M	\$ 141.8 M	\$ 136.7 M	\$ 142.2 M	\$ 139.5 M	\$ 5.5 M	4.0%
Escalated Construction Cost Estimate	\$ 837.2 M	\$ 855.4 M	\$ 914.6 M	\$ 929.4 M	\$ 931.3 M	\$ 918.8 M	\$ 1.9 M	0.2%

Q3/2021 Variance – Cost Sharing

The total third-party reimbursement carried in the Q3/2021 EAC Forecast is \$16.8M, which is \$6.2M more than what was forecast at Q1/2021:

	Q1/2021 EAC	Q3/2021 EAC	Variance
THESL Enhancements	- \$ 7.6 M	-\$ 8.5 M	- \$ 0.9 M
Feeders (Lake Shore Bridge and Yonge)	- \$ 1.6 M	- \$ 2.7 M	-\$ 1.1 M
3C Utilities	- \$ 1.3 M	- \$ 1.3 M	\$ 0
Telecom (Bell, Rogers & Beanfield)	\$ 0	- \$ 4.2 M	- \$ 4.2 M
Total Cost Sharing	- \$ 10.6 M	- \$ 16.8 M	- \$ 6.2 M

Q3/2021 Soft Cost Estimate Variance

Soft Cost EAC Forecast is \$0.4M (0.2% increase) above the Q1/2021 EAC Forecast.

Program Segment	Due Diligence	30% Stage Gate: Program Budget	90% Stage Gate	Q1/2021 EAC Forecast	Q3/2021 EAC Forecast	Q3/2021 EAC Actual	Variance: Q3/2021 EAC Forecast to Q1/2021 EAC Forecast	
							\$	%
Roads and Services	\$ 23.9 M	\$ 22.0 M	\$ 23.5 M	\$ 25.8 M	\$ 25.7 M	\$ 25.7 M	-\$ 0.1 M	-0.4%
Earthworks, Marine and Parks	\$ 120.4 M	\$ 131.3 M	\$ 148.5 M	\$ 147.4 M	\$148.1	\$ 147.6 M	\$ 0.7 M	0.4%
Bridges	\$ 23.5 M	\$ 31.0 M	\$ 29.7 M	\$ 29.7 M	\$29.5 M	\$ 29.8 M	-\$ 0.2 M	-0.7%
Escalated Soft Cost Estimate	\$ 167.8 M	\$ 184.6 M	\$ 201.7 M	\$202.9	\$203.3	\$203.2 M	\$ 0.4 M	0.2%

Contingency Drawdown

	Hard Cost	Soft Cost	Contingency Balance
Approved 30% Budget (Mar 2019)	\$ 855,445,331	\$ 184,565,460	\$ 124,493,923
60% Stage Gate EAC (Nov 2019)	\$ 903,439,587	\$ 193,796,549	\$ 67,268,578
90% Stage Gate EAC (Nov 2020)	\$ 914,585,746	\$ 201,737,170	\$ 48,855,875
November/December 2020	\$ 7,284,364	\$ 342,184	\$ 41,229,327
January 2021	\$ 4,354,180	\$ 96,075	\$ 36,779,327
February 2021	-\$ 10,312,428	\$ 671,989	\$ 46,419,511
March 2021	\$ 520,973	\$ 22,441	\$ 45,876,097
Q1/2021 EAC	\$ 916,432,835	\$ 202,869,859	\$ 45,876,097
April 2021	\$ 1,012,405	\$ 664	\$ 44,863,028
May 2021	-\$ 3,909,801	\$ 265,280	\$ 48,507,549
June 2021	\$ 5,436,889	\$ 11,014	\$ 43,059,747
July 2021	- \$ 350,016		\$ 43,409,662
August 2021	-\$ 451,483		\$ 43,861,145
August 2021 – NRHST Adjustments		\$ 137,296	\$43,723,849
September 2021	\$ 649,458	-\$ 40,454	\$ 43,114,845
Q3/2021 Actual EAC	\$ 918,820,287	\$ 203,243,659	\$ 43,114,845

Changes to Risk Register

Compared to the previous analysis update, there is approximately **\$6.8 million** increased cost risk and **9.0 months** of reduced schedule risk, after implementing risk mitigation strategies.

The **\$6.8 million** increase in the cost risk profile is comprised of the following:

Active Risks/Opportunities: \$ 0.8 M

Retired Risks/Opportunities: \$ 6.0 M

Stage Gate	Cost Impacts		Schedule Impacts	
	Pre-Mitigated	Mitigated	Pre-Mitigated	Mitigated
Updated Analysis (Risk Register as of 10.25.21)	\$38.4 M	\$35.4 M	15.1 mo	10.7 mo
Previous Analysis (Risk Register as of 5.13.21)	\$33.1 M	\$28.6 M	26.5 mo	19.7 mo
Variance	\$5.3 M	\$6.8 M	-11.4 mo	-9.0 mo

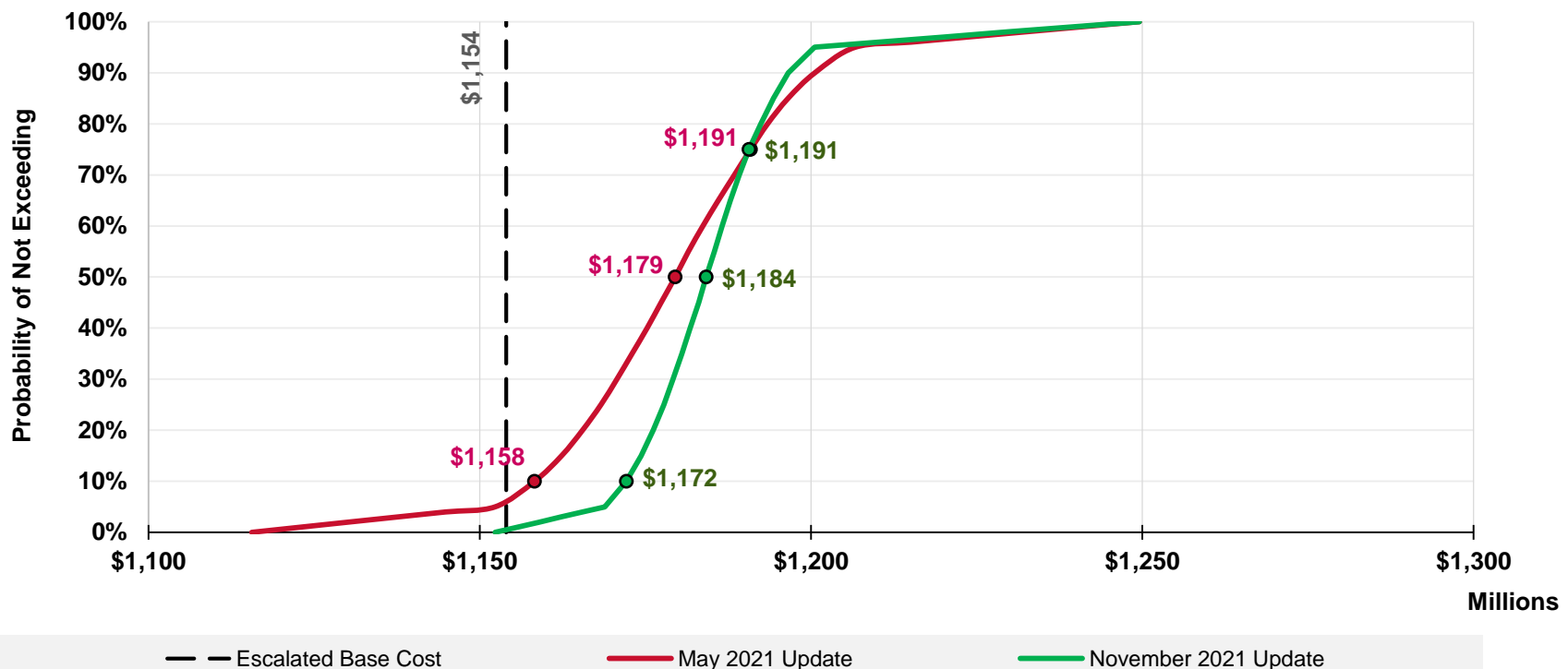
Values reflect probability-adjusted high estimates from the risk register.

Cost Risk Analysis

Comparison to Previous Analysis Update

- Since the previous analysis update, the P75 cost estimate has remained relatively unchanged (slight decrease of **\$200k**) however the probability of achieving the \$1,185M budget has **decreased from 63% to 53%** due to increased EAC and cost risk profile.
- It's noted that the results incorporate the removal of StarX (-\$6.1M) and the risks currently carried for soil management should cover any potentially offsetting costs or risks associated with StarX removal.
- The S-curve is steeper and more sensitive to changes in the EAC and risk profile.

Risk Analysis Results, Project Cost

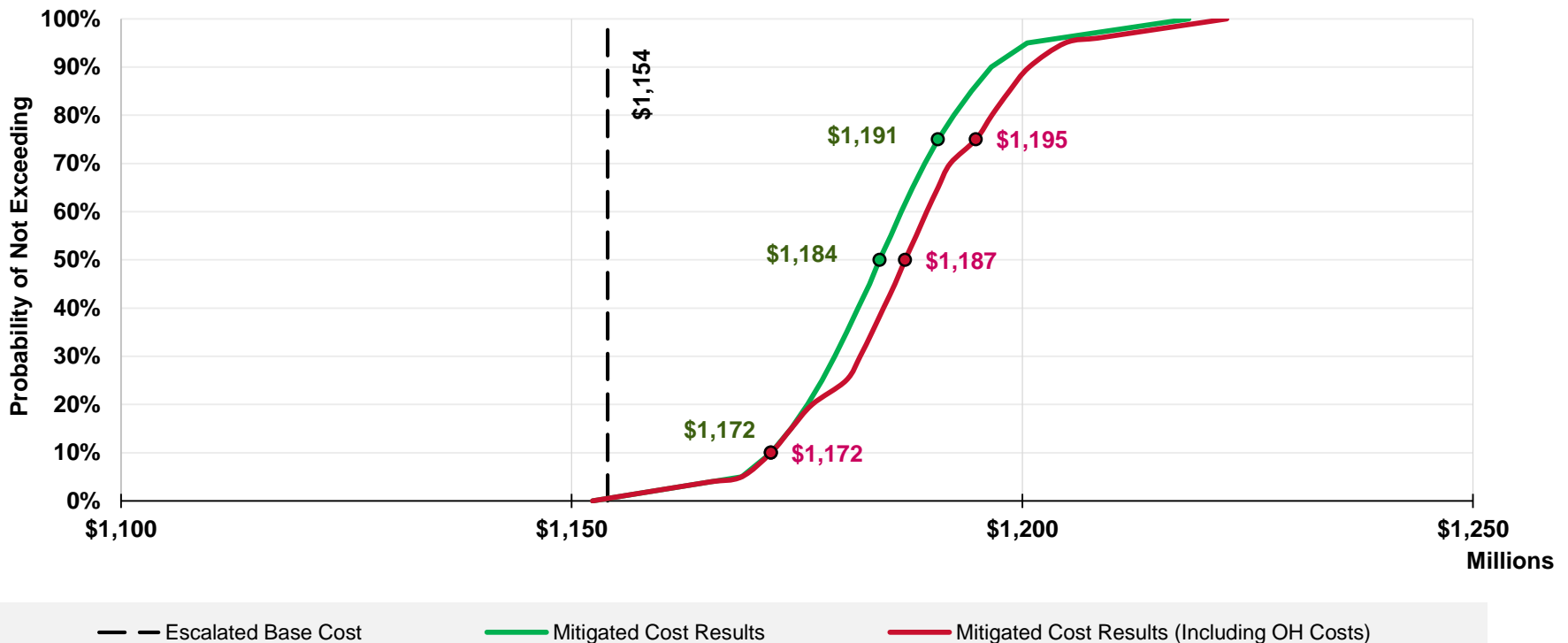


Cost Risk Analysis

Current Results

- Results show that there is a 75% chance of total project costs being equal to or less than **\$1,191 million** in year-of-expenditure (YOE) dollars after implementing risk mitigation strategies.
- Mitigated results show a **53% likelihood** of achieving a total project cost of \$1,185 million.
- Adding costs of \$500k per month of incremental delay past April 1, 2024 increases the P75 estimate by \$4.2M to **\$1,195 million** and decreases the likelihood of achieving the target project cost to **44%**. P70 delay (compared to April 1, 2024) is **5.7 months** and P75 delay is **8.4 months**.

Risk Analysis Results, Project Cost



Risk Analysis Results

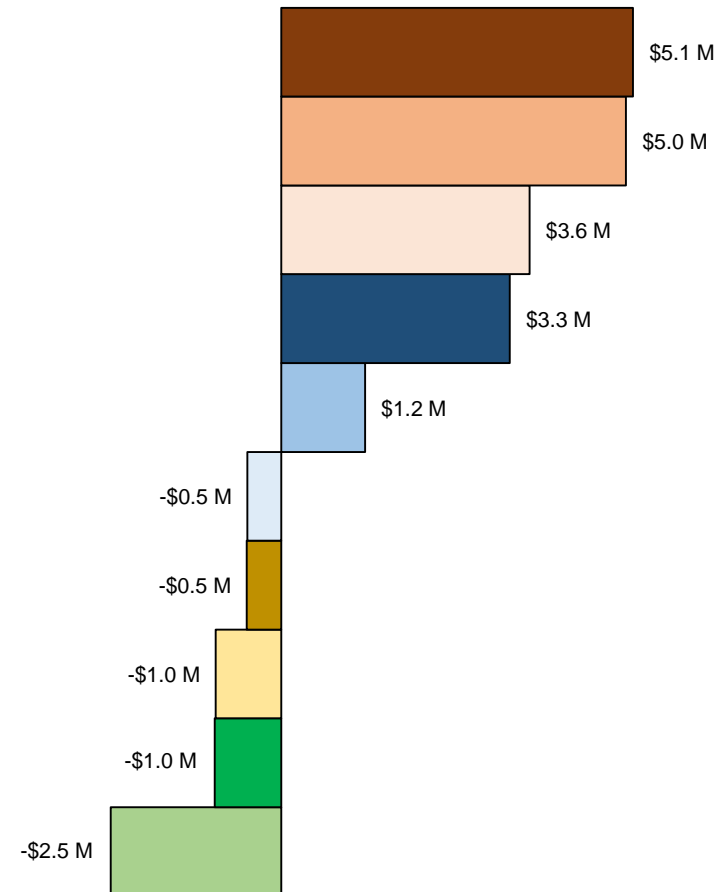
- Current base costs increased by **\$3.0M** compared to the previous update.
- Risk-adjusted cost estimate at the 75th percentile decreased by **\$0.2M**.
- Additional contingency of **\$5.6M** is needed to achieve an \$1,185M budget with 75% confidence.

	Due Diligence	30% Stage Gate	90% Stage Gate	Q1/2021 Update	Q3/2021 Update	Variance Q1/2021 & Q3/2021 Updates
Hard Costs	\$837 M	\$855 M	\$915 M	\$929 M	\$931 M	+\$1.9 M
Soft Costs	\$168 M	\$185 M	\$202 M	\$202 M	\$203 M	+\$1.0 M
NRHST	\$16.0 M	\$20.5 M	\$19.8 M	\$19.8 M	\$20.0 M	+\$0.1 M
Total Base Costs	\$1,021 M	\$1,061 M	\$1,136 M	\$1,151 M	\$1,154 M	+\$3.0 M
Total Budget	\$1,185 M					-
P75 Cost Risk Estimate	\$1,197 M	\$1,189 M	\$1,190 M	\$1,191 M	\$1,191 M	-\$0.2 M
Target Budget	\$1,185 M					-
Probability of Achieving Target with Current Contingency	90%	73%	70%	63%	53%	-10%
Estimated Remaining Contingency (excl. CSLF)	\$164 M	\$124 M	\$48.9 M	\$34.0 M	\$31.0 M	-\$3.0 M
Additional Contingency Needed to Achieve Target with 75% Confidence	\$11.9 M	\$3.9 M	\$4.9 M	\$5.9 M	\$5.6 M	-\$0.2 M

Top 10 Cost Risks and Opportunities

Risk	Probability	Low	High	Estimated High Impact*
Excavation Materials not Meeting Model Requirement - Peat Disposal	90%	\$1.0 M	\$5.7 M	\$5.1 M
External Market Forces In Excess of Cost Escalation	50%	\$5.0 M	\$10.0 M	\$5.0 M
Additional Offsite Disposal of Soils (Shallow Excavation - Debris)	90%	\$1.5 M	\$4.0 M	\$3.6 M
Additional Offsite Disposal of Soils (Shallow Excavation)- North/West Plugs	80%	\$2.1 M	\$4.1 M	\$3.3 M
Work Package 9 (Park Finishes) Overbudget	50%	\$0.0 M	\$2.4 M	\$1.2 M
(Opportunity) Bridges LED Lighting	70%	-\$0.7 M	-\$0.7 M	-\$0.5 M
(Opportunity) Lightweight Fill - Costs in Excess of Estimate	50%	-\$1.0 M	\$0.0 M	-\$0.5 M
(Opportunity) Reduce Over-dredging in SDMA	50%	-\$1.9 M	-\$1.9 M	-\$1.0 M
(Opportunity) Site Prep and Removals Closeout Credit	80%	-\$1.2 M	\$0.0 M	-\$1.0 M
(Opportunity) NRHST Rebate	25%	-\$9.9 M	-\$2.5 M	-\$2.5 M

Top Risks Impacting Project Cost
Probability Adjusted High Impacts (\$M)

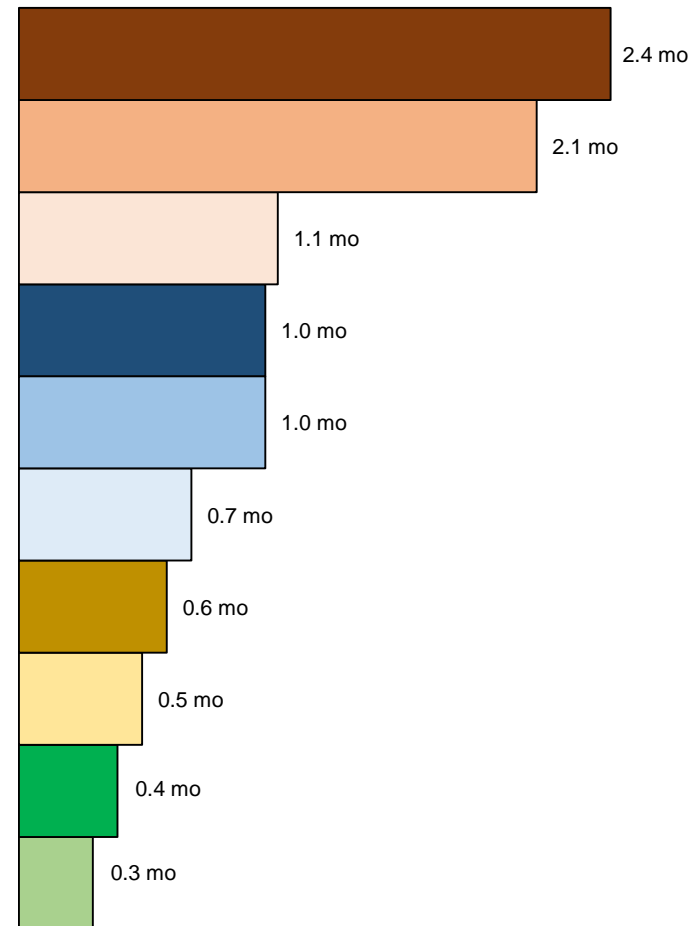


Top 10 Schedule Risks

Risk	Probability	Low	High	Estimated High Impact*
		Months		
Substantial Failure to Establish Plantings (Wetlands Section)	30%	4.0	8.0	2.4
Enbridge Gas Main Alignment Issues	70%	1.0	3.0	2.1
Incorrect Soil Quality at Cherry St. North	35%	1.0	3.0	1.1
Coordination of Contract Activities	25%	2.0	4.0	1.0
Bird and SAR Habitat Protection	50%	0.5	2.0	1.0
Fisheries Window Issues	35%	1.0	2.0	0.7
Enbridge 20" Relocation	10%	0.0	6.0	0.6
HDD under the Keating Channel (Obstructions)	50%	0.0	1.0	0.5
Additional Requirements From HONI Technical Review	10%	1.0	4.0	0.4
Foundation Design - Borehole Results	10%	1.0	3.0	0.3

*Values reflect probability-adjusted high estimates from the risk register

Top Risks Impacting Project Schedule
Probability Adjusted High Impacts (mo)



Appendices

Q3/2021 Construction Cost Estimate Variance

	Q1/2021 EAC Forecast	Q3/2021 EAC Forecast	Variance
Roads and Services			
Hydro Infrastructure	\$ 19.9 M	\$ 26.2M	\$ 6.3 M
Removals and Site Prep (Additional - Polson Slip, etc)	\$ 6.6 M	\$ 8.6 M	\$ 2.0 M
Ground Improvements	\$ 12.7 M	\$ 14.6 M	\$ 1.9 M
OGS, SWTF, SPS – Market costs	\$ 9.1 M	\$ 10.8 M	\$ 1.7M
Subtotal Roads and Services	\$ 153.8 M	\$ 164.4 M	\$ 10.6 M
Earthworks, Marine and Parks			
Earthworks including cancelation of Star X remediation	\$ 290.8 M	\$ 282.1 M	- \$ 8.6 M
Polson Slip / Canoe Cove	\$ 16.0 M	\$ 14.4 M	- \$ 1.6 M
River Channel	\$ 48.3 M	\$ 49.5 M	\$ 1.2 M
Firehall (foundations, renovations and washrooms)	\$3.8 M	\$ 4.9 M	\$ 1.1 M
Miscellaneous			\$ 0.8 M
Subtotal Earthworks, Marine and Parks	\$ 513.8 M	\$ 506.7 M	- \$ 7.1 M
Bridges			
Enbridge NPS 20 Relocation	\$ 2.1 M	\$ 5.0 M	\$ 2.9 M
Miscellaneous			\$ 0.8 M
Subtotal Bridges	\$ 117.3 M	\$ 121.0 M	\$ 3.7 M
Subtotal GC, Fees, Ins	\$ 155.2 M	\$ 156.1 M	\$ 0.9 M
Total PLFP (before Cost Sharing)	\$ 940.0 M	\$ 948.1 M	\$ 8.1 M
Cost Sharing (see Slide 9)	-\$ 10.6 M	-\$ 16.8 M	-\$ 6.2 M
Total PLFP (including Cost Sharing)	\$ 929.4 M	\$ 931.3 M	\$ 1.9 M

Potential Enhancements Pending Availability of Funds



Description	Estimated Cost Savings
Roads & Services	
Add streetscaping features on Don Roadway and Commissioners Street	\$0.6 M
Earthworks, Marine & Parks	
Habitat Shoal (Keating Channel)	\$ 0.3 M
Habitat logs in Canoe Cove (Polson Slip)	\$ 0.2 M
Destination Playground Finishes (Promontory Park Slip)	\$ 1.7 M
Add Signage and Wayfinding Scope (Parks)	\$ 0.3 M
Add Fencing (Parks)	\$ 0.3 M
Increase Planting (Parks)	\$ 0.2 M
Add Bench Furnishings (Parks)	\$ 0.1 M
Atlas Crane Finishes	\$1.0 M
Sediment and Debris Management Area equipment (barges and tugs)	\$2.2 M
Pedestrian Lights on Street	\$0.7 M
Total	\$7.6 M

Thank you / Questions

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Closed Session

Item 22 – Draft Resolution(s) Arising from the Closed Session

Item 10a - Draft Board of Directors Closed Session October 7, 2021 Minutes

ON MOTION duly made by [●] and seconded by [●] and carried, be it **RESOLVED** that the Minutes of the Closed Session of the Board of Directors meeting held on October 7, 2021 be approved, as tabled.

Item 14 – Philanthropy Planning Study

ON MOTION duly made by [●] and seconded by [●] and carried, be it **RESOLVED** that the Board approves the Fundraising Strategy and Plan, as detailed in the report presented to the Board.

Item 16 – Draft Rolling Five-Year Strategic Plan

ON MOTION duly made by [●] and seconded by [●] and carried, be it **RESOLVED** that the Board approves the Draft Rolling Five-Year Strategic Plan (2022/23-2026/27), as presented.

Item 17b – Real Estate Acquisition

ON MOTION duly made by [●] and seconded by [●] and carried, be it **RESOLVED** that the Board approves the purchase by the Corporation of the parcel of land described, and substantially on the terms set out, in the report provided, at the meeting, and the CEO, together with any other officer of the Corporation is authorized to execute on behalf of the Corporation an agreement of purchase and sale and such other documents and instruments as may be necessary or desirable to complete the transaction as presented.

Upcoming Meetings

BOARD/COMMITTEE MEETING SCHEDULE

S/N	Date	Board/Committee	Key Agenda Item(s) include:
1.	Thursday, February 3 (TBD)	IREC	Quayside
2.	Tuesday, February 15 (TBD)	Board	Quayside
3.	Thursday, Feb 24	FARM	Per FARM Work Plan
4.	Thursday, March 3	HRGSR	Per HRGSR Work Plan
5.	Thursday, March 10	IREC	<ul style="list-style-type: none"> • Detailed Status Report on all Development Projects • Other Projects (if any) • Real Estate Acquisitions and Divestitures (if any) • Other Acquisitions (if any)
6.	Thursday, March 24	Board	<ul style="list-style-type: none"> • Reports of the IREC, FARM and HRGSR committees
7.	Thursday, May 26	FARM	Per FARM Work Plan
8.	Thursday, June 2	IREC	<ul style="list-style-type: none"> • Development Projects Dashboard • Other Projects (if any) • Real Estate Acquisitions and Divestitures (if any) • Other Acquisitions (if any)
9.	Thursday, June 9	HRGSR	Per HRGSR Work Plan
10.	Thursday, June 23	Board	<ul style="list-style-type: none"> • Reports of the HRGSR, IREC, and FARM committees • Approve 2021/22 Annual Report • Approve 2021/22 audited financial statements • Year-end Performance Assessment for CEO and approval of compensation for 2022/23
11.	Thursday, Sept 15	HRGSR	Per HRGSR Work Plan
12.	Thursday, Sept 22	FARM	Per FARM Work Plan
13.	Thursday, Sept 29	IREC	<ul style="list-style-type: none"> • Development Projects Dashboard • Other Projects (if any) • Real Estate Acquisitions and Divestitures (if any) • Other Acquisitions (if any)
14.	Thursday, October 13	Board	<ul style="list-style-type: none"> • Report of the HRGSR, IREC, and FARM committees • 2023 Board and Committee Meeting Calendar
15.	Thursday, Nov 10	HRGSR	Per HRGSR Work Plan

16.	Thursday, Nov 17	IREC	<ul style="list-style-type: none"> • Development Projects Dashboard • Other Projects (if any) • Real Estate Acquisitions and Divestitures (if any) • Other Acquisitions (if any)
17.	Thursday, Nov 24	FARM	Per FARM Work Plan
18.	Thursday, Dec 8	Board	<ul style="list-style-type: none"> • Report of the HRGSR, IREC, and FARM committees • Approval of 2022/23 Corporate Plan