

**WATERFRONT**Toronto

# Investment and Real Estate Committee

## Agenda and Meeting Book

THURSDAY, MARCH 10, 2022 FROM 1:00 PM TO 3:00 PM

MICROSOFT TEAMS MEETING



## Meeting Book - Investment and Real Estate Committee

### Agenda - March 10, 2022 IREC Committee Meeting

#### Public Session Agenda

1:00 p.m.	1. Land Acknowledgement	Information	J. Winberg
1:05 p.m.	2. Motion to Approve Meeting Agenda	Approval	All
1:05 p.m.	3. Declaration of Conflicts of Interest	Declaration	All
1:10 p.m.	4. Consent Agenda		
	a) DRAFT Minutes of the Open Session November 18, 2021 IREC Meeting - 4	Approval	All
	b) DRAFT Minutes of the Open Session February 11, 2022 IREC Meeting - 7	Approval	All
	c) Committee Mandate Review	Information	I. Ness
	Coversheet - 10		
	IREC Mandate - 11		
	d) Development Projects Dashboard - 17	Information	M. Davis
1:20 p.m.	5. WT Office Lease Update	Information	L. Taylor
	Coversheet - 23		
	Avison Young Availability Report - Waterfront Toronto (Feb 2022) - 25		
1:30 p.m.	6. Motion to go into Closed Session	Approval	All

#### Closed Session Agenda

The Committee will discuss the matters outlined in Items 7, 8, and 9 being consideration of the draft minutes of the Closed Session of the November 18, 2021 and February 11, 2022 IREC meetings, Update on Quayside Matters and Committee Chair Discussion, in a Closed Session as permitted by By-Law No. 2 of the Corporation. The exception relied for the discussion for item 7 is provided in the minutes of the Open Session November 18, 2021 and February 11, 2022 IREC meetings contained in item 4(a) & (b) of this agenda, for item 8 is Section 6.1.1(c) and for item 9 is Section 6.1.1(b) of By-Law No. 2. The Committee will continue in Open Session at the end of the Closed Session to discuss and vote on any resolutions pertaining to the Closed Session.

Closed Session - 50

2:50 p.m.	10. Motion to go into Open Session	Approval	All
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#### Public Session Agenda

2:55 p.m.	11. Resolution(s) Arising from the Closed Session (if any) Form - 51	Approval	All
3:00 p.m.	12. Motion to Terminate the Meeting	Approval	All
Next Meeting	Thursday, June 2, 2022	Information	All
FYI	Upcoming Board & Committee Meetings Schedule - 52	Information	All

**MINUTES of the OPEN SESSION of the  
Investment and Real Estate Committee Meeting of  
The Toronto Waterfront Revitalization Corporation  
Via Microsoft Teams Teleconference  
Thursday, November 18, 2021 at 10:00 a.m. local time**

**PRESENT:** Jack Winberg (Chair)  
Stephen Diamond  
Andrew MacLeod  
Leslie Woo

**REGRETS:**

**ATTENDANCE WATERFRONT TORONTO**  
George Zegarac (CEO, Waterfront Toronto)  
Meg Davis (Chief Development Officer)  
Christopher Glaisek (Chief Planning and Design Officer)  
David Kusturin (Chief Project Officer)  
Lisa Taylor (Chief Financial Officer)  
Julius Gombos (SVP, Project Delivery)  
Kristina Verner (VP, Innovation, Sustainability & Prosperity)  
Cameron MacKay (VP, Strategic Communications and Engagement)  
Ian Ness (General Counsel)  
Pina Mallozzi (VP, Planning & Design)  
Catherine Murray (Senior Legal Counsel)  
Erik Cunnington (Director, Development)  
Aaron Barter (Director, Innovation & Sustainability)  
Jed Kilbourn (Director, Development Planning)  
Charmaine Miller (Executive Assistant)

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

- Wende Cartwright, Jeanhy Shim, Michael Galego, Alysha Valenti, Directors, Waterfront Toronto
- Kira Heymans, Analyst, Yassine Ben Rejeb, Portfolio Analyst, Anne-Marie Rozon, Principal Analyst, Mary Mackay, DG of Alternative Finance, Investment, Partnership and Innovation Branch of Infrastructure Canada, Infrastructure Canada
- Chris Monahan, Director, Agency Policy and Accountability Branch, Bhavika Kotak, Senior Policy Analyst, Louis Bitonti, Senior Policy Advisor, Andre James, A/Manager, Jonathon Vita, A/Manager, Agency Governance and Accountability Unit, Ministry of Infrastructure
- Jayne Naiman, Project Manager, Waterfront Secretariat, Tom Davidson, Director, Waterfront Revitalization Initiatives, Office of Councillor Joe Cressy, City of Toronto

Jack Winberg, the Chair, called the meeting to order at 10:02 a.m. and, with the consent of Investment and Real Estate Committee (“IREC” or the “Committee”) members, appointed Ian Ness to act as Secretary of the meeting.



Jack Winberg declared that a quorum of Committee Members was present and that with notice of the meeting having been duly sent to all Committee Members in accordance with the Corporation's By-laws, the meeting was duly called and regularly constituted for the transaction of business.

## 1. Land Acknowledgement

Jack Winberg acknowledged Indigenous Peoples' presence and connections to lands under revitalization by Waterfront Toronto.

## 2. Motion to Approve Meeting Agenda

**ON MOTION** duly made by Andrew MacLeod and seconded by Stephen Diamond and carried, it was **RESOLVED** that the Meeting Agenda be approved as tabled.

## 3. Declaration of Conflicts of Interest

Stephen Diamond declared that he had a conflict and would not participate in the Closed Session discussion on the Update on Quayside Matters (item 9). Mr. Diamond advised: "I have a conflict with respect to agenda item 9. My company has existing development partnerships with one or more of the proponents involved in the Quayside project. Although my involvement with the proponents does not have anything to do with the Quayside project or any other Waterfront Toronto project, I will not be participating in the meeting during the discussion on that agenda item".

Alysha Valenti declared that she had a conflict and would not participate in the Closed Session discussion on the Update on Acquisitions (item 8).

## 4. Consent Agenda

- a. Draft minutes of the Open Session of the Investment and Real Estate Committee meeting held on September 23, 2021.

**ON MOTION** duly made by Stephen Diamond and seconded by Andrew MacLeod and carried, it was **RESOLVED** that the Minutes of the Open Session of the IREC Committee meeting held on September 23, 2021 were approved as tabled.

- b. Development Dashboard

The Development Dashboard was taken as read.

## 5. 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.

**6. Motion to go into Closed Session**

**ON MOTION** duly made by Stephen Diamond and seconded by Andrew MacLeod and carried, the Committee **RESOLVED** to go into a Closed Session to discuss agenda items 7, 8, 9 and 10 in a Closed Session as permitted by By-Law No. 2 of the Corporation. The exception relied on for the discussion for item 7 is provided in the minutes of the Open Sessions of September 23, 2021 IREC meeting contained in item 4(a) of this agenda, for items 8 and 9 is Section 6.1.1(c) and for item 10 is Section 6.1.1(b) of By-Law No. 2. The meeting continued in Closed Session.

**7. Consent Agenda**

Draft Minutes of the Closed Session of the September 23, 2021 IREC Meeting.

**8. Update on Acquisitions**

Alysha Valenti left the meeting at this time.

**9. Update on Quayside Matters**

Stephen Diamond left the meeting at this time. Alysha Valenti rejoined the meeting.

**10. Committee Chair Discussion**

**11. Motion to Resume Open Session**

In accordance with By-Law No. 2 of the Corporation, and the Closed Session discussion having been completed, **ON MOTION** duly made by Andrew MacLeod, seconded by Leslie Woo and carried, the Committee **RESOLVED** to go into Open Session.

Stephen Diamond rejoined the meeting at this time.

**12. Resolutions Arising from the Closed Session**

**ON MOTION** duly made by Andrew MacLeod and seconded by Leslie Woo and carried, it was **RESOLVED** that the Minutes of the Closed Session of the IREC Committee meeting held on September 23, 2021 were approved as tabled.

**13. Termination of the Meeting**

There being no further business, **ON MOTION**, duly made by Stephen Diamond, seconded by Leslie Woo and carried, it was **RESOLVED** that the meeting be adjourned at 11:08 a.m. local time.

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Committee Chair

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Secretary of the Meeting

**MINUTES of the OPEN SESSION of the  
Investment and Real Estate Committee Meeting of  
The Toronto Waterfront Revitalization Corporation  
Via Microsoft Teams Teleconference  
Friday, February 11, 2022 at 9:00 a.m. local time**

**PRESENT:** Jack Winberg (Chair)  
Stephen Diamond  
Andrew MacLeod  
Leslie Woo  
Alysha Valenti

**REGRETS:**

**ATTENDANCE**

**WATERFRONT TORONTO**

George Zegarac (CEO, Waterfront Toronto)  
Meg Davis (Chief Development Officer)  
Christopher Glaisek (Chief Planning and Design Officer)  
David Kusturin (Chief Project Officer)  
Lisa Taylor (Chief Financial Officer)  
Julius Gombos (SVP, Project Delivery)  
Kristina Verner (VP, Innovation, Sustainability & Prosperity)  
Cameron MacKay (VP, Strategic Communications and Engagement)  
Ian Ness (General Counsel)  
Pina Mallozzi (VP, Planning & Design)  
Catherine Murray (Senior Legal Counsel)  
Ed Chalupka (Director, Government Relations)  
Kevin Newson (Executive Director, Procurement)  
Marciana Boboc (Senior Procurement Manager)  
Kevin Greene (Project Management Director)  
Carol Webb (Senior Manager, Communications and Public Engagement)  
Simon Bredin (Media Relations and Issues Advisor)  
Josh Hilburt (Development Planner)  
Charmaine Miller (Executive Assistant)

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

- Wende Cartwright, Jeanhy Shim, Kevin Sullivan, Councillor Joe Cressy, Drew Fagan, Directors, Waterfront Toronto

Jack Winberg, the Chair, called the meeting to order at 9:06 a.m. and, with the consent of Investment and Real Estate Committee (“**IREC**” or the “**Committee**”) members, appointed Ian Ness to act as Secretary of the meeting.

Jack Winberg declared that a quorum of Committee Members was present and that with notice of the meeting having been duly sent to all Committee Members in accordance with the Corporation’s By-laws, the meeting was duly called and regularly constituted for the transaction of business.

**1. Land Acknowledgement**

Jack Winberg acknowledged Indigenous Peoples' presence and connections to lands under revitalization by Waterfront Toronto.

**2. Motion to Approve Meeting Agenda**

**ON MOTION** duly made by Leslie Woo and seconded by Andrew MacLeod and carried, it was **RESOLVED** that the Meeting Agenda be approved as tabled.

**3. Declaration of Conflicts of Interest**

Stephen Diamond and Kevin Sullivan declared conflicts of interest with respect to Quayside (item 5) on the agenda. Mr. Diamond has existing development partnerships with one or more proponents involved in the Quayside project. Mr. Sullivan has an advisory arrangement with one of the proponents involved in the Quayside RFP.

Mr. Diamond and Mr. Sullivan advised that they do not have any involvement with the proponents relating to the Quayside project or any other WT projects.

Neither Mr. Diamond nor Mr. Sullivan participated in the meeting during the discussion of item 5. They also did not receive nor had access to any materials distributed to the committee regarding Quayside.

**4. Motion to go into Closed Session**

**ON MOTION** duly made by Leslie Woo and seconded by Alysha Valenti and carried, the Committee **RESOLVED** to go into a Closed Session to discuss agenda items 5 and 6 in a Closed Session as permitted by By-Law No. 2 of the Corporation. The exception relied on for the discussion for item 5 is Section 6.1.1(c) and for item 6 is Section 6.1.1(b) of By-Law No. 2. The meeting continued in Closed Session.

**5. Quayside**

Stephen Diamond and Kevin Sullivan left the meeting at this time.

**6. Committee Chair Discussion**

**7. Motion to Resume Open Session**

In accordance with By-Law No. 2 of the Corporation, and the Closed Session discussion having been completed, **ON MOTION** duly made by Leslie Woo, seconded by Alysha Valenti and carried, the Committee **RESOLVED** to go into Open Session.

**8. Resolutions Arising from the Closed Session**

**ON MOTION** duly made by Leslie Woo and seconded by Alysha Valenti and carried unanimously, it was **RESOLVED** that the Investment and Real Estate Committee recommends for approval by the Board of Directors that:

The decision of the Evaluation Committee, as supported by the Steering Committee and the Fairness Monitor, presented to the meeting with respect to the Preferred Proponent to be invited to negotiate the Project Agreement with Waterfront Toronto regarding Quayside, be approved.

**9. Termination of the Meeting**

There being no further business, **ON MOTION**, duly made by Leslie Woo, seconded by Alysha Valenti and carried, it was **RESOLVED** that the meeting be adjourned at 10:32 a.m. local time.

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Committee Chair

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Secretary of the Meeting

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**Investment and Real Estate Committee Meeting**  
**March 10, 2022**  
**Item 4(c) - Mandate Review**  
**Ian Ness**

<b>Purpose</b>	For information
<b>Areas of note/ Key issues</b>	<p>In March 2021, the Board approved a revised form of mandate for the IREC Committee. A copy of the Mandate is attached.</p> <p>The mandate provides that, at least annually, the Committee should review and assess the mandate and provide any recommended revisions to the Board.</p>
<b>Resolution/ Next Steps</b>	<p>Nothing has come to the attention of management which would require any changes to the Committee mandate at this time. We would welcome any comments or questions from the Committee.</p>

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**MANDATE OF INVESTMENT AND REAL ESTATE COMMITTEE**

**OF**

**TORONTO WATERFRONT REVITALIZATION CORPORATION**

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## TORONTO WATERFRONT REVITALIZATION CORPORATION

### Mandate of Investment and Real Estate Committee

**Effective Date: March 25, 2021**

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#### **Purpose**

The Investment and Real Estate Committee (the "**Committee**") is a committee of the board of directors (the "**Board of Directors**") of the Toronto Waterfront Revitalization Corporation (the "**Corporation**"). The primary function of the Committee is to assist the Corporation in fulfilling its oversight responsibilities by evaluating and making recommendations to the Board of Directors in respect of:

- (i) Real estate acquisitions and divestitures;
- (ii) Major development projects; and
- (iii) Any matters which the Board of Directors may determine from time to time.

#### **Authority of the Committee**

1. The Board of Directors authorizes the Committee to:
  - (a) Perform its responsibilities under this Mandate;
  - (b) Provide strategic review and advice in respect of the matters described in this Mandate;
  - (c) Oversee the Corporation's risk management policies relevant to this Mandate and ensure that those policies are implemented appropriately;
  - (d) Require the Chief Executive Officer of the Corporation (the "**Chief Executive Officer**") and other senior officers of the Corporation, and invite any others it deems to have relevant experience and expertise, to attend or participate in any meeting of the Committee (each, a "**Meeting**") from time to time;
  - (e) Communicate expectations and the nature, timing and extent of the Committee's informational needs to management of the Corporation; and
  - (f) Oversee any real estate-related tasks assigned to the Committee by the Board of Directors.



2. The Committee may access all records and information of the Corporation that it considers necessary or desirable for the performance of its duties. The Committee may gather information relevant to any matter within its scope of responsibility and retain, at the expense of the Corporation, independent advisors to assist the Committee in performing its duties. Each member of the Committee shall be entitled, to the fullest extent permitted by law, to rely on the accuracy of information provided by persons from within or from outside the Corporation provided that the member acts in good faith and exercises their judgement reasonably in the circumstances.

### **Composition and Procedures of the Committee**

3. The Committee will be appointed by the Board of Directors and will be composed of no fewer than three Directors (each, a "**Member**"). The Committee will be chaired by a member of the Board of Directors (each, a "**Director**") appointed by the Board of Directors (the "**Chair of the Committee**"). The Corporate Secretary of the Corporation (the "**Corporate Secretary**") will be the secretary of the Committee and may appoint a nominee to act as recording secretary for a Meeting.
4. Each Member will serve at the pleasure of the Board of Directors and will cease to be a Member (i) when determined by the Board of Directors, (ii) upon removal by the Board of Directors, (iii) upon termination of the Member's tenure as a Director for any reason whatsoever, or (iv) as required the by-laws or policies of the Corporation or by law.
5. The Board of Directors may fill vacancies in the Committee from time to time, and for the period of time that a vacancy exists the remaining Members may exercise all powers of the Committee, provided that a quorum of Members is in attendance at a Meeting at which those powers are exercised.

### **Meetings of the Committee**

6. The Chair of the Committee, the Corporate Secretary or any two Members may call Meetings
7. Notice of a Meeting, including the date, time, and place of the Meeting, must be provided to each Member at least two days before the date of the Meeting, unless any of these requirements is waived by all Members. The agenda of the Meeting and supporting materials (if any) must be given to each Member prior to the Meeting to allow each Member to properly review and consider the agenda and materials.
8. The Chair of the Committee, in consultation with the Members, and, as he or she considers appropriate, with any of the other Directors, the Chief Executive Officer, the Chief Development Officer, the Corporate Secretary and other senior officers, is responsible for establishing the agenda of each Meeting.
9. The powers and authority of the Committee may be exercised at a Meeting only if a quorum is present.
10. A quorum for a Meeting is two Members.
11. Members may attend any Meeting in person or by telephone, video or other digital means.

12. A Director, who is not a Member, may attend, but not vote at, a Meeting. The Chief Executive Officer, and the Chief Development Officer will be invited to all Meetings (other than closed Meetings), but may not vote at Meetings.
13. If the Chair of the Committee is unable to attend a Meeting, the other Members in the attendance at the Meeting may appoint a Member to chair the Meeting.
14. The Chair of the Committee or the substitute chair (as applicable) may vote on any matter at a Meeting, but will not have a second or casting vote.
15. The Corporate Secretary or his or her nominee (if applicable) will prepare and maintain minutes of each Meeting. Minutes will be available to each Member and to any other Director upon request.

### **Duties and Responsibilities of the Committee**

The Committee will evaluate and make recommendations to the Board of Directors with respect to, or approve as indicated, the following matters:

#### **(a) General Responsibilities**

The Committee will:

- (i) Create and maintain a Committee work plan for the year, and monitor its performance;
- (ii) Review and assess this Mandate at least annually, and refer its assessment and any proposed revisions to the Human Resources, Governance, and Stakeholder Relations Committee;
- (iii) Report and make recommendations periodically to the Board of Directors and any other applicable Committee of the Board on the matters covered by this Mandate, including without limitation, matters relating to Environmental, Social and Governance considerations; and
- (iv) Perform any other activities consistent with this Mandate, the by-laws of the Corporation, and applicable law, as the Committee or the Board of Directors deems necessary or appropriate.

#### **(b) Major Development Projects**

The Committee will:

- (i) Review and evaluate for recommendation to the Board of Directors development projects to be undertaken by the Corporation where the proceeds to, or expenditures by, the Corporation are reasonably expected to be equal to or greater than **\$5,000,000 ("Major Development Projects")**;
- (ii) Recommend for approval by the Board of Directors the developers to be engaged by the Corporation to assist with the implementation of Major Development Projects, and the key terms and conditions of those engagements; and

- (iii) Oversee the implementation and execution of all Major Development Projects approved by the Board of Directors if, to the extent, and in the manner, the Committee considers appropriate.

**(c) Real Estate**

The Committee will:

- (i) Review and evaluate for recommendation to the Board of Directors:
  - 1. Real estate acquisitions and divestitures proposed by management; and
  - 2. Real property leases where the proposed expenditures, or receipts, by the Corporation over the life of the lease are reasonably expected to exceed \$2,000,000; and
- (ii) Oversee the implementation and execution of all real estate transactions approved by the Board of Directors.

**(d) Governance Framework and Protocols**

The Committee will provide strategic review and recommendations to the Board of Directors on appropriate governance frameworks and protocols for overseeing Major Development Projects and real estate acquisitions, divestitures, and leasing (together, the "**Governance Framework and Protocols**"). Without limitation, the Governance Framework and Protocols will address:

- (i) Communication with governments and other stakeholders;
- (ii) Reporting to the Board of Directors;
- (iii) Seeking approval by the Board of Directors as required under this Mandate or the by-laws or policies of the Corporation; and
- (iv) Processes for selecting and engaging developers to assist with Major Development Projects or as the Committee may otherwise determine in its discretion.

**(e) Other Duties and Obligations**

The Committee will undertake such other duties and obligations, and have such other powers, as may be assigned to it by the Board of Directors from time to time.

**Responsibilities of the Chair of the Committee**

The Chair of the Committee is responsible for the management and effective performance of the Committee and to provide leadership to the Committee in fulfilling this Mandate. The responsibilities of the Chair of the Committee include:

- (i) Working with the Chair of the Board of Directors, the Chief Executive Officer, the Chief Development Officer and the Corporate Secretary to establish the frequency of Meetings and the agendas for Meetings;

- (ii) Providing leadership to the Committee and presiding over Meetings;
- (iii) Facilitating the flow of information to and from the Committee and fostering an environment in which the Members may ask questions and express their views;
- (iv) Reporting to the Board of Directors with respect to significant activities of the Committee and recommendations made by the Committee; and
- (v) Leadership in taking such other steps as may be reasonably required to ensure that the Committee carries out this Mandate.

# Development Projects Dashboard IREC Meeting – March 10, 2022



- Please refer to the plans below in connection with the following table



# Development Projects Dashboard

## IREC Meeting – March 10, 2022



Project	Description	Previous Period	Next Steps	Status
<b>East Bayfront</b>				
A - Waterfront Innovation Centre (Menkes)	484,000 sq ft commercial building (hub for technology and creative sectors)	Construction ongoing. Tenant fit out to commence in Fall 2021.	<i>Tenants continue to fit out office spaces.</i>	<b>91% pre-leased</b>
B – Limberlost Place (formerly Arbour) (George Brown College)	185,000 sq ft institutional building (expansion of existing waterfront campus)	Record of Site Condition filed in October. Target NOAC in November.	<i>GBC satisfied NOAC pre-conditions. Finalizing Site Plan Agreement.</i>	<b>Ongoing bulk excavation</b>
C - Monde (Great Gulf)	470,000 sq ft condominium (550 units);	Occupied and registered condominium.		<b>complete</b>
D - Aqualina (Hines/Tridel)	380,000 sq ft condominium (362 units);	Occupied and registered condominium.		<b>complete</b>
E - Aquavista (Hines/Tridel)	368,000 sq ft condominium, (227 units) plus 80 Artscape affordable rental units	Occupied and registered condominium.		<b>complete</b>
F - Aquabella (Hines/Tridel)	266,000 sq ft condominium (174 units) with City-owned Bayside Child Care Centre (CCC)	Condominium registration targeted for Q3. WT commenced fit out of child care space in October.	<i>Condominium registered on February 17, 2022. WT continues to fit out child care space.</i>	<b>Target completion of child care space fit out by WT in July, 2022.</b>
G - Aqualuna (Hines/Tridel)	430,000 sq ft condominium (241 units) with City Community Recreation Centre	Site transferred to Aqualuna Bayside on August 14, 2020. Construction has commenced.	<i>Construction ongoing.</i>	<b>ongoing</b>

# Development Projects Dashboard

## IREC Meeting – March 10, 2022



Project	Description	Previous Period	Next Steps	Status
<b>East Bayfront</b>				
H - C2 (T3 Bayside - Hines)	250,000 sq ft office building – 10 storey tall timber building	Construction ongoing.	<i>Above grade building permit issued in December 2021.</i>	<b>Construction ongoing. Substantial completion targeted for Q2, 2023.</b>
I - R6	Proposed Mixed Use Market Rental ~ 182 units and Affordable rental housing ~ 215 units	R6 included in Phase 3 - Housing Now. WT, CreateTO to confirm project parameters (market rent analysis, design/massing) to inform project terms.	<i>CreateTO procuring an architect to produce concept plan for R6. Project parameters will be confirmed once concept plan is completed.</i>	<b>Concept plan underway in March 2022.</b>
<b>West Don Lands</b>				
AA - Canary Block 16 (Dream Kilmer)	150,000 sq ft condominium (187 units)	Some customer repairs remaining	<i>Occupied and registered condominium</i>	<b>Complete</b>
BB - Canary Block 12 (Dream Kilmer)	350,000 sq ft condominium (387 units)	Construction ongoing	<i>Full occupancy targeted for April/May 2022.</i>	<b>Occupancy ongoing</b>
CC - Block 10 (AHT/Dream Kilmer/Tricon)	330,000 sq ft condominium/rental /indigenous health centre and indigenous training/employment/education centre (443 units)	<i>NOAC given for both phases – early construction started.</i>	<i>Construction ongoing.</i>	<b>Construction ongoing, target occupancy date for both phases Dec 2024</b>

# Development Projects Dashboard

## IREC Meeting – March 10, 2022



Project	Description	Previous Period	Next Steps	Status
<b>West Don Lands</b>				
EE - River City Phase 3 (Urban Capital)	340,000 sq ft condominium (331 units)	Occupied and registered condominium.		<b>Complete</b>
FF - River City Phase 4 (Urban Capital)	130,000 sq ft condominium (158 units)	Occupancy targeted Q4 2020.	<i>Interim Occupancy began in September 2020.</i>	<b>Ongoing</b>
GG - Block 5W (Rekai)	Long-term care centre/residence (348 beds)	SPA Submitted to the City with design for 348 beds. Completed DRP in July 2021 with unanimous support.	<i>Minister's Zoning Order for site enacted January 28, 2022. City comments on SPA received.</i>	<b>Completion targeted for Oct 2025</b>
HH – Blocks 3, 4 and 7 (90 Mill St.) Dream Kilmer Tricon	825,00 sq ft condominium with 30% ARH and retail	DRP Design Development review July 2020. Third working group session August 2020. Minister's Zoning Order (MZO) enacted for site on Oct 22, 2020 approving zoning for current scheme.	<i>Final site plan approval by City pending.</i>	<b>Site excavation commenced</b>
II – Block 13 (Dream/Kilmer)	Residential condominium (units TBD)	<i>Pre-application consultation anticipated in Q4 2021</i>	<i>Pre-application consultation scheduled for Q1 2022 and DRP Issues ID planned for the end of March 2022</i>	<b>Expect to have approvals in place in early 2023</b>



# Development Projects Dashboard

## IREC Meeting – March 10, 2022



Project	Description	Previous Period	Next Steps	Status
<b>Port Lands</b>				
Port Lands Planning: Next Steps	Urban design guidelines, transportation, EAs, development application reviews, zoning reviews etc.	Comments provided by City and WT on Pinewood/Bell Media Masterplan. McCleary District Precinct Planning process to be initiated by City, in partnership with WT, in Q4 2021 at the earliest. Polson Quay likely to follow. PIC Core Urban Design Guidelines on hold.	<i>Settlement negotiations ongoing with OPM appellants re: phase 2 of OLT hearing. Villiers Island ZBL drafting on hold. PIC Core UDG incorporating input from DRP and commencing public and indigenous consultations. PIC Core ZBL work to follow UDG completion. McCleary and Polson Quay/South River Precinct Planning exercises timing undetermined.</i>	<b><i>OLT settlement hearing scheduled for May 19, 2022 to bring Council-approved OPM settlements into force. 2 weeks reserved starting July 4 for contested hearing, if necessary. PIC Core UDG work continuing.</i></b>
Port Lands Planning: Ontario Land Tribunal (OLT) Hearing re: Official Plan Modification (OPM) appeals	OLT negotiations and mediation/hearing addressing outstanding appeals of the CWSP through the OPM policies.	OLT mediation commenced in Oct 2020 and finalized in January 2021. OLT issues significantly minimized through OLT mediation process. Remaining phase 1 issues adjudicated at OLT hearing in April 2021. Decision issued May 2021.	<i>Settlement negotiations ongoing with OPM appellants for phase 2 of OLT hearing. Settlements of significant number of issues supported by Council.</i>	<b><i>OLT Case Management Conference held Feb 25, 2022. Settlement hearing scheduled for May 19, 2022 to bring Council-supported OPM settlements into force. 2 weeks reserved starting July 4 for hearing to address unresolved issues, if necessary.</i></b>
Port Lands Planning: 309 Cherry	Active OLT appeals: Port Lands OPM policies and site-specific ZBA applications. Plan of Subdivision application submitted.	2019 settlement offer not accepted by City or WT. OPM and site-specific ZBL appeals remain open. Phase 1 OPM issues settled through OLT mediation process. Phases 2-4 hearing to address remaining OPM issues.	<i>Remainder of applicable OPM issues continue to be negotiated. OLT settlement hearing scheduled for May 19, 2022 and contested hearing, if necessary, July 4. Site-specific ZBL appeals remain open. City and WT continuing review and commenting on July 2021 settlement offer and December 2021 Draft Plan of Subdivision application.</i>	<b><i>City and WT continuing review of July 2021 settlement offer and subsequent updates. Draft Plan of Subdivision application submitted and under review.</i></b>

# Development Projects Dashboard

## IREC Meeting – March 10, 2022



Project	Description	Previous Period	Next Steps	Status
<b>Port Lands (cont'd)</b>				
Villiers Island Development	Zoning bylaw amendment (ZBLA), Official Plan Amendment (OPA), POS, site plans, developer requests for proposals etc.	R-plans updated as part of the Cherry Street lake filling project. WT & City to begin drafting zoning bylaw for Villiers Island following the first phase of the OLT hearing in April 2021.	<i>WT, City and CreateTO working with consultant teams on studies: transportation, infrastructure/phasing, noise/air quality, commercial activation, public realm design, sustainability to inform due diligence report and ZBL.</i>	<b>Work continuing on multiple consultant studies and due diligence report. ZBL drafting work on hold pending input from consultant work and comprehensive analysis.</b>
Polson Quay and River South Precinct Plan	OPM appeals and Precinct Planning	Phase 1 OPM issues resolved through mediation. Phases 2-4 OPM issues remain unresolved. Precinct planning will likely follow McCleary District Precinct planning.	<i>Phase 2 OPM settlements approved by Council. OLT settlement hearing scheduled for May 19, 2022.</i>	<b>Polson/South River Precinct planning to likely follow McCleary planning. Re-prioritization possible after July 2022 OLT hearing.</b>
<b>Other</b>				
Lower Yonge	Private developer application review.	Development applications review and comment	Ongoing reviews and approvals. OPA/ZBA apps submitted for south blocks	<b>Construction of Phase 1 underway</b>
Private Development Application Reviews	Multiple private development applications under review at any given time within DWA – ZBLA, OPA, SPA, POS, MV.	Ongoing	Ongoing	<b>Ongoing</b>
Keating East Precinct Plan	Amendment to existing Keating Channel Precinct Plan or new planning exercise.	On hold	On hold until work progresses on related LDL projects (Gardiner realignment, QQE, LSBE)	<b>On hold</b>
Gardiner Public Realm Study	Design study to improve lands under and adjacent to the Gardiner between Yonge and Leslie.	Daniels and City agreement final re: public realm contributions for LSBE public realm, post-Gardiner rehab works. Greenland and 3C discussions ongoing re: design and delivery of LSBE public realm.	Ongoing	<b>Ongoing</b>



**Investment and Real Estate Committee – March 10, 2022**  
**Item 5 – Waterfront Toronto Office Lease Update**  
**Lisa Taylor**

<b>Purpose</b>	For Committee Information.
<b>Areas of note/ Key issues</b>	<ul style="list-style-type: none"> <li>• The mandate of the Investment and Real Estate Committee (IREC) includes the review and evaluation for recommendation to the Board any real property leases exceeding \$2M in expenditures over the life of the lease.</li> <li>• Waterfront Toronto’s (WT) 20 Bay Street office space lease renewal is on the horizon (lease expires in May 2023) and the Corporation is looking into securing a new 5- to 10-year lease term in June 2022 i.e. ~one year before lease expiry. This within the 9- to 12-month notice period (by August 31, 2022) per current lease if WT decides to exercise its option for an additional five-year term at its current office location.</li> <li>• The new lease term is anticipated to be in line with WT’s current mandate to May 2028 (i.e. five years), with flexibility to extend for a further five years to May 2033, subject to government approval of WT’s mandate extension.</li> <li>• WT currently occupies one floor of office space (13/F) totaling ~22K sqft, equivalent to ~\$1.2M in annual expenditures for 2021/22 (current) and 2022/23 (next year) for rent, property taxes, and utilities/maintenance costs. Cost of new lease (5- or 10-year term) is anticipated to exceed the \$2M IREC and Board approval threshold.</li> <li>• WT competitively engaged real estate services firm Avison Young in November 2021 to assist in assessing the Corporation’s future space needs and opportunities particularly post-pandemic and provide support for the subsequent real estate brokerage services for the lease transaction.</li> <li>• Scope of work with Avison Young covers three phases: <ul style="list-style-type: none"> <li>○ <u>Phase 1</u>: Workplace strategy (<b>near completion</b>, see Appendix A for approach) – to explore and define future ways of working suited to our organization. This included a staff work experience survey (completed - 98% response rate) and stakeholder interviews with business units and senior management team (completed), to define need based on strategic direction, critical success factors, and workplace scenarios.</li> <li>○ <u>Phase 2</u>: Business case (to begin Mar/2022) – to analyze location alternatives based on WT’s operational, qualitative, and financial objectives, and provide recommendation.</li> <li>○ <u>Phase 3</u>: Lease transaction (complete Jun/22).</li> </ul> </li> <li>• Preliminary findings show preference for a hybrid model in line with the global evolution of the hybrid workplace, with the new purpose of being in-office mainly for collaboration needs.</li> <li>• Avison Young will provide WT a Workplace Strategy Playbook in April 2022 to conclude Phase 1 work.</li> <li>• Refer Appendix B for a current market availability report.</li> </ul>
<b>Resolution or Next Steps</b>	Management will report on the results of workplace strategy and business case including recommendation for a new office lease transaction in the June 2022 IREC Meeting, for Committee review and recommendation to the Board.

## Appendix A: Avison Young Project Approach

### Our holistic approach to a workplace strategy

Our methodology is centered on aligning business needs and the human experience with high-performance workplace environments

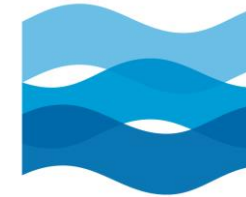




# Availability Report

February 2022

*Prepared for:*



**WATERFRONT**Toronto

*Prepared By:*

**Robert Armstrong**

Principal, Sales Representative

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**AVISON  
YOUNG**

We provide insights to help your business gain the competitive edge.

**01**

**Current Situation**

**02**

**Downtown Toronto Market**

**03**

**Available Options**



# 01 Current Situation





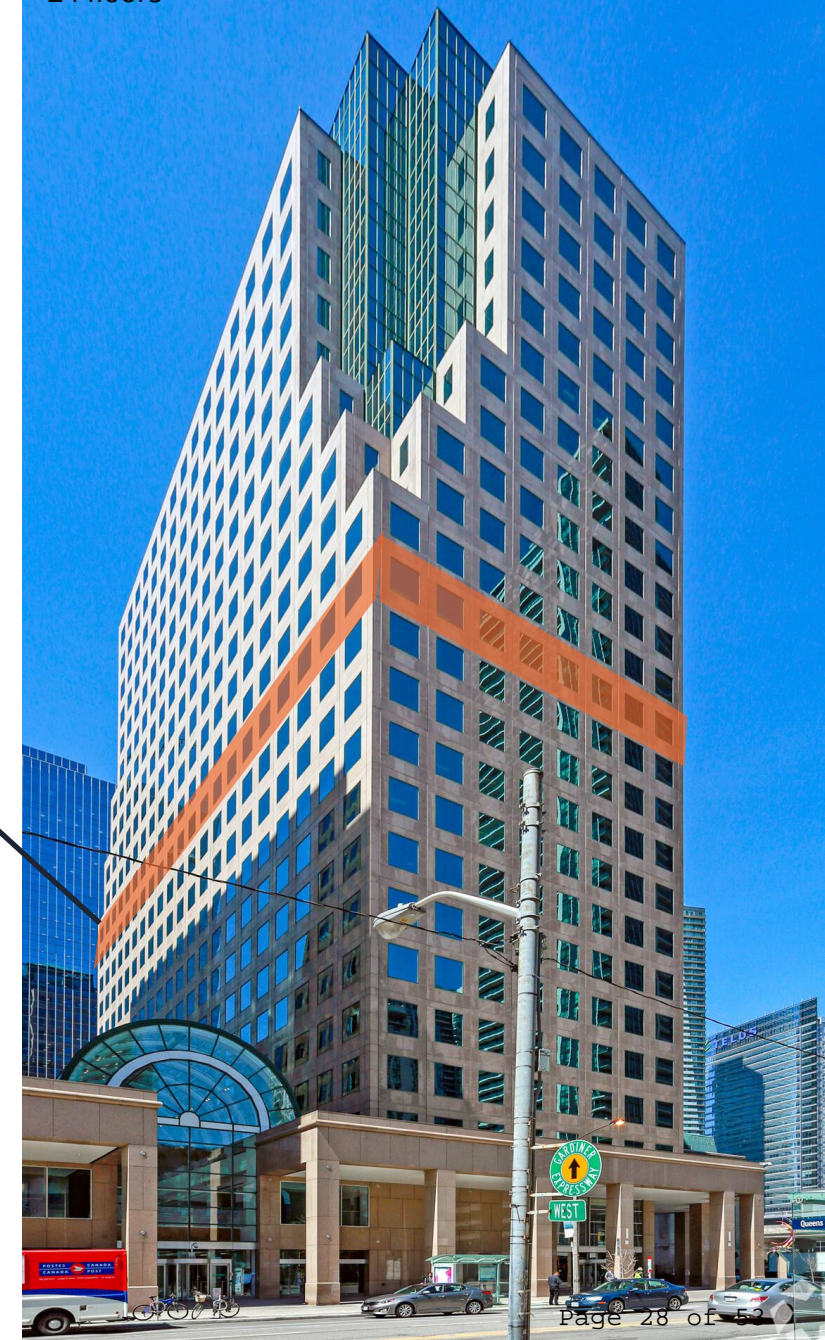
# 20 Bay St – Water Park Place

## Current situation

Address	20 Bay St
Landlord	Oxford Properties Group
Office Class	A
Typical Floor	20,525 sf
Number of Floors	24
Year Built	2002
Total Office Area	497,543 sf
Current Vacancy	12,423 sf
Major Tenants	Metrolinx & AON
Area Leased by Waterfront Toronto	13 <sup>th</sup> floor <b>total 20,525 RSF</b>
Lease Expiry	May 31 <sup>st</sup> , 2023
Current Waterfront Toronto Net Rent	\$28.00 psf
Landlord Estimated Asking Net Rent	\$35.00 psf
Additional Rent	\$25.07 psf

20 Bay St  
24 floors

13<sup>th</sup> floor







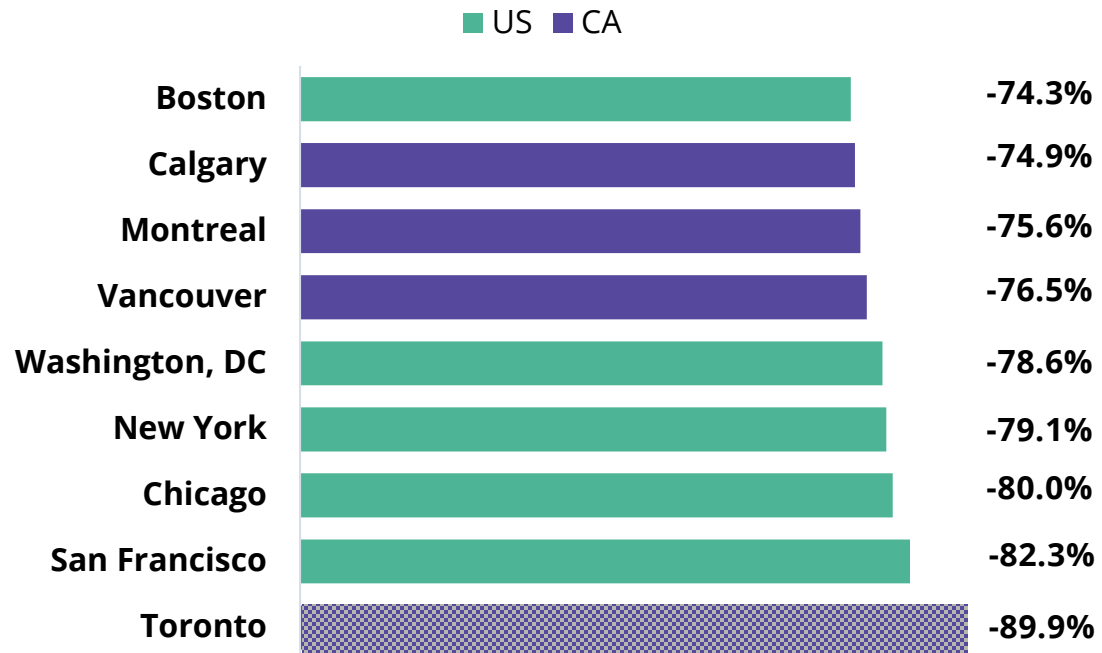
02 Downtown Toronto Market

# Avison Young's Vitality Index shows that Toronto is 22<sup>th</sup> in the Americas for RTO

Employees recognize that they can work anywhere and are reluctant to return to office

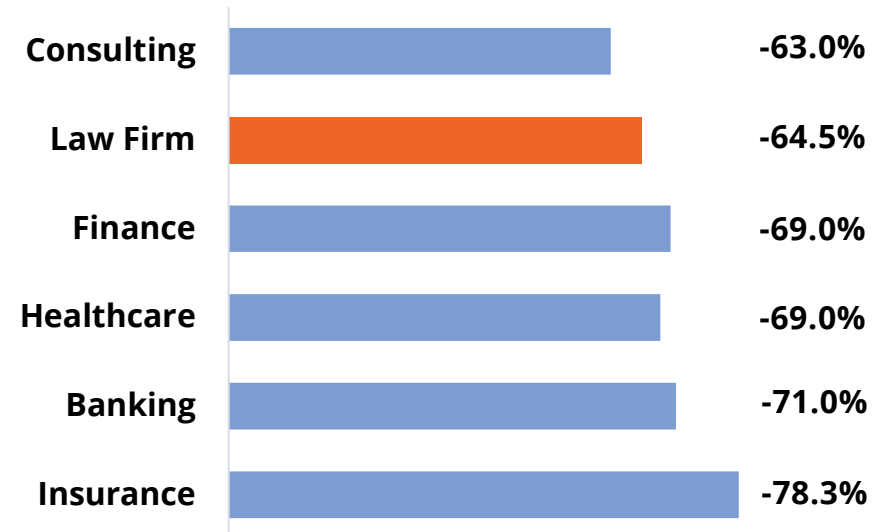
## Vitality index of 23 Americas cities

**Comparison of return-to-office efforts**  
How has visitor volume changed by Cities?



## Vitality index of Americas law firms RTOs

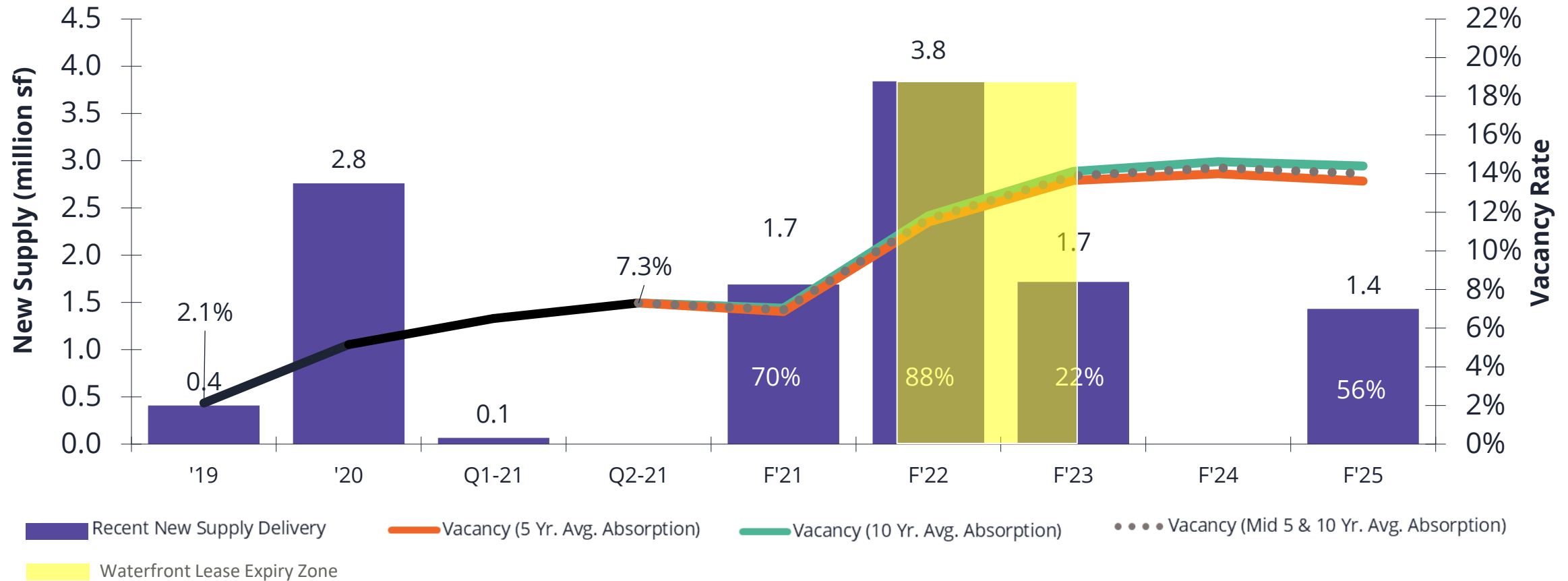
**Comparison of return-to-office efforts**  
How has visitor volume changed by Industries?





# Toronto Downtown Vacancy Forecast Sensitivity

Currently under construction – 7.9 msf / 67% preleased



**2021:** 65 King St. E. + 147 East Liberty + Waterfront Innovation Centre + 100 Queens Quay E. + 57 Spadina Ave. + 336 Queen St. W.  
**2022:** 19 Duncan St. + 160 Front St. W. + Bay-Adelaide Centre North + 20 Edward St. + The Well (8 Spadina Ave.) + The Well (486 Front St. W.) + The Well (460 Front St. W.) + 48 Power St. + 2 Queen St. W. + T3 Sterling - E. Bldg.

**2023:** 25 Ontario St. + 530 Front St. W. (Portland Commons) + 80 Queen St. E. + 234 Simcoe St. + 261 Queens Quay E. (T3 Bayside, Phase 1) + 375-381 Queen St. W. + T3 Sterling - W. Bldg.  
**2025:** 141 Bay St. (CIBC Square II)

# Downtown market snapshot



Q4 absorption was positive vs previous 7 quarters

**7.8%**

Overall downtown Toronto vacancy rate vs south core 5.3%

**7.9 msf**

Office space under construction to be delivered by Q1 2025  
67% pre-leased

**15%**

Capacity which companies are utilizing office space while some continue to wait

## Dynamics

- Landlords holding on for higher rates and offering larger inducements in most situations
- Future expectations are somewhat disconnected as tenants feel markets should be offering more
- Pent-up demand starting to become evident
- Value proposition more important than ever (health and safety included)
- Activity gaining momentum as tenants make decisions and take advantage of conditions
- Occupiers focused on “flight to quality” to attract talent and update/upgrade work environments



## 02 Available Options

# Lease availability summary

The attached preliminary survey was prepared to provide a sample of available options and lease rates currently in the market.

The parameters for our search are as follows:

Transaction Type:  
**Direct/Sublease**

Size Range:  
**Approx. 20,000 sf**

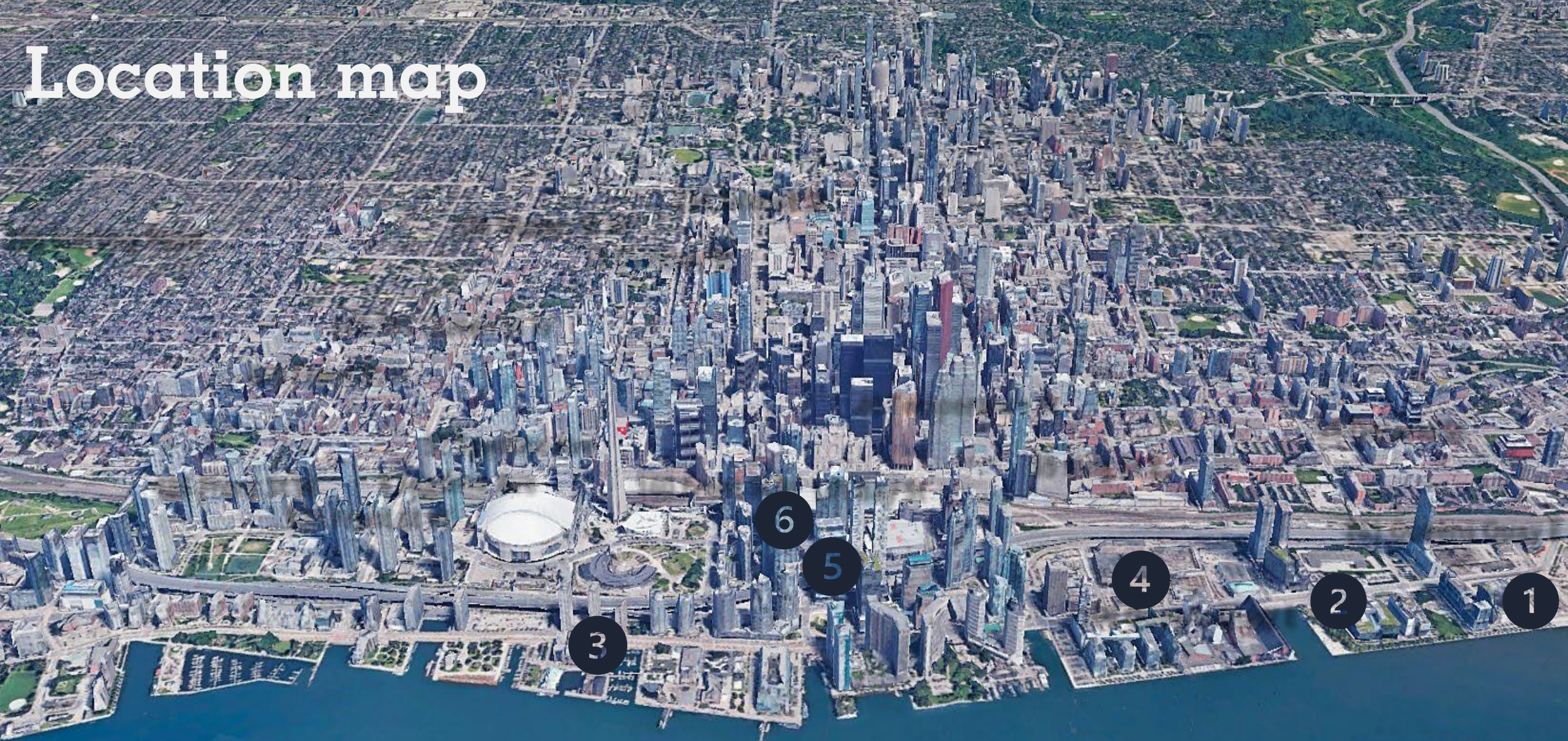
Location:  
**South Core and Queens Quay**

Using these parameter, our search produces 6 options, summarized below:

Map #	Address	Direct/ Sublease	Term	Size (sf)	Net Rent/ sf	Additional Rent/ sf	Occupancy
1	261 Queens Quay E – T3 Bayside	Direct	Negotiable	23,000+	\$45.00	\$24.50	Q1 2023
2	125 Queens Quay E – The Exchange	Direct	Negotiable	13,000-40,000	\$48.00	\$24.57	Q1 2023
3	207 Queens Quay W – Terminal	Direct/Sublet	Negotiable	10,000-70,000	\$40.00	\$23.99	Immediately
4	100 Queens Quay E – LCBO Tower	Direct	Negotiable	28,000+	\$43.00	\$24.98	Immediately
5	25 York St – TELUS Tower	Direct	Negotiable	14,000-27,000	\$48.00	\$29.01	Immediately
6	1 York St – Sun Life Financial Tower	Sublet	Negotiable	11,000-27,000	\$45.00	\$28.55	90 Days



# Location map



1. 261 Queens Quay E

2. 125 Queens quay E

3. 207 Queens Quay W

4. 100 Queens Quay E

5. 25 York St

6. 1 York St



1

# 261 Queens Quay E – T3 Bayside

Queens Quay E & Merchants' Wharf

<b>Building class</b>	A
<b>Landlord</b>	Hines
<b>Building size</b>	251,000 sf
<b>Typical floor size</b>	25,100 sf
<b>Available space</b>	23,000+ sf
<b>Availability</b>	Floors 2-9
<b>Net rent</b>	\$45
<b>Additional rent</b>	\$24.50
<b>Comments</b>	<ul style="list-style-type: none"><li>- Phase I with a future twin building in Phase II</li><li>- Timber built</li></ul>





1

# 261 Queens Quay E – T3 Bayside

Queens Quay E & Merchants' Wharf



# 2

# 125 Queens Quay E

Lower Jarvis & Queens Quay East

<b>Building class</b>	A
<b>Landlord</b>	Menkes
<b>Building size</b>	322,651 sf
<b>Typical floor size</b>	26,888 sf
<b>Available space</b>	Fixturing immediately 4 <sup>th</sup> floor available (39,325 sf)
<b>Comments</b>	<ul style="list-style-type: none"><li>• Part of Waterfront Innovation Centre (WIC)</li><li>• Access to MaRS ecosystem</li></ul>





# 2

# 125 Queens Quay E

Lower Jarvis & Queens Quay East



## THE EXCHANGE

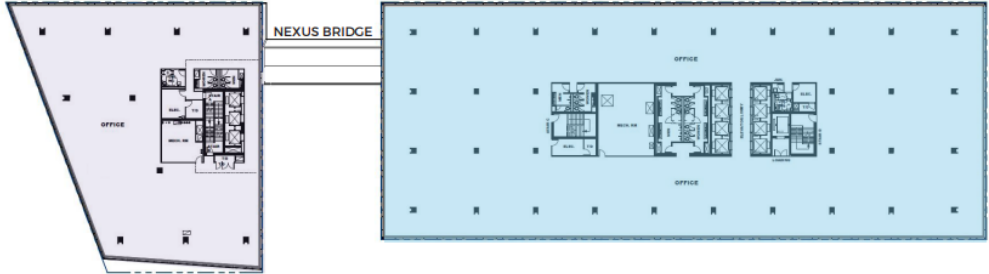
### FLOOR AVAILABILITIES

- 4 - 14,330 sq. ft.
- 5 - 14,441 sq. ft.
- 6 - 14,441 sq. ft.
- 7 - 14,443 sq. ft.
- 8 - 13,215 sq. ft.
- 9 - 13,215 sq. ft.
- 10 - 8,942 sq. ft.

## THE HIVE

### FLOOR AVAILABILITIES

- 4 - 39,325 sq. ft.



3

# 207 Queens Quay W

Queens Quay W & York St

<b>Building class</b>	B
<b>Landlord</b>	iA Financial Group
<b>Building size</b>	920,000 sf
<b>Typical floor size</b>	75,000 sf
<b>Available space</b>	Suite 340: 10,605 sf Suite 416: 4,568 sf Suite 500: 31,653 sf Suite 700: 77,904 sf
<b>Availability</b>	Up to 77,904 sf contiguous
<b>Net rent</b>	\$40.00
<b>Additional rent</b>	\$23.99





3

# 207 Queens Quay W

Queens Quay W & York St





# 4

# 100 Queens Quay E – LCBO Tower

Lower Jarvis & Queens Quay East

<b>Building class</b>	A
<b>Landlord</b>	Menkes
<b>Building size</b>	875,000 sf
<b>Typical floor size</b>	28,289 sf
<b>Available space</b>	Floor 14-15: Up to 6,190 sf Floors 17-19: Up to 141,150 sf Floors 20-22: Up to 141,150 sf
<b>Availability</b>	Immediately
<b>Net Rent</b>	\$39.00 (low rise 1-15) \$41.00 (high rise 16-30)
<b>Additional Rent</b>	\$24.98
<b>Comments</b>	<ul style="list-style-type: none"><li>• Lobby and entrance renovations coming soon</li><li>• Suite 1900-2100 may be off the market within 1-2 weeks</li></ul>



4

# 100 Queens Quay E – LCBO Tower

Lower Jarvis & Queens Quay East





5

# 25 York St – Telus Tower

York St & Maple Leaf Square

<b>Building class</b>	A
<b>Landlord</b>	Menkes
<b>Building size</b>	780,000 sf
<b>Typical floor size</b>	27,470 sf
<b>Available space</b>	Suite 1400: 27,470 sf Suite 601: 14,685 sf Suite 608: 3,242 sf Suite 700: 27,470 sf
<b>Availability</b>	Immediately
<b>Net Rent</b>	\$48.00
<b>Additional Rent</b>	\$29.01
<b>Comments</b>	<ul style="list-style-type: none"><li>• Directly connected to the PATH</li></ul>





5

# 25 York St – Telus Tower

York St & Maple Leaf Square





6

# 1 York St – Sun Life Financial Tower

York St & Harbour St

<b>Building class</b>	A
<b>Landlord</b>	BentallGreenOak
<b>Building size</b>	800,000 sf
<b>Typical floor size</b>	27,692 sf
<b>Available space</b>	Suite 700: Up to 26,824 sf Suite 800: Up to 26,912 sf Suite 1000: Up to 11,082 sf
<b>Availability</b>	90 Days Notice
<b>Net Rent</b>	\$45.00
<b>Additional Rent</b>	\$28.55





6

# 1 York St – Sun Life Financial Tower

York St & Harbour St





# Future lease availability summary

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300 Queens Quay – At the Bend



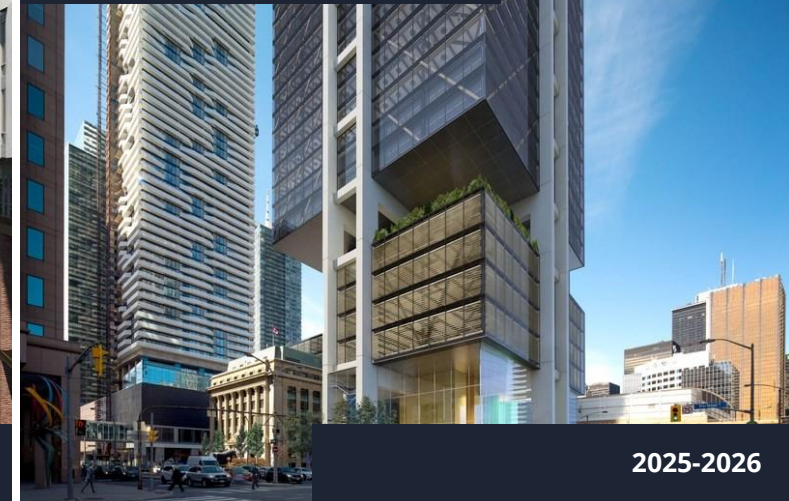
1 Yonge St – Pinnacle One



125 Mill St – West Don Lands



30 Bay St – The HUB



# Thank you



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# Closed Session



**Investment and Real Estate Committee (IREC) Meeting  
March 10, 2022  
Item 11 – Resolution(s) Arising from the Closed Session**

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**ON MOTION** duly made by [●] and seconded by [●] and carried, it was **RESOLVED** that the Investment and Real Estate Committee approves the Minutes of the Closed Session of the IREC meetings held on November 18, 2021 and February 11, 2022, as tabled.



## CALENDAR YEAR 2022 UPCOMING MEETING SCHEDULE BOARD / COMMITTEES

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



15.	<b>Thursday, November 10</b>	HRGSR	Per HRGSR Work Plan
16.	<b>Thursday, November 17</b>	IREC	<ul style="list-style-type: none"> <li>• Development Projects Dashboard</li> <li>• Other Projects (if any)</li> <li>• Real Estate Acquisitions and Divestitures (if any)</li> <li>• Other Acquisitions (if any)</li> </ul>
17.	<b>Thursday, November 24</b>	FARM	Per FARM Work Plan
18.	<b>Thursday, December 8</b>	Board	<ul style="list-style-type: none"> <li>• Report of the HRGSR, IREC, and FARM committees</li> <li>• Approval of 2022/23 Corporate Plan</li> </ul>