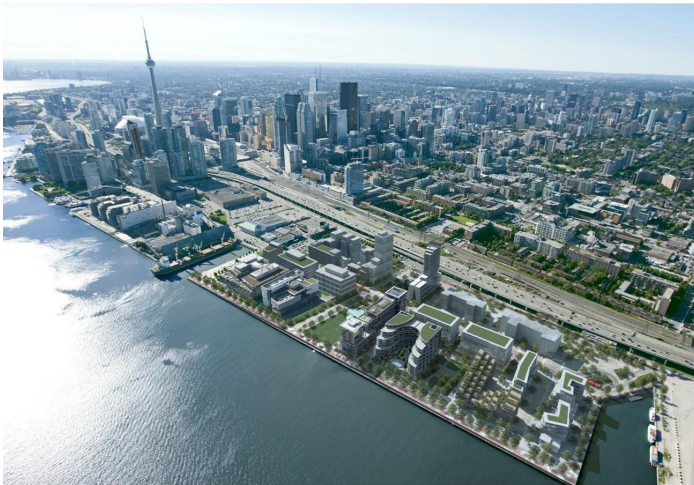


Bayside Phase II Infrastructure Request for Capital Approval



Board Meeting
December 12, 2016

Overview

We are currently seeking Capital Approval for the Municipal Services, Roads and Public Realm in Bayside amounting to \$42.03M in order to provide the necessary infrastructure to serve Bayside Phase II (a commercial, residential development), the next phase of the Bayside development.

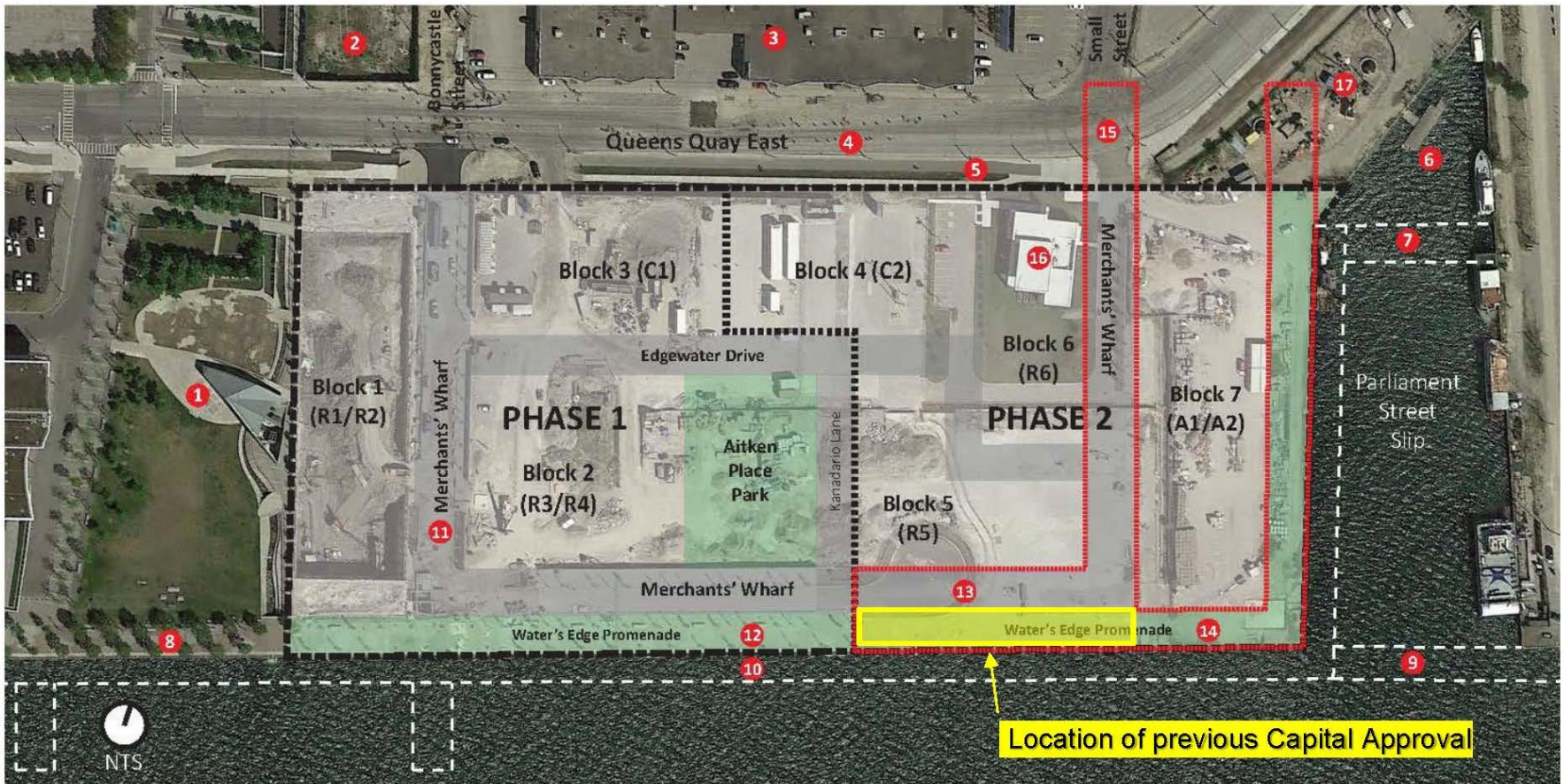
This is in addition to the \$2.67M Capital Approval obtained in April 2016 for Bayside Phase II early works dockwall reinforcing which is associated with the above municipal services.

These projects are to be delivered by Waterfront Toronto by September, 2017 in part, and by September 2018 in full, as part of the Project Agreement between Hines and Waterfront Toronto.

Bayside Phase II Infrastructure work involves the following:

- Dockwall Reinforcement & balance of Water's Edge Promenade (to Parliament)
- Internal Municipal Services & Public Realm (Public and Private Streets)
- Hydro Connections

Overview (continued)



- | | | | |
|---|---|---|--|
| 1. Sherbourne Common | 6. Future Parliament Slip Infill | 11. Merchants' Wharf (Unassumed Public ROW) | 14. Future Water's Edge Promenade (Bayside Phase II) |
| 2. Parkside Development (Monde) | 7. Future Parliament WaveDeck | 12. Existing Water's Edge Promenade (Bayside Phase I) | 15. Signalized Intersection at Small Street and Queens Quay East |
| 3. Quayside Development | 8. Existing Water's Edge Promenade (Dockside) | 13. Future Merchants' Wharf (Bayside Phase II) | 16. Existing Presentation Centre |
| 4. Queens Quay East Revitalization (Existing ROW) | 9. Future Parliament Slip Bridge | | 17. RCYC Parking Lot |
| 5. Interim Martin Goodman Trail | 10. Future Boardwalk and Piers (Bayside) | | |

Overview (continued)

As of March 31, 2016, two residential buildings are being developed in Phase I: Aqualina (R1\R2) and Aquavista (R3\R4)

The planned delivery dates for the remaining development parcels are as follows:

Parcel	Projected Land Closing Date
C1	March 1, 2019
R5	September 1, 2017
R6	March 1, 2019
C2	December 1, 2022
A1	September 1, 2020
A2	September 1, 2021

Bayside Phase II – Scope of Work



Work Packages	Description
1. Water's Edge Promenade (EBF 04-09)	<ul style="list-style-type: none">• Balance of the Dockwall Reinforcing• Public Realm (soil cells, granite mosaic, trees, irrigation, bike rings, benches and lighting)• Future servicing for marine uses
2. Local Streets (EBF 05-09)	<ul style="list-style-type: none">• Implement Soil and Water Environmental Risk Management Measures• Relocate Small Street Combined Sewer Outfall• Extend Municipal Servicing from Phase I and provide service connections for the development blocks• Public Realm for Public and Private Streets (soil cells, trees, irrigation, granite curbs, boulevard pavers, bike rings and streetlights)
3. Hydro Connections (EBF 05-10)	Secure Offer To Connect with Toronto Hydro

1. Dockwall & Water's Edge Promenade



Dockwall reinforcement and construction of Bayside Phase II Water's Edge Promenade.

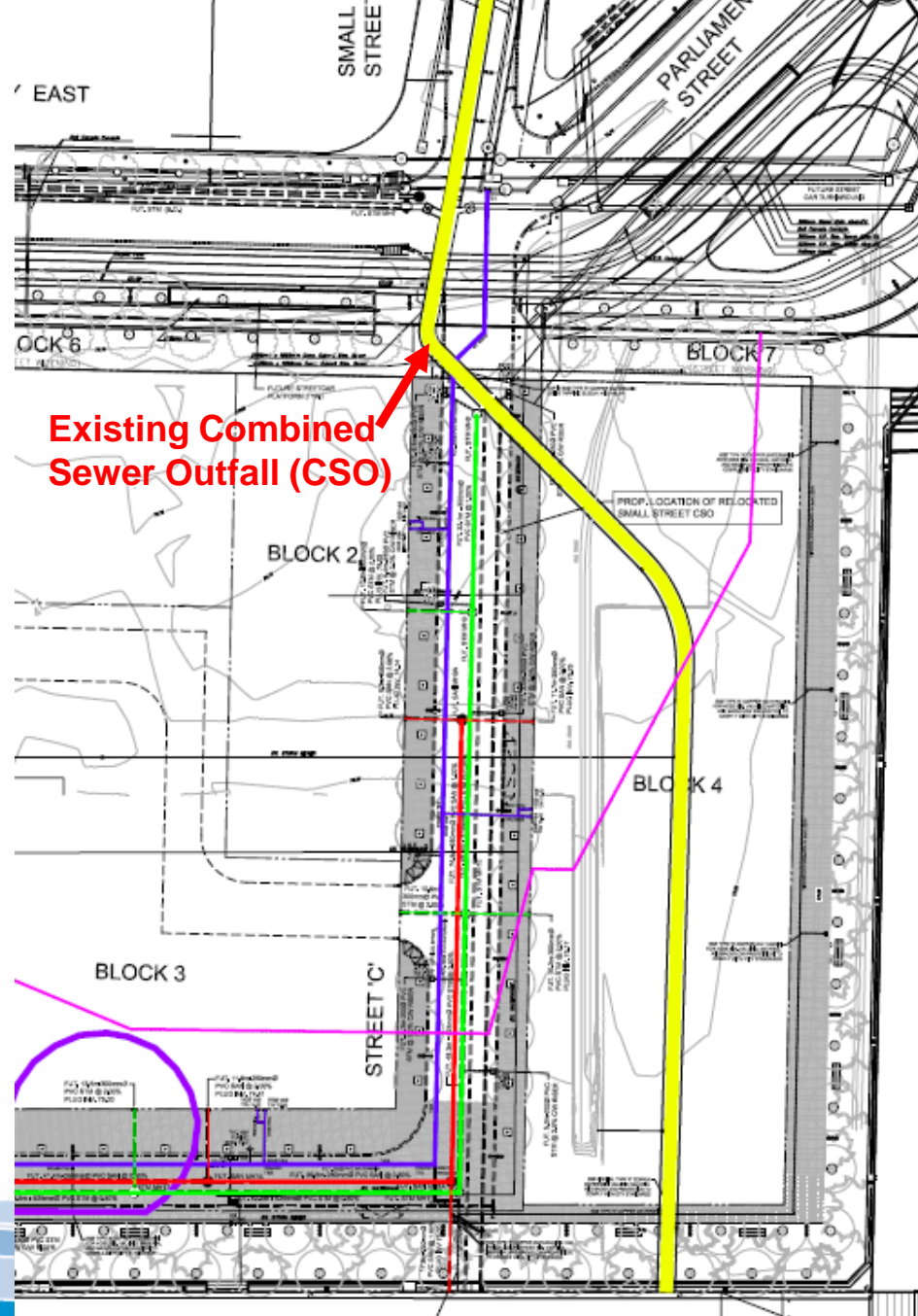
The design is an extension of Dockside and Bayside Phase I.

2. Internal Municipal Services and Public Realm



Construction of Bayside Phase II public and private streets, including:

- Storm and sanitary sewers
- Watermains
- Utilities
- Relocation of the Small St. CSO



2. Internal Municipal Services and Public Realm



Construction of Bayside Phase II public and private streets, including:

- Soil cells, trees, irrigation
- Granite curbs
- Pavers
- Bike rings
- Streetlights
- Roads

3. Hydro Connections



Execute an Offer to Connect with Toronto Hydro to secure hydro supply for the development and permit the installation of hydro infrastructure into Phase II from Queens Quay East.

Risks

Risk management & mitigation strategies have been/will be implemented to address the following:

- Securing Environmental Approval from Ministry of Environment and Climate Change
- Securing timely design approvals
- Construction bids exceeding budget
- Extreme weather causing construction delays
- Ineffective site dewatering during construction due to the proximity to the lake
- Coordination with adjacent projects and/or stakeholders causing delays

NOTE: Bayside Phase II risks are similar to Bayside Phase I

Contracting Strategy

Bayside Phase II Services and Public Realm

- Drawings and specifications will be 100% complete at time of tender
- Sequential tendering is not required
- Pre-construction services are not required
- Work is an extension of Bayside Phase 1 design and details

Management recommends that the construction contract be procured through a lump sum pre-qualified tender process and that the Stipulated Sum CCDC-2 (Construction Contract Document Committee) be the form of Agreement between Waterfront Toronto and the contractor.

Schedule – Design and Construction

Milestone	Start	End
<u>Early Works (Dockwall Reinforcing)</u>		
Construction	July 2016	Dec 2016
<u>Bayside Phase II – Balance of Works</u>		
Execute Subdivision Agreement		Jan 2017
Bayside Phase II Capital Approval		Dec 2016
City Acceptance of 100% Design		Jan 2017
Tender Construction for Bayside Phase II - Balance of Works	Dec 2016	Feb 2017
Construction*	Mar 2017	Mar 2018
Phase II Registration		July 2017
Transact 1st development parcel in Phase II		Sept 2017

*Discussions are currently underway with Hines/Tridel to defer Water's Edge Public Realm construction to 2020/2021 concurrent with the construction completion of Parcels A1 & A2

Capital Budget Estimate



	April 2016 Capital Approval	November 2016 Recommended Capital Approval			
	Early Works Dockwall Reinforcing (EBF04-09)	Water's Edge Promenade (EBF04-09)	Local Streets (EBF05-09)	Hydro Connection (EBF05-10)	Total
Budget Allocation					
Consultants & Permits	\$ 200	\$ 1,050	\$ 1,950		\$ 3,000
Hard (Construction) Cost	\$ 1,800	\$ 12,610	\$ 14,950	\$ 4,000	\$ 31,560
Project Management (Hines & WT)	\$ 180	\$ 1,390	\$ 1,620		\$ 3,010
Non-recoverable HST	\$ 40	\$ 150	\$ 190		\$ 340
Subtotal	\$ 2,220	\$ 15,200	\$ 18,710	\$ 4,000	\$ 37,910
Contingency (20%)	\$ 450	\$ 3,050	\$ 3,740		\$ 6,790
Total Estimated Cost	\$ 2,670	\$ 18,250	\$ 22,450	\$ 4,000	\$ 44,700
Previous Capital Approval	\$ 2,670	\$ (2,670)			\$ (2,670)
Additional Capital Approval		\$ 15,580	\$ 22,450	\$ 4,000	\$ 42,030

All figures in thousands of dollars

Funding

Funding for the total estimated capital budget of \$44.7M is anticipated to be sourced from Waterfront Toronto revenues and government funding as per the proposed 2017/18 Long Term Plan

Figures in millions

	Water's Edge		Hydro		
	Promenade (EBF04-09)	Local Streets (EBF05-09)	Connection (EBF05-10)		Total
WT Revenues	\$ 18.25	\$ 12.45	\$ 4.00	\$	34.70
Government Funding		\$ 10.00		\$	10.00
Total	\$ 18.25	\$ 22.45	\$ 4.00	\$	44.70

Recommendation

Management recommends Board approval of an additional capital expenditure of \$42.03M to complete the Bayside Phase II Infrastructure and confirm the recommended contracting strategy.



Motion

ON MOTION duly made, seconded, and carried, be it **RESOLVED** that the Board of Directors hereby approve a capital expenditure of \$42.03M to complete the municipal services, roads and public realm necessary to service Bayside Phase II, the next phase of the Bayside Development.

