

WATERFRONTToronto

Finance, Audit & Risk Management Committee Meeting

THURSDAY, MAY 27, 2021 FROM 9:00 AM TO 11:30 AM

MICROSOFT TEAMS MEETING

VIA MICROSOFT TEAMS MEETING TELECONFERENCE



WATERFRONToronto

Meeting Book - Finance, Audit & Risk Management Committee Meeting

Agenda - May 27, 2021 FARM Committee Meeting

9:00 a.m.	1. Motion to Approve Meeting Agenda	Approval	K. Sullivan
9:05 a.m.	2. Declaration of Conflicts of Interest	Declaration	K. Sullivan
9:10 a.m.	3. Consent Agenda		K. Sullivan
	(a) Highlights of Key Messages - Page 5	Information	All
	(b) Draft Minutes Open Session FARM Committee Meeting February 25, 2021 - Page 7	Approval	All
	(c) Q4 2020/21 Macro Dashboard (Corporate & Project Reporting):		
	Cover Sheet - Page 12	Information	L. Taylor
	Macro Dashboard - Page 13	Information	L. Taylor
	i. Finance & Administration Dashboards:		
	a. Enterprise Risk Management (ERM) Dashboard - Page 14	Information	L. Taylor
	b. Audit	Information	L. Taylor
	Audit Dashboard - Page 15	Information	L. Taylor
	c. Liquidity and Cash Flow Forecast - Page 17	Information	L. Taylor
	ii. Capital Projects:		
	a) Port Lands Flood Protection (PLFP) Dashboard	Information	D. Kusturin
	Coversheet - Page 19		
	Dashboard - Page 20		
	b) Bayside External Services Program Dashboard	Information	D. Kusturin
	Coversheet - Page 29		
	Dashboard - Page 30		
	c) Lake Shore Blvd East (LSBE) Dashboard	Information	D. Kusturin
	Coversheet - Page 32		
	Dashboard - Page 33		
	(d) Quarterly Procurement Exception Report - Page 36	Information	K. Newson
	(e) Regulatory Compliance Report - Page 37	Information	I. Ness, D. Kusturin & L.

	(f) Fundraiser Action Plan (FAP)	Information	Taylor I. McMullan
	Coversheet - Page 41		
	FAP Dashboard - Page 42		
	(g) COVID-19 Impact Update Report - Page 45	Information	D. Kusturin & L. Taylor
9:25 a.m.	4. Year End Audited Financial Statements March 31, 2021	Approval	L. Taylor & S. Chandane
	Coversheet - Page 58		
	Year End Audited Financial Statements March 31, 2021 - Page 59		
9:35 a.m.	5. 2020/21 External Auditor's Results Report	Information	BDO LLP
	Coversheet - Page 80		
	External Audit's Report - Page 81		
9:45 a.m.	6. 2020/2021 Integrated Annual Report (IAR)	Approval	L. Taylor
	Coversheet - Page 103		
	DRAFT IAR Report - Page 104		
10:00 a.m.	7. Capital Approval - 60% Design Quayside Infrastructure and Public Realm	Approval	J. Gombos
	Coversheet - Page 214		
	Presentation - Page 215		
10:10 a.m.	8. Amended Rolling Five Year Strategic Plan (2021/22 – 2025/26) - Parliament Slip	Approval	P. Mallozzi
	Coversheet - Page 234		
	Presentation - Page 236		
	9. Port Lands Flood Protection (PLFP) Update		
10:20 a.m.	a) Q1/2021 Construction Cost Forecast and Risk Update and Quantification	Information	D. Kusturin
	Coversheet - Page 251		
	Presentation - Page 252		
10:30 a.m.	b) Report of the Independent Capital Monitor	Information	BTY Consultancy Group Inc
	Coversheet - Page 278		
	Report #11 of the Independent Capital Project Monitoring (Project Dashboard Only) - Page 279		
10:35 a.m.	10. Waterfront Toronto Insurance Program Overview	Information	I. Ness & L. Taylor
	Coversheet - Page 286		
	Insurance Coverage Summary - Page 287		
10:45a.m.	11. Motion to go into Closed Session	Approval	All

Closed Session Agenda

The Committee will discuss items 12, 13(a) & (b), 14, 15 and 16 being, WT Insurance Program Overview (Continuation), consideration of the draft minutes of the Closed Session of the February 25, 2021 FARM meeting, Report in Property Management, Tri- Government Strategic Review

(Background Study KPMG), Port Lands Risk Discussion, and the Committee Chair Discussion, respectively, in a Closed Session as permitted by By-Law No.2 of the Corporation. The exception relied upon for the discussion on item 12 is Section 6.1.1(a), item 13(a) is provided in the minutes of the Open Session February 25, 2021 FARM Committee meeting under item 3(b) of this agenda, for item 13(b) is Section 6.1.1(j), for item 14 is Section 6.1.1(i), for item 15 is Section 6.1.1(l), and for item 16 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 vote on any resolutions pertaining to the Closed Session.

11:20 a.m.	17. Motion to go into Open Session	Approval	All
	Public Session Agenda		
11:25 a.m.	18. Resolution(s) Arising from the Closed Session	Approval	All
	Draft Resolution(s) - Page 289		
11:30 a.m.	19. Motion to terminate the Meeting	Approval	All

**Finance, Audit and Risk Management Committee – May 27, 2021
Item 3 (a) Meeting Materials - Highlights of Key Messages**

Agenda Item	Key Message
3 c i a) Enterprise Risk Management (ERM) (FI)	Overall, no enterprise risks with a high residual risk score this quarter (same as last quarter). New risk area on climate risk added to address impacts of climate change and the transition to a low carbon economy.
3 c i b) Audit Environment (FI)	One audit completed this quarter: External Audit (refer Item 5). Audit monitoring dashboard indicates a 75% audit action item implementation rate this quarter (Q3: 100%), lower due to resources constraints. Tri-government Strategic Review near completion (refer Item 13).
3 c i c) Cash Flow / Liquidity Forecast (FI)	Positive cash balance > \$50M with no requirement to drawdown line of credit. Notional external borrowing from unspent project funds and internal cash flow management being utilized for some projects. Formal request made to governments in April 2021 to increase WTs borrowing consent limit and term beyond \$40M and March 2023 to enhance liquidity tools.
3 c ii) Capital Projects (FI)	All projects are proceeding in accordance with the Board Approved Rolling Five Year Strategic Plan (2019/20 – 2023/24). There continues to be elevated schedule risk related to Port Lands Flood Protection related to utilities.
3 d) Quarterly Procurement Report (FI)	Two exceptions to the Procurement Policy for single source professional services contracts over \$25,000. Two contracts over \$5 million were awarded this quarter, one design and one construction contract (both have Board Capital Approval).
3 e) Regulatory and Operational Compliance (FI)	All required actions by the Corporation for regulatory compliance obligations have been performed as of March 31, 2021.
3 f) Fundraising Action Plan Update (FI)	Implementation of the Fundraising Action Plan is proceeding in accordance with the approved Rolling Five-Year Strategic Plan 2020/21-2024/25 with no current adverse impacts from the global pandemic anticipated.
3 g) COVID-19 Impact Update (FI)	Summary report on construction project and financial/ accounting impacts from COVID-19. Total cost to date approx. \$2.0 M (net of ~\$0.7M savings).
4) Year End Audited Financial Statements For Approval	The Corporation's financial activities for the year ended March 31, 2021 have increased again from last year, largely due to the Port Lands Flood Protection project. Two new notes to the financial statements: Subsequent Events (re: property acquisition) and Liability for Contaminated Sites.
5) External Audit Report (FI)	BDO LLP anticipates a clean audit opinion on the annual financial statements. No material matters of concern to report regarding internal controls.
6) 2020/21 Integrated Annual Report For Approval	The Corporation's second Integrated Annual Report, combining WTs environmental, social and financial results in one integrated report. The theme of this year's report is <i>Connecting the Waterfront</i> which emphasizes how WTs revitalization approach supports many forms of connections that characterize thriving cities (physical, social, economic as well as intangible).
7) Capital Project Approval For Approval	As per the Corporation's <i>Delegations of Authority policy</i> , management is seeking Capital Project Approval for \$13.8 M for Quayside Public Realm and Infrastructure Design, part of the approved Rolling Five Year Strategic Plan.
8) Rolling Five Year Strategic Plan Amendment For Approval	Consistent with the vision endorsed by the Board and released publicly in March 2021, management is seeking approval to amend the Rolling Five Year Strategic Plan (2021/22-2025/26) to add the reimagined Parliament Slip project, limited to the initial 30-60% design (<\$5 million).
9a) Port Lands Flood Protection (PLFP) Update (FI)	Report from management regarding the PLFP project. The project remains on budget and schedule however the forecast probability of delivering on budget has decreased from 70% (at 90% design) to 63% primarily due to revised soil estimates and current market conditions for commodities and labour.

9b) PLFP Independent Capital Monitor Report (FI)	Report of the Independent Capital Monitor (BTY) notes that the PLFP project continues to be on budget, on schedule and has no material scope changes.
10) & 11) Insurance Program (FI)	Overview of WT's Corporate Insurance Program and outcome of 2021 renewals, including Directors & Officers insurance coverage.
12b) Property Management Update (FI)	Management report regarding property management.
14 Tri-government Strategic Review (FI)	Update report from management regarding the tri-government strategic review.
15 Port Lands Risk Discussion (FI)	Risk report from management regarding Port Lands Flood Protection.

**MINUTES of the Open Session of the
Finance Audit and Risk Management Committee Meeting of the
Toronto Waterfront Revitalization Corporation
Via Microsoft Teams Teleconference
Thursday, February 25, 2021 at 9:00 a.m.**

PRESENT: Kevin Sullivan (Chair)
Jeanhy Shim
Patrick Sheils
Michael Galego

ATTENDANCE: WATERFRONT TORONTO
George Zegarac (Chief Executive Officer)
Lisa Taylor (Chief Financial Officer)
David Kusturin (Chief Project Officer)
Julius Gombos (Senior VP Project Delivery)
Rose Desrochers (VP, Human Resources and Administration)
Cameron MacKay (VP, Communications and Engagement)
Kevin Newson (Executive Director, Procurement)
Iain McMullan (Executive Director, Philanthropy)
Alma Pjetra (Project Controls Manager)
Christopher Shiers (Senior IT Manager)
Sampada Chandane (Director, Financial Management)
Mary Anne Santos (Director, Financial Planning)
Ian Ness (General Counsel)
Aina Adeleye (Board Administrator and Legal Assistant)

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

- Shawn Tippins, Senior Analyst, Kira Heymans and Laura Robbins, Analysts, and Yassine Ben Rejeb, Portfolio Analyst, from Investment, Partnership and Innovation Branch of Infrastructure Canada
- Chris Monahan, Director, Policy and Planning Branch of Infrastructure Research and Planning Division, Melissa Pasquali, Lead Senior Advisor, Laura Robbins and Emily Bradford, Policy Advisors, and Allyson Switzman, Manager, Agency Oversight Unit, Infrastructure Policy Division Ministry of Infrastructure at Ontario Ministry of Infrastructure
- Veronica Bila, Partner, Enterprise Risk Services, MNP LLP
- Joanne Henson, Director, BTY Consulting
- Jeff Barrett, Audit Partner, Rob Clause, Senior Manager, and Sanjana Bhalla, Manager, BDO Canada LLP
- Joanne Henson and Phil Pavitt, Directors, BTY Consulting

The Chair, Kevin Sullivan, appointed Ian Ness to act as secretary of the meeting. The Chair welcomed everyone to the meeting of the Finance Audit and Risk Management (FARM) Committee (the “Committee”) of the Toronto Waterfront Revitalization Corporation (“Waterfront Toronto” or the “Corporation”).

With notice of the meeting having been sent to all members of the Committee in accordance with the Corporation’s By-laws and a quorum being present, the Chair called the meeting to order at 9:01 a.m. and declared the meeting duly constituted for the transaction of business.

1. Meeting Agenda

ON MOTION duly made by Patrick Sheils, seconded by Jeanhy Shim and carried, it was **RESOLVED** that the Meeting Agenda be approved as presented.

2. Declaration of Conflicts of Interest

There were no conflicts declared.

3. Consent Agenda:

Lisa Taylor presented the 2021 FARM Committee Workplan, which was taken as read, and explained that the workplan reflected the updated FARM Committee mandate to be considered by the Board for approval at its next meeting. The Committee requested that consideration be given to the review of the Delegations of Authority in the workplan. The Committee also requested that Management consider the responsibility of environmental, social and governance (ESG) matters in the Board Committee mandates.

ON MOTION duly made by Jeanhy Shim, seconded by Patrick Sheils and carried, it was **RESOLVED** that the 2021 FRAM Committee Mandate be approved as amended.

ON MOTION duly made by Jeanhy Shim, seconded by Patrick Sheils and carried, it was **RESOLVED** that the Minutes of the November 26, 2020 FARM Committee meeting be approved as presented.

Lisa Taylor provided a brief overview of the key matters reported in the Q3 2020/21 Macro Dashboard. Ms. Taylor provided an overview of the Office of the Auditor General of Ontario (OAG) updated audit report issued in December 2020 noting that the updated report acknowledged that the Corporation has implemented 91% of the recommendations in the initial report issued in December 2018. The Committee commended Management on the positive feedback from the OAG’s follow up report.

Sampada Chandane provided an overview of the unaudited interim financial statements for the nine months ending December 31, 2020. The Committee requested that management consider the applicability of climate risk disclosure for future financial statements. The Committee directed that the Board receive the unaudited interim financial statements.

David Kusturin explained that the Port Lands Flood Protection project schedule update will be completed in March 2021 and the updated schedule will reflect in the PLFP Dashboard to be presented at the next FARM Committee meeting. The Committee acknowledged the addition of the PLFP contingency drawdown report to the PLFP Dashboard. At the request of the Committee, David Kusturin provided his view on the working relationship of the organization with Ellis Don noting that overall, the project team is working very well together, is focused on problem solving and serves as a good example of a well-executed public private relationship.

Management responded to questions related to the enterprise risk management (ERM) dashboard, liquidity/ cashflow management, procurement exceptions, regulatory compliance, status of the fundraising action plan (with clarification on the 2021/22 budget of \$1.3M for fundraising) and the impacts of COVID-19.

George Zegarac introduced Iain McMullan, Executive Director, Philanthropy, who recently joined the organization to lead the Corporation's Philanthropy and Fundraising efforts. Iain McMullan provided a background of his experience and previous projects, and responded to questions from the Committee on WT's fundraising process going forward and timeline of the action plan.

The Q3 2020/21 Macro Dashboard and related attachments (Corporate & Project Reporting, including the ERM Dashboard, Audit Dashboard, Liquidity and Cashflow Forecast, December 31, 2020 unaudited interim financial statements and the Capital Projects update), Quarterly Procurement Exception Report, Regulatory Compliance Report, Fundraising Action Plan and the COVID-19 Impact Update were received by the Committee for information.

4. Internal Audit Plan Update

Veronica Bila of MNP LLP provided an update regarding the approved Three Year (2020/21 – 2022/23) Internal Audit Plan which noted of the six planned audits, one is complete and a second beginning. Veronica Bila provided an overview of the plan for the Human Resources and Succession Planning audit review to be undertaken between March and June 2021 and reported to the Committee in September 2021. The review, which is forward looking in nature, is focused on accessing whether the Corporation has the appropriate capacity and skill sets to deliver on its Rolling Five Year Strategic Plan. The Committee noted the update for information.

5. External Audit Plan 2020/21

Jeff Barrett, Partner, BDO LLP (BDO), presented the planning report for the external audit of the Corporation's March 31, 2021 financial statements which was taken as read. Jeff Barrett explained, amongst others, the audit plan, increase in materiality from \$2.0 Million to \$2.5 Million and the areas of focus. The Committee expressed their satisfaction with the audit approach and accepted the External Auditor's plan as presented. It was also noted by Management and the Committee that this is the final year of BDO's five-year contract and consistent with the Corporation's procurement policy, the external audit would be competitively tendered later in 2021.

ON MOTION duly made by Patrick Sheils, seconded by Michael Galego and carried, be it **RESOLVED** that the Finance, Audit and Risk Management Committee approves the 2020/2021 External Audit Plan.

6. Port Lands Flood Protection (PLFP) Update - Report of the Independent Capital Monitor

Joanne Henson of BTY Consulting ("BTY") joined the meeting. She presented the executive summary of the tenth independent capital monitor report which was taken as read. She also presented key findings of BTY's review of the schedule, scope, budget and risk of the PLFP Project noting that the processes in place continue to be robust at the 90% stage gate and in accordance with standard practices. She confirmed the PLFP project schedule re-baseline. The Committee noted the report for information.

7. Motion to go into Closed Session

In accordance with By-Law No. 2 of the Corporation and **ON MOTION** duly made by Patrick Sheils, seconded by Jeanhy Shim and carried, the Committee **RESOLVED** to go into Closed Session to discuss items 8(a), (b) & (c), 9, 10, 11 and 12 of the agenda. The exception relied upon for the discussion on item 8(a) is provided in the minutes of the Open Session November 26, 2020 FARM Committee meeting provided under item 3(c) of the meeting agenda, for items 8(b), (c), 9 & 10 is Section 6.1.1(j), for item 11 is Section 6.1.1(l) and for item 12 is Section 6.1.1(b) of By-Law No. 2.

The meeting continued in Closed Session.

8. Consent Agenda

- a) **Minutes of the Closed Session – November 26, 2020 FARM Committee Meeting**
- b) **Additional Internal Auditor Fees**

c) **Annual Review – Risk Appetite Statement**

9. **Waterfront Toronto Cyber Security Program**
10. **Internal Audit Report - Cyber Security Follow up Audit**
11. **Project Risk Discussion**
12. **Committee Chair Discussion**
13. **Motion to go into Open Session**

ON MOTION duly made by Jeanhy Shim and seconded by Patrick Sheils and carried, the committee **RESOLVED** to go into Open Session. The meeting continued in Open Session.

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

ON MOTION duly made by Patrick Sheils, seconded by Michael Galego and carried, it was **RESOLVED** that the FARM Committee approves the Minutes of the Closed Session of the FARM Committee meeting held on November 26, 2020, as tabled.

15. **Termination of the Meeting**

There being no further business, **ON MOTION** duly made by Michael Galego, seconded by Patrick Sheils and carried, it was **RESOLVED** that the meeting be terminated at 11:24 a.m. local time.

Committee Chair

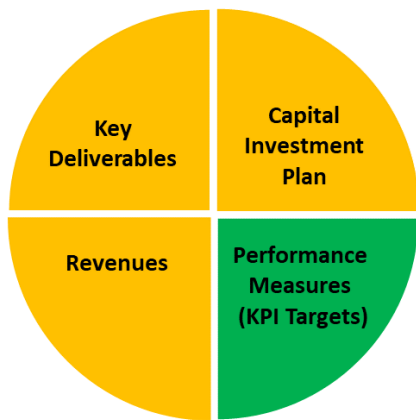
Secretary



Finance, Audit and Risk Management Committee – May 27, 2021
Item 3c) – Q4 2020/21 Macro Dashboard (Corporate & Project Reporting)
Lisa Taylor

Purpose	For Committee Information.
Areas of note/ Key issues	<p>All key areas of the attached Macro Dashboard are green (i.e. no key issues to be aware of), except for the following five items which are yellow or tracking behind plan:</p> <ul style="list-style-type: none"> • Three 2020/21 Corporate Plan item (Capital Investment, Key Deliverables, and Revenues) largely due to deferral of some Port Lands Flood Protection (PLFP) project elements into 2021/22 to address project challenges and still maintain the 2024 completion date, with commensurate decrease in the project funding requirements; and • Two areas of Capital Projects (PLFP project and Complete Communities) which are yellow due to elevated risks and/or budget pressures. <p>The following key areas are reported on in the attached Macro dashboard which is supported by several attached streamlined reports:</p> <ul style="list-style-type: none"> • <u>2020/21 Corporate Plan Performance</u> (caution area noted) • Finance & Administration: <ul style="list-style-type: none"> ○ <u>Enterprise Risk Management</u>: (no significant concerns, all high inherent risk areas are being adequately managed through mitigation plans; Business Continuity Plan refresh underway). ○ <u>Internal audit</u> (no significant concerns, slight deferral in completion of one action item due to resource concerns; resource and succession planning review underway). ○ <u>Government audit</u> (Tri-gov. strategic review near completion). ○ <u>Liquidity/ Cash Flow Management</u> (no significant concerns, however upward trend on notional external borrowing from unspent project funds and internal cash flow management requirements; increase in borrowing term/limit requested). ○ <u>Financial reporting compliance</u> (no concerns, in line with plan) • Capital Projects (caution areas noted for PLFP related to utilities relocations and Bayside External Services due to potential project delays and changed conditions contractor claims, respectively): <ul style="list-style-type: none"> ○ Program Portfolio Dashboard ○ Port Lands Flood Protection Project Dashboard ○ Individual Project Status Dashboards (one project – Bayside External Services is forecasting a <10% adverse budget variance of \$4.4M).
Resolution or Next Steps	The next macro level dashboard will be provided at the next FARM Committee meeting in September 2021.

2020/21 Corporate Plan Performance



As of Q4 2020/21 WT has achieved the following for 2020/21:

- 71% (Q3:88%) of key deliverables (17 out of 24)
- 73% (Q3:70%) of annual capital investment plan (\$286M of \$393M)
- 75% (Q3:80%) of annual revenues (\$247M of \$330M)
- 83% (Q3:84%) of key performance indicator targets (15 out of 18)

Capital investments spend is lower than Plan by \$107M (27%) due largely to construction resequencing for the Port Lands Flood Protection (PLFP) project to address project challenges and still maintain the 2024 completion date.

Currently, none of these deferrals place the Corporation at risk of non-compliance with key contracts nor pose an overall budget risk. Revenue realized is lower than Plan by \$83M primarily due to a commensurate decrease in this year's funding requirement for the PLFP project.

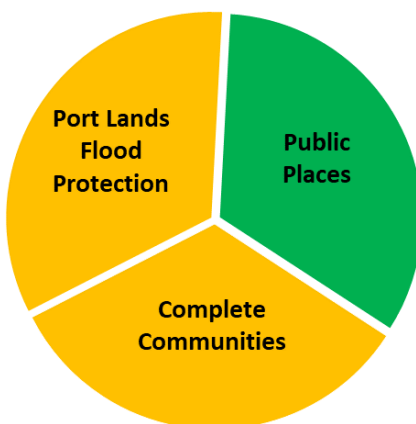
Refer to Section 5 of the draft *Integrated Annual Report 2020/21* for further details.

Finance & Administration



- Positive cash balance > \$50M and no current requirement to borrow; notional external borrowing from unspent project funds and internal cash flow management being utilized for some projects. Request made to governments in April 2021 to increase WT's current borrowing consent limit and term beyond \$40M and March 2023 to enhance liquidity tools.
- ERM: No critical enterprise risks impacting operations. Business Continuity Plan refresh underway.
- Internal Audit proceeding in accordance with plan. Resource and succession planning review underway. 75% audit recommendation implementation rate this quarter due to WT resource concerns (Q3:100%).
- Government Audit: Tri-government strategic review near completion (refer separate agenda item).
- March 31, 2021 audited financial statements completed. Refer separate agenda item.

Capital Projects



- Currently tracking to deliver all projects in the capital portfolio in accordance with contractual budget/ schedule obligations.
- **Caution** remains for the Port Lands Flood Protection project due to utility relocation risk which may materially impact schedule (earlier budget impact largely mitigated). Mitigation options for schedule risk have been developed and are being actively assessed and pursued.
- **Caution** is also noted for the Bayside External Services project, showing adverse (6.6%/ \$4.4M) budget variance due to constructability issues & changed conditions contractor claims. Variance is within 10% of Capital Project Budget. Substantial performance achieved March 30, 2021. Deficiencies in progress for completion mid June 2021.

Refer to the Program Portfolio Dashboards.

Legend: ● No concerns - in line with plan ● Caution – some areas of plan may not be met ● Concern – some aspects (<70%) of plan will be not met.

Enterprise Risk Management Dashboard– Q4 2020/21



Summary:

- Overall no risks with a high (red) residual risk score this quarter (same as last quarter). WT's risk portfolio continues to be stable.
- New risk area on climate risk introduced as of Q4 2020/21 in line with WT's sustainability and resiliency measures to mitigate impacts of climate change and the transition to a low carbon economy.
- Management's specific mitigation strategies to address these risks are outlined in the attached Enterprise Risk Register (Appendix 1 – Confidential Attachment).

Risk Area	Q4 2020/21 (Current)		Q3 2020/21 (Previous)	
	Inherent Risk Score	Residual Risk Score	Inherent Risk Score	Residual Risk Score
1. Business Continuity (incl. Cyber Security)	20	12	20	12
2. Financial Self-Sustainability	16	12	16	12
3. Project Forecasting	16	12	16	12
4. Port Lands Project Delivery	16	12	16	12
5. Liquidity Risk	16	12	16	12
6. Climate Risk [NEW]	16	12	12	12
7. Enterprise Resource Planning System Risk	12	12	12	12
8. Government Risk	12	12	12	12
9. Procurement Process Risk	12	12	12	12
10. Project Delivery - Non-Port Lands Projects	12	12	12	12

Notes:

1. Previous top 10 risk on Existing Revenue Risk has been consolidated with Liquidity Risk due to related nature. New risk on Climate Change subsequently added.
2. Refer to attached Appendix 1 on the Detailed Risk Register (Confidential Attachment).

Risk Score	
	Low (1-6)
	Medium (>6 - 14.9)
	High (15 - 25)

Audit Dashboard– Q4 2020/21



Audit	2019/20 (Prior Year)	2020/21 (Current Year)	2021/22 (Next Year)
Internal Audits	Employee Wellness Program Review	Performance Measurement Framework (Completed Q2)	ERP System Process General Controls
	Procurement (Port Lands)	Cybersecurity Follow-Up Audit (Completed Q4)	Project Management Process Controls
	Independent Capital Monitor (Port Lands)	Independent Capital Monitor (Port Lands), Quarterly	Independent Capital Monitor (Port Lands)
		Resource & Succession Planning (Ongoing, Report expected in June 2021)	
External Audits	March 31, 2020 Financial Statements	March 31, 2021 Financial Statements (Completed, refer Item 5))	March 31, 2022 Financial Statements
Government Audits	Financial Planning and Reporting Processes Audit	ERP System Implementation (Completed Q2)	Contribution Agreement Compliance (Port Lands Flood Protection)
	Office of the Auditor General of Ontario (OAGO) VFM Follow-Up	Value-for-Money Follow-Up Audit (Completed Q3 – Report issued Dec 2020)	Federal Toronto Waterfront Revitalization Initiative (TWRI) Program Evaluation
		Tri-Government Strategic Review (Ongoing, Refer Item 13)	
		City Auditor General Risks and Opportunities Assessment (Completed Q2)	
Total	6 audits	9 audits	6 audits

Status of Audit Action Items March 31, 2021:

Overall:

- **91%** of 2020 **Provincial Value-for-Money Follow-Up** items implemented; two remaining action items planned for completion 2022 and 2024, respectively.
- **100%** of 2019 **HR Employee Wellness review** action items implemented.
- **20%** of 2020 **Performance Measurement Framework review** action items implemented.
- Refer to Confidential Attachment for an aging analysis and details of all outstanding audit action items (incl. Cybersecurity follow-up items).

This Past Quarter:

- **75%** implementation rate for **internal audit action items** due this quarter.
- **91%** implementation rate for **government audit action items** based on Value-for-Money Follow-Up Audit completed in Dec/20 (summary in Appendix).

Note: The number of audits from 2003 to March 31, 2021 totals 67 (27 internal; 18 external and 22 government).

Appendix: Recommendation Status of OAGO Value for Money Follow-Up Audit (Dec 2020)



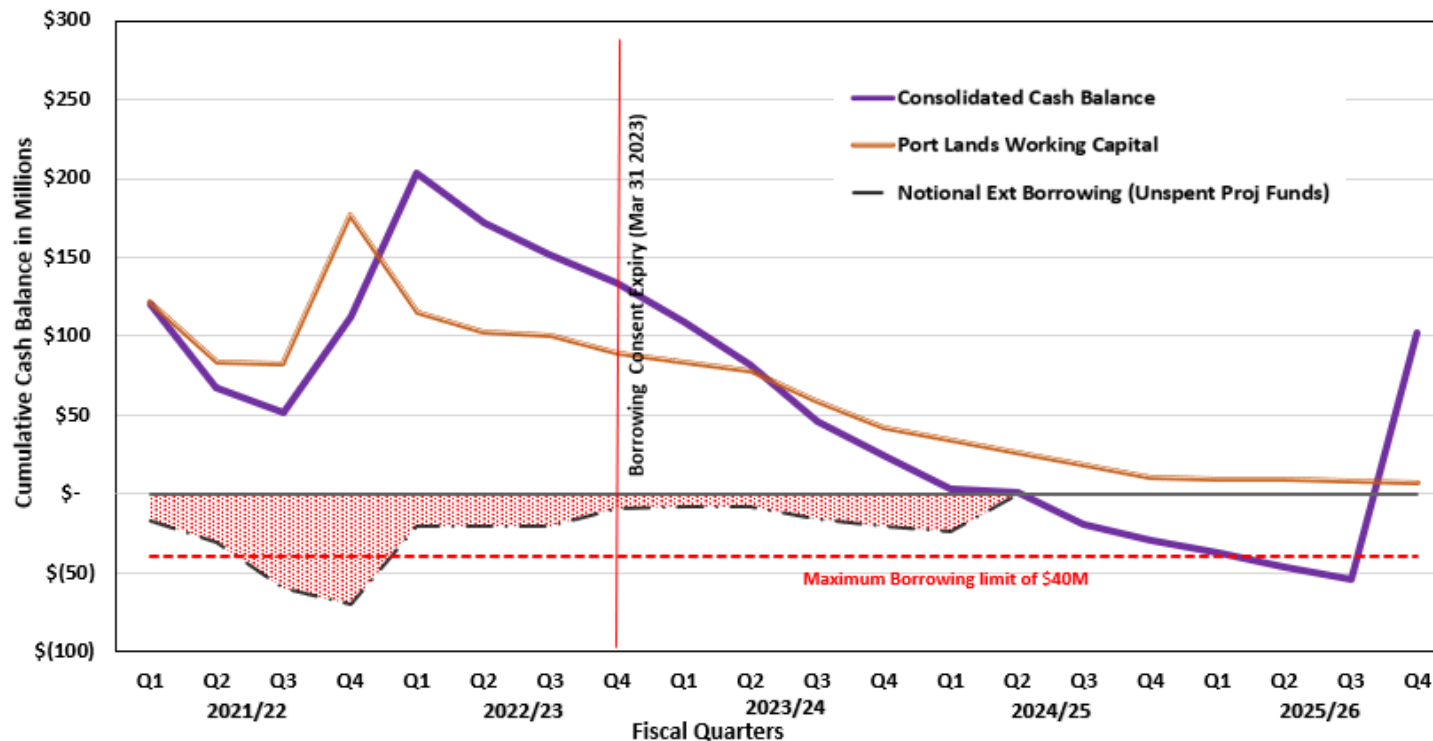
The following six recommendations (containing 22 action items) were directed towards **Waterfront Toronto** (WT), of which **20 action items** have been **fully implemented** resulting in **91% implementation rate**.

Rec. #	Recommendation Area	# of Actions Recommended	Fully Implemented	In the Process of Being Implemented	WT Notes
2	Project budget, schedule and scope management	3	3	-	
3	Project information systems, procedures and reporting	7	7	-	
4	Oversight of organizations receiving funding from WT	7	7	-	
5	Development and implementation of a financial sustainability plan	1	-	1	WT developed a fundraising action plan in Dec 2019 and is expected to implement this recommendation in 2022.
7	Best practices and lessons learned	1	1	-	
9	Port Lands Flood Protection Project budget management	3	2	1	Remaining action item relates to the effectiveness of WT's work in reducing the impact of construction risks on final cost. This will be assessed at the end of the project (i.e. 2024).
Total		22	20	2	
%		100%	91%	9%	

Liquidity / Cash Flow Forecast (May 2021)



Cash Flow Forecast Apr 2021 to Mar 2026



Conclusion: During the next 3 years (21/22–23/24), Waterfront Toronto (“WT”) will need to notionally borrow up to \$70 million of unspent project funds (i.e. in lieu of external borrowing). This internal cash flow management mitigates cash flow timing differences for certain projects such as Quayside and property acquisitions by utilizing existing financial capacity and negating the requirement to draw down on the \$40M line of credit. WT expects to still maintain a consolidated cash balance of >\$50 million during the next 36 months, subject to realization of first phase of Quayside land sale revenues in Q1 22/23 and maintaining 90+ days Port Lands working capital.

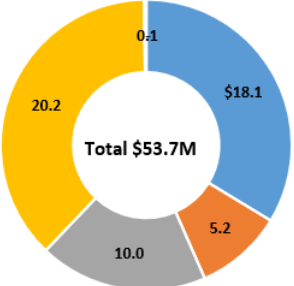
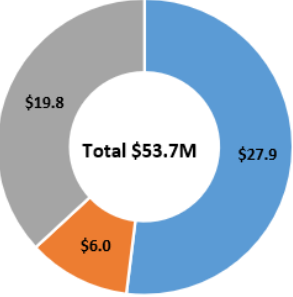
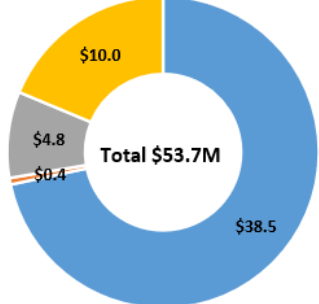
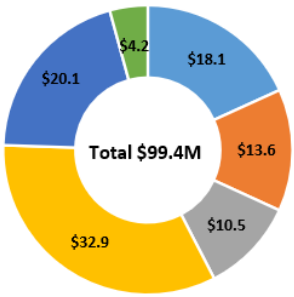
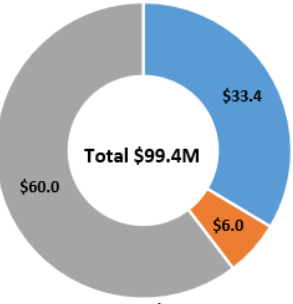
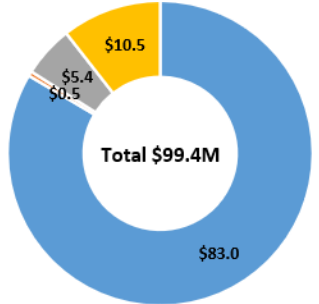
Key assumptions/highlights:

- The above cash flow forecasts the potential first tranche of land sale revenues associated with the Quayside lands (zoned for 2.7 million s.f. of development) by the end of Q1 22/23.
- During the period, WT is forecast to utilize notional line of credit of up to \$60 million (refer to attached Appendix) to fund expenditures required to mainly advance the Quayside development to bring the lands to market, including staff costs as well as planning/ design and environmental costs, Parliament Slip property acquisitions, together with Bayside Phase 2 Water’s Edge Promenade and Bayside Municipal Infrastructure (e.g., Stormwater Quality Management incl. in-water pipe).

Interim Financing Dashboard



- Use of unspent cash resources intended for one project towards another project on a temporary basis
- Arises due to cash flow timing differences on certain projects.
- Minimizes external borrowing costs.
- **Rigorous internal controls and monitoring in place** that identify:
 - Projects and amounts requiring internal borrowing
 - Interim sources of funding
 - Ultimate sources of funding
- Current amount of government deferred contributions used as internal borrowing \$19.8M and forecast to increase to \$60M in Q4 2020/21 due to Quayside and property acquisitions (repaid from land sales in 2022).

Period	Interim Financing By Project	Interim Financing Sources	Ultimate Financing Sources
Apr/21 (A)	 <p>Total \$53.7M</p> <ul style="list-style-type: none"> Queens Quay West Revitalization Bayside Municipal Infrastructure Bayside Water's Edge Promenade Quayside Development Land Acquisitions 	 <p>Total \$53.7M</p> <ul style="list-style-type: none"> WT Ret. Earnings WT Capital Reserve Notional External Borrowing 	 <p>Total \$53.7M</p> <ul style="list-style-type: none"> Quayside Land Revenues Bayside Land Revenues Section 37 Infra. Funding Parkland Dedication
Q4 21/22 (F)	 <p>Total \$99.4M</p> <ul style="list-style-type: none"> Queens Quay West Revitalization Bayside Municipal Infrastructure Bayside Water's Edge Promenade Quayside Development Land Acquisitions Signature Projects 	 <p>Total \$99.4M</p> <ul style="list-style-type: none"> WT Ret. Earnings WT Capital Reserve Notional External Borrowing 	 <p>Total \$99.4M</p> <ul style="list-style-type: none"> Quayside Land Revenues Bayside Land Revenues Section 37 Infra. Funding Parkland Dedication

<p>Purpose</p>	<p>For Committee Information</p> <p>The Port Lands Flood Protection (PLFP) Dashboard report is a key component of the Corporation’s project planning and reporting framework. The purpose of this report is to monitor on a monthly basis the progress and achievement of project budgets and schedules against the corporation’s Long-Term Plan and Capital Project Budgets approved by the Board of Directors.</p>
<p>Areas of note/ Key issues</p>	<p>Port Lands Flood Protection Overall Program is currently proceeding in accordance with Tripartite Contribution Agreement and Board Approved Capital Project Budget. The budget risk due to utility relocation issues has been largely mitigated however the project continues to face elevated schedule risk that may impact the completion timeline if appropriate resolution cannot be achieved, and necessary relocations implemented in Q2, 2022.</p> <p>The following represents the financial status of the projects as of Q4 2020/21:</p> <ul style="list-style-type: none"> • The anticipated total project cost and approved funding remains unchanged at \$1.185 billion. • Current commitments equal \$821.89 million, an increase of \$33.31 million from the last quarterly report. • Cost incurred to date equals \$457.29 million. • \$45.9 million of the project contingency is unallocated and is available for future risks and unknowns. <p>The key accomplishments for last quarter include:</p> <ul style="list-style-type: none"> • Complete caissons for Cherry South and Commissioners street bridges • Complete west substructure for Commissioners Street bridge • Progress with steel fabrication of Commissioners west half (May delivery) east half (August delivery) and Cherry South (October delivery) bridges • Complete excavation in the spillway and progress with excavation in the Ice Management area • Complete placement of Reactive Treatment Layer in the Central River Valley • Complete construction of the West Plug wall • Issue 100% design and award construction package for Cousins Quay dock wall (MT 35) • Complete PLFP Heritage design for full program • Fire Hall 30 – finalize relocation plans, complete ground improvements including rigid inclusions and begin excavation of foundation
<p>Resolution or Next Steps</p>	<p>The next Port Lands Flood Protection & Enabling Infrastructure Program Dashboard for Q1 2021/2022 will be provided on September 14, 2021.</p>

PLFP Monthly Program Dashboard - as of March 2021

Issued: March 31, 2021

PROGRAM SUMMARY

Waterfront Toronto is tracking the progress of the Port Lands Flood Protection (PLFP) Program and is proceeding in accordance with the contractual budget and schedule obligations. Schedule and budget risks are being closely monitored to ensure program delivery. The overall program budget of \$1.185B remains unchanged. Projects that are forecast to exceed budget are offset by projects that are forecast to complete below budget. The Substantial Completion date of March 31, 2024 remains unchanged.

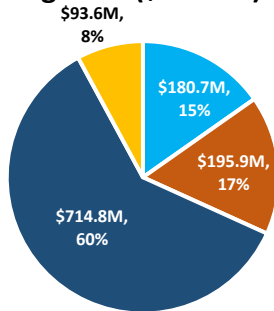
STATUS SUMMARY



Work has been re-sequenced to realize construction and cost efficiencies as well as to reflect changes in the schedule resulting from delays to certain components of the work. The budget risk due to utility relocation issues has been largely mitigated however the project continues to face elevated schedule risk that may impact the completion timeline if appropriate resolution cannot be achieved, and necessary relocations implemented in Q2, 2022. The Estimate at Completion (EAC) and contingency balance in this report reflect the updated status at month-end, based on the 90% Stage Gate EAC which was approved by the Executive Steering Committee in October 2020.

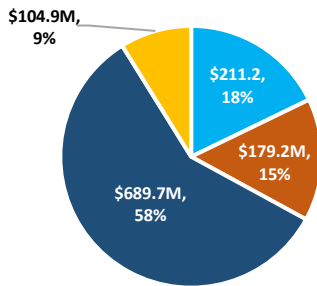
PROGRAM BUDGET ALLOCATION (Based on 30% Approved Budget)

Program Budget by Segment (\$1.185B)



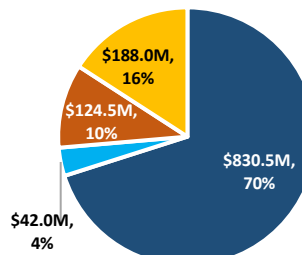
- Roads and Services
- Bridges and Structures
- Flood Protection Features
- Parks and Public Realm

90% Cost Estimate by Segment (\$1.185B)



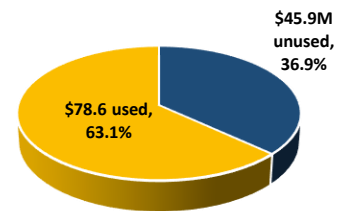
- Roads and Services
- Bridges and Structures
- Flood Protection Features
- Parks and Public Realm

Program Budget by Category (\$1.185B)



- Hard Costs
- Escalation Allowance
- Risk Contingency
- Soft Costs

Contingency Allocation at Month-End (\$78.6M of \$124.5M)



- Total Contingency Unused
- Total Contingency Used

FINANCIAL SUMMARY

Project Name	Due-Diligence Budget (\$M)	Approved Changes (\$M)	Approved Budget (\$M)	Total Commitments (\$M)	Anticipated Commitments (\$M)	Estimate At Completion (\$M)	Variance to Approved Budget (\$M)	*Costs Incurred to Date (\$M)	% Complete to Date	Status
■ Forecast to complete within budget ■ Forecast to complete within 10% of budget ■ Forecast to complete more than 10% overbudget										
Roads & Services	\$ 168.00	\$ 12.69	\$ 180.69	\$ 137.11	\$ 74.11	\$ 211.22	-\$ 30.53	\$ 49.83	24%	●
Commissioners St. West to New Cherry St.	18.00	9.86	27.86	15.65	12.94	28.59	-0.73	8.88	31%	●
Commissioners St. East to Saulters St.	7.00	-0.86	6.14	2.33	4.18	6.51	-0.37	1.54	24%	●
Cherry Street Re-alignment	22.00	15.61	37.61	16.44	10.31	26.75	10.86	9.42	35%	●
Don Roadway North	7.00	10.70	17.70	4.31	9.55	13.86	3.84	2.45	18%	●
Hydro One Integration	12.00	-2.85	9.15	5.48	0.48	5.97	3.18	4.52	76%	●
Site Wide Municipal Infrastructure	102.00	-19.77	82.23	92.90	36.65	129.54	-47.31	23.03	18%	●
Bridges & Structures	\$ 163.00	\$ 32.86	\$ 195.86	\$ 132.94	\$ 46.29	\$ 179.24	\$ 16.62	\$ 87.08	49%	●
Cherry Keating-Cherry Street Bridge North	55.00	-14.08	40.92	33.19	3.52	36.71	4.21	20.80	57%	●
Cherry Polson-Cherry Street Bridge South	42.00	-2.89	39.11	39.98	1.15	41.13	-2.02	24.92	61%	●
Commissioners Street Bridge/Don Roadway	43.00	6.22	49.22	46.18	5.38	51.56	-2.34	29.99	58%	●
Lake Shore Road & Rail Bridge Modifications	19.00	44.01	63.01	12.52	33.84	46.35	16.65	10.59	23%	●
Old Cherry St. Bridge Demolition	4.00	-0.40	3.60	1.08	2.41	3.49	0.11	0.78	22%	●
Flood Protection Features	\$ 762.00	-\$ 47.20	\$ 714.80	\$ 506.48	\$ 182.32	\$ 688.80	\$ 26.01	\$ 295.90	43%	●
River Valley System & Don Greenway	486.00	11.98	497.98	421.26	76.25	497.51	0.47	246.59	50%	●
Keating Channel Modifications	35.00	-6.45	28.55	7.79	4.05	11.83	16.71	4.97	42%	●
Polson Slip North Side Naturalization	60.00	-10.64	49.36	20.43	15.98	36.41	12.95	13.79	38%	●
Don Roadway Valley Wall Feature	27.00	-4.90	22.10	10.27	5.25	15.53	6.58	6.02	39%	●
Eastern Avenue Flood Protection	5.00	-0.88	4.12	1.92	0.06	1.98	2.14	1.27	64%	●
East Harbour Flood Protection	5.00	-4.10	0.90	0.04	0.03	0.07	0.83	0.03	39%	●
Flow Control Weirs	38.00	-15.38	22.62	7.10	2.47	9.57	13.06	4.58	48%	●
Sediment and Debris Management Area	78.00	-0.80	77.20	27.78	78.16	105.95	-28.74	14.45	14%	●
Villiers Island Grading	28.00	-16.03	11.97	9.88	0.08	9.96	2.01	4.21	42%	●
Parks & Public Realm	\$ 92.00	\$ 1.65	\$ 93.65	\$ 45.36	\$ 60.38	\$ 105.74	-\$ 12.09	\$ 24.47	23%	●
River Park North	23.00	-0.41	22.59	16.12	18.71	34.83	-12.24	10.18	29%	●
River Park South	27.00	-8.14	18.86	13.58	7.37	20.95	-2.09	5.12	24%	●
Promontory Park South	42.00	10.21	52.21	15.66	34.30	49.96	2.25	9.17	18%	●
Cumulative	\$ 1,185.00	\$ 0.00	\$ 1,185.00	\$ 821.89	\$ 363.11	\$ 1,185.00	\$ 0.00	\$ 457.29	39%	●

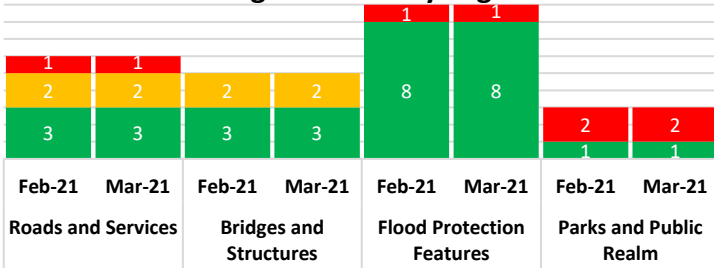
*Actual costs do not include accrued costs.
Estimate at Completion at Month's End

PLFP Monthly Program Dashboard - as of March 2021

Issued: March 31, 2021

PROGRAM BUDGET STATUS

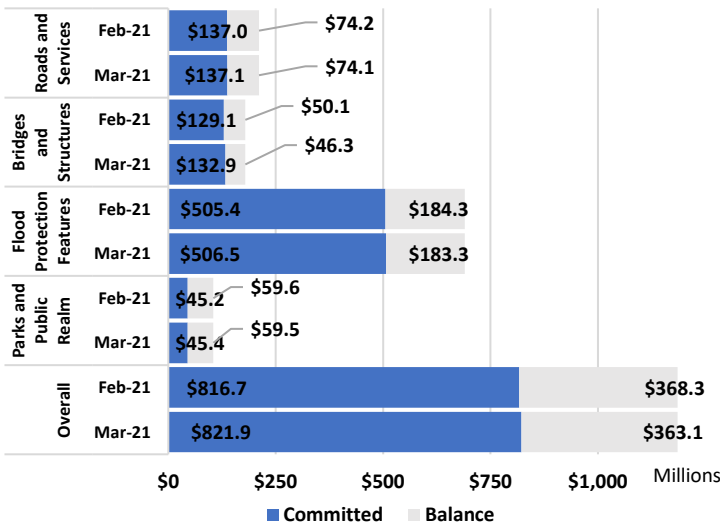
Budget Status - by Segment



■ - Forecast to complete within approved budget
■ - Forecast to complete within 10% of approved budget
■ - Forecast to complete more than 10% over approved budget

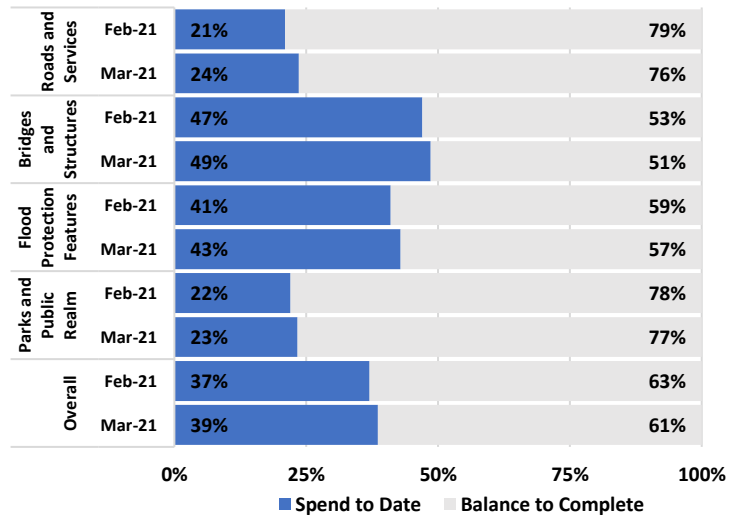
Commitments and Balance to Complete (\$M)

(Based on Month-End EAC)



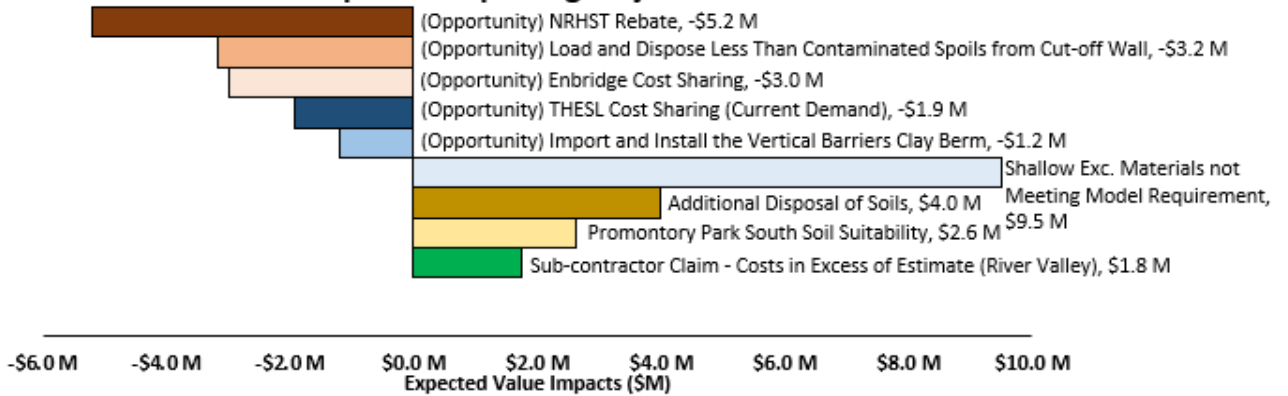
Program Progress - by Segment

(Based on Month-End EAC)



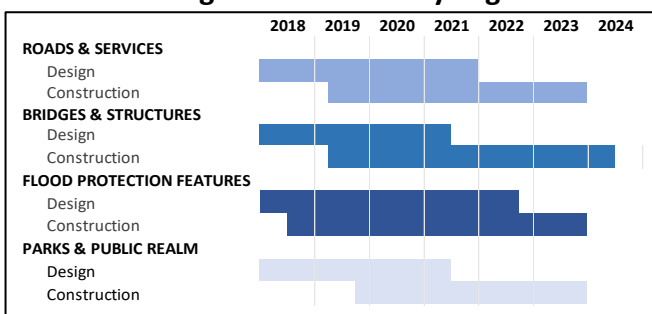
KEY BUDGET RISKS & IMPACTS

Top Risks Impacting Project Cost



PROGRAM SCHEDULE STATUS

Program Timeline - By Segment



Key Communications Milestones

Fire Hall 30 Relocation	June-21
Commissioners St Road Bridge - West Half	May-21
CONTACT Photography Festival	May-21

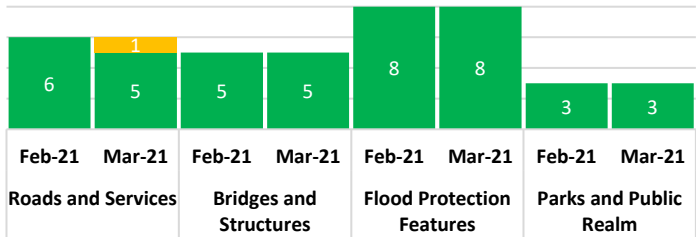
PLFP Monthly Program Dashboard - as of March 2021

Issued: March 31, 2021

SCHEDULE SUMMARY (CONSTRUCTION COMPLETION)								
Projects	Baseline*		Forecast**		Actual		Delay (months) from Baseline Finish date	Status
	Start	Finish	Start	Finish	Start	Finish		
■ On schedule ■ 1-6 months behind baseline schedule ■ 6+ months behind baseline schedule								
Roads & Services	27-May-19	27-Dec-23	27-May-19	27-Dec-23	27-May-19	4-Dec-20	0	●
Commissioners St. West to New Cherry St.	16-Sep-19	21-Jul-23	16-Sep-19	21-Jul-23	16-Sep-19		0	●
Commissioners St. East to Saulter St.	31-Jan-20	27-Dec-23	31-Jan-20	27-Dec-23	31-Jan-20		0	●
Cherry St. Re-alignment	27-May-19	12-Dec-22	27-May-19	17-Apr-23	27-May-19		4	●
Don Roadway North	27-Jul-21	18-Dec-23	1-Mar-21	18-Dec-23	1-Mar-21		0	●
Hydro One Integration	15-Jun-20	4-Dec-20	15-Jun-20	4-Dec-20	15-Jun-20	4-Dec-20	0	●
Site Wide Municipal Infrastructure	12-Nov-19	11-Dec-23	12-Nov-19	11-Dec-23	12-Nov-19		0	●
Bridges & Structures	6-May-19	5-Apr-24	6-May-19	5-Apr-24	6-May-19		0	●
Cherry Keating-Cherry St. Bridge North	6-May-19	26-May-23	6-May-19	26-May-23	6-May-19		0	●
Cherry Polson-Cherry St. Bridge South	31-Jan-20	16-Jan-23	31-Jan-20	16-Jan-23	31-Jan-20		0	●
Commissioners St. Bridge/Don Roadway	15-Oct-19	31-Jan-23	15-Oct-19	31-Jan-23	15-Oct-19		0	●
Lake Shore Road & Rail Bridge Modifications	23-Apr-21	24-Dec-24	9-Aug-21	5-Apr-24			-8	●
Old Cherry St. Bridge Demolition	23-Sep-22	1-May-23	23-Sep-22	1-May-23			0	●
Flood Protection Features	13-Sep-18	28-Dec-23	13-Sep-18	28-Dec-23	13-Sep-18		0	●
River Valley System & Don Greenway	13-Sep-18	27-Dec-23	13-Sep-18	27-Dec-23	13-Sep-18		0	●
Keating Channel Modifications	24-Aug-21	17-Jan-23	24-Aug-21	17-Jan-23			0	●
Polson Slip North Side Naturalization	14-Apr-20	27-Sep-22	14-Apr-20	27-Sep-22	14-Apr-20		0	●
Don Roadway Valley Wall Feature	23-Sep-21	17-Apr-23	23-Sep-21	17-Apr-23			0	●
Eastern Avenue Flood Protection	20-Oct-22	22-Nov-23	11-Oct-22	22-Nov-23			0	●
Flow Control Weirs	11-Oct-22	28-Dec-23	11-Oct-22	28-Dec-23			0	●
Sediment and Debris Management Area	27-Jan-20	18-Sep-23	27-Jan-20	18-Sep-23	27-Jan-20		0	●
Villiers Island Grading	2-Mar-20	6-Sep-23	2-Mar-20	6-Sep-23	2-Mar-20		0	●
Parks & Public Realm	28-Oct-19	13-Dec-23	28-Oct-19	13-Dec-23	28-Oct-19		0	●
River Park North	29-Jun-20	1-Dec-23	29-Jun-20	1-Dec-23	29-Jun-20		0	●
River Park South	27-Jul-20	11-Dec-23	27-Jul-20	11-Dec-23	27-Jul-20		0	●
Promontory Park South	28-Oct-19	13-Dec-23	28-Oct-19	13-Dec-23	28-Oct-19		0	●
Cumulative	13-Sep-18	28-Dec-23	13-Sep-18	28-Dec-23	13-Sep-18	4-Dec-20	0	●

*Baseline Schedule: Based on February 2021 Baseline Schedule. ** Forecast Schedule: Based on March 2021 schedule update.

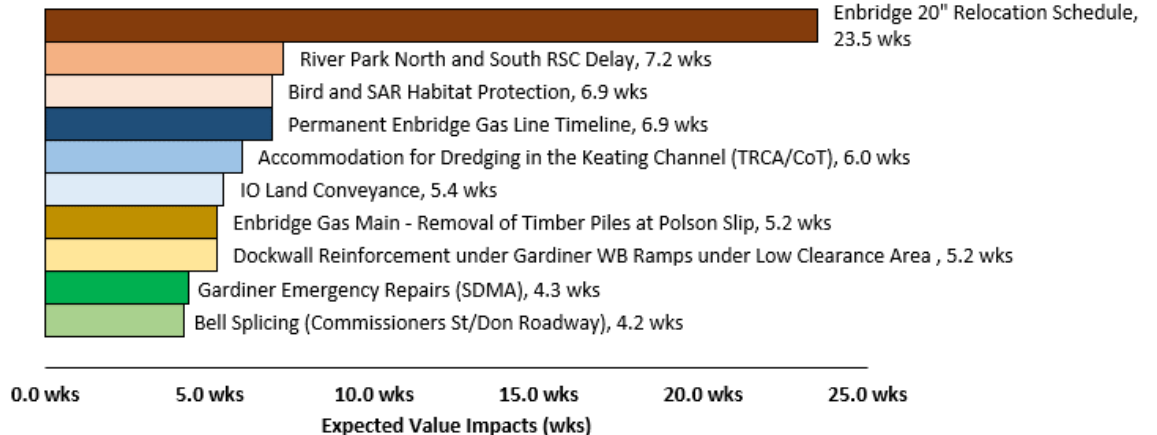
Schedule Status - by Segment



■	- On Schedule/0-1 months behind schedule
■	- 1-6 months behind schedule
■	- 6+ months behind schedule

KEY SCHEDULE RISKS & IMPACTS

Top Risks Impacting Project Schedule



PLFP Monthly Program Dashboard - as of March 2021

Issued: March 31, 2021

PROGRAM PROGRESS - KEY TASKS

Key Tasks	March	April	May to Jul	Aug to Oct
To be Completed in Next 6 Months	Completion	Completion	Completion	Completion
<ul style="list-style-type: none"> ■ On schedule ■ 1-6 months behind baseline schedule ■ 6+ months behind baseline schedule 				
Permits/Design Approvals to be Secured				
Sitewide Municipal Infrastructure Permit Package Prior to Construction			✓	
Commissioners Street West & East			✓	
Polson Slip Naturalization Permit Package Prior to Construction				✓
All Parks Permit Package Prior to Construction				✓
Contracts to be Secured				
Sheet Piling and Dockwall - MT35 Dockwall Reinforcement	✓			
Road Construction (All Roads)			✓	
Atlas Crane Stabilization			✓	
River Wetland Landscaping			✓	
Site Preparation (Program-Wide)				✓
Road Street Lighting and Traffic Lights				✓
Design Phase Status				
Parks and Public Realm (Completed Design)			✓	
Polson Slip Naturalization, Keating Channel Modifications			✓	
Sitewide Municipal Infrastructure			✓	
Utility Relocation Design (All Except Enbridge)			✓	
Interim Sediment Management and Debris Area			✓	
Cherry St Re-alignment, Commissioners St, Don Roadway				✓
Construction Completion				
River Valley Central Area - RMM Barrier Layer	✓			
Commissioners St Bridge West Half Delivery			✓	
Commissioners St Bridge East Half Delivery				✓
River Valley Elbow and Spillway - Deep Excavation and RMM				✓
River Valley Levee Core / Subgrade Fill				✓
New Cherry St Intersection with Lake Shore Blvd				✓

INDIGENOUS CONSULTATION

Update
- Continued strategic discussions with MCFN on priorities for the Indigenous Design for the PLFP Public Realm.
- TRCA continues to provide monitoring summaries for Stage 2 Archaeology at Cherry and Lake Shore Blvd as per MCFN's request.
- Continuing to pursue discussions with MCFN regarding opportunities for synergies between the PLFP Public Realm Design and the potential Indigenous Cultural Centre currently under discussion.
- PLFP EA Amendment and construction update circulated to full Indigenous Community.
- Phase 1 Archaeology report for Lake Shore Blvd East project east of Don Roadway to be forwarded to MCFN for review.
- MCFN Working Group Meeting scheduled in March to discuss DMNP EA Amendment.
Next Steps
- PLFP EA Amendment scheduled for release in April.
- Continued strategic discussions with MCFN on priorities for the Indigenous Design for the PLFP Public Realm.
- TRCA/WT to send MCFN Phase 2 Archaeology report for 51/63 Commissioners.

SITE PHOTOS



Figure 1
River Valley - Upper 150mm Thick Protective Layer



Figure 2
River Valley - Spillway Excavation



Figure 3
River Valley - Ice Management Deep Excavation



Figure 4
Cherry St North Bridge - Bearings Installation



Figure 5
Commissioners St Bridge - Haul Road



Figure 6
Commissioners St. Bridge (West Half) - Primer Coating

PLFP CONTINGENCY DRAWDOWN AS OF MARCH 2021

Change in Total Program Contingency	Draw	Balance	Date
Opening Balance (Due Diligence Report)*		164.0 M	
Less: Initial Soft Cost Contingency draw	7.7 M	156.3 M	Approved by ESC on March 20, 2018
Less: Additional Total Contingency draw at 30% Stage Gate	31.8 M	124.5 M	Noted by ESC on November 21, 2018
Less: TPLC Studio Accommodation	5.0 M	119.5 M	Approved by ESC on February 20, 2018
Less: Sediment Management Area Interim Design	13.1 M	106.4 M	Noted by ESC on November 21, 2018 (\$14.5M); adjusted through Design Optimizations (PLFP Program Dashboard contingency utilization has not been adjusted to reflect the new estimate)
Less: Construction Estimate Adjustments at 60% Stage Gate	19.1 M	87.2 M	Approved by ESC on November 12, 2019; Revised to include base costs for Eastern Avenue Flood Protection Project in Jan 2020
Less: Soft Cost Estimate at Complete Variance to Budget	7.0 M	80.3 M	Approved by ESC on November 12, 2019; Revised based on WT Projections
Less: 100% Risks Established at 60% Stage Gate	16.8 M	63.5 M	Approved by ESC on November 12, 2019
Savings: Commissioners/Cherry Bus Rapid Transit (Deferral)	-3.0 M	66.5 M	Approved by ESC on November 12, 2019
Savings: Soil Management Trade Package (#33.2) Adjusted Savings After Award	-11.3 M	77.8 M	Awarded on January 23rd, 2020
Less: CO Removal of Soil/Debris/Fill at 99/97 Commissioners	1.2 M	76.6 M	CO 47 - Approved; Amount corrected Jan 2021
Savings: Reallocation of Cherry St North Bridge Foundation costs to CSLF project in accordance with CSLF Contribution agreement and Project Charter	-4.2 M	80.8 M	Approved; Amount correct Jan 2021
Less: Pedestrian Lighting Rough-in	0.7 M	80.1 M	Approved by ESC on April 23rd, 2020
Less: NRHST Correction at 90% Stage Gate	-0.7 M	80.8 M	Approved by ESC on November 9th, 2020
Less: Construction Estimate Adjustments at 90% Stage Gate	1.8 M	79.0 M	Approved by ESC on November 9th, 2020
Less: Soft Cost Estimate Adjustments at 90% Stage Gate	4.8 M	74.2 M	Approved by ESC on November 9th, 2020
Less: Utility Cost Sharing at 90% Stage Gate	22.7 M	51.5 M	Approved by ESC on November 9th, 2020
Less: Changes - November/December 2020	10.3 M	41.2 M	Each TPBR/CO/SCO Approved by WT Executives
Less: January 2021	4.5 M	36.8 M	Each TPBR/CO/SCO Approved by WT Executives
Savings: February 2021	-9.6 M	46.4 M	Each TPBR/CO/SCO Approved by WT Executives
Less: March 2021	0.5 M	45.9 M	
Unallocated Contingency Balance		45.9 M	

PLFP Contingency Tracker

January 2021	90% EAC ESTIMATE	APPROVED AMOUNT	CONTINGENCY DRAWDOWN
CO48- TP11-Steel Revisions for Hydro Enclosures (Cherubini Metal Works) - adjustment from Nov/Dec contingency drawdown	251,940		(251,940)
CO85-TP13 -Increase Surcharge Material-Budget & CO amount correction - adjustment from Nov/Dec contingency drawdown	103,275	121,593	18,318
CO112-TP13 -CherryTransformer Disposal-Revised Budget Amount - adjustment from Nov/Dec contingency drawdown	7,989		(7,989)
CO143-TP58 -Traffic Signal Adjustment Cherry Street/Commissioners Street CM Fee - adjustment from Nov/Dec contingency drawdown	8,550		(8,550)
CO148-TP58 -Relocation Street Light for Temporary Detour on Cherry Street CM Fee - adjustment from Nov/Dec contingency drawdown	3,420		(3,420)
CO151-TP71 -Island Removal on Cherry Street CM Fee - adjustment from Nov/Dec contingency drawdown	2,850		(2,850)
CO155-TP43-Removal of Additional Oil Pipelines on Commissioners St. in conflict with Eastern Cutoff Wall- - adjustment from Nov/Dec contingency drawdown	63,420		(63,420)
CO126-TP46 -Polson Slip Dredging (McNally)	466,182	490,368	24,186
CO145-TP24 -Thicker Liners (GFL Infrastructure)	131,068	82,751	(48,317)
CO158-TP42-Soil Disposal with Debris and NAPL	-	2,384,086	2,384,086
CO159-TP66B -Relocation of Primary Duct Bank Feed for Transformer at STARx Facility	-	46,061	46,061
CO160-TP41 -Additional Duct Bank Works for STARx (Credit)	-	(46,061)	(46,061)
CO162-TP46-RMM Specification Revision	325,304	389,418	64,113
CO163-TP40 -Subsurface Removals at 80 Commissioners	-	73,047	73,047
CO164-TP39-SDMA Billboard Access	-	10,440	10,440
CO166-TP26-Slurry Wall Discontinuous Work	180,951	108,704	(72,247)
CO167-TP55-Keller Bonding	190,636	190,636	-
CO169-TP42 Offsite Disposal of Peat Reconciliation Oct 2020	-	766,221	766,221
CO170-TP41 Secant Spoil Statistical Analysis for Reuse	-	23,147	23,147
CO173-TP54 -Bell Protection (Priestly Demolition)	-	24,882	24,882
CO174-TP55 West Plug Wall In-Place Inclinator Monitoring	498,636	498,636	-
CO175-TP55 West Plug Wall Working Platform Maint.	89,845	89,845	-
CO176-TP41 QP QA Database Incorporation	-	52,292	52,292
CO178-TP41 Subsurface Concrete Removals from River Valley and Don Greenway	-	20,612	20,612
CO179-TP41 Cut-off Walls Spoils Inheritance	145,044	145,044	-
CO180-TP39 Concrete Crushing for Reuse (river & parks)	35,938	69,578	33,640
CO182-TP26 Don Roadway Cut-off Wall Utilities Impacts	-	(62,260)	(62,260)
CO184-TP55 Concrete Crushing for Reuse (river & parks)	239,792	239,792	-
CO185-TP42 Environmental Controls Reconciliation	-	45,349	45,349
CO187-TP24 -Discharge Pumping- (GFL Infrastructure)	15,855	25,263	9,408
CO188-TP24 -Utility Relocation Standby (GFL Infrastructure)	-	206,251	206,251
CO190-TP39 Keating Dockwall Investigation	-	6,004	6,004
CO191-TP42 Offsite Peat Disposal Reconciliation	-	1,088,808	1,088,808
CO192-TP41 SDMA Site Preparation Soil Disposal	393,838	410,750	16,912
CO193-TP41 SMA Colorimetric and Organic Content Testing	-	7,459	7,459
PFP: 3rd release-Video Editing	1,445	1,445	-
PFP: Advisory Services for Natural Gas Pipeline Design		75,000	75,000
PFP: Land Transfer Tax for Early Acquisition of River North Park and South from CreateT	-	21,075	21,075
SCO27: PFP: PL Flood Protection & Enabling Infrastructure Project- Jacob Geotechnical S	293,701	293,701	-
TOTAL	3,449,680	7,899,935	4,450,255

PLFP Contingency Tracker

February 2021	90% EAC ESTIMATE	APPROVED AMOUNT	CONTINGENCY DRAWDOWN
Adjustments to Cost Sharing for Utilities	9,155,518	-	(9,155,518)
TPBR82-Landscape Package#05 River Channel (QM Environmental) CM2020-32	16,601,187	15,287,050	(1,314,136)
TPBR83-Remediation of PCB Impacts at 3C (QM Environmental) CM2020-40	570,959	932,562	361,603
TPBR85-Wet Utilities Horizontal Directional Drilling (Earth Boring CO. Ltd.) CM2020-15	2,203,520	3,087,994	884,474
CO102-TP41 CSS/COMM-Caisson Spoils Management (QM Environmental)	-	77,382	77,382
CO161-TP37 -Tree and Rootwad Supply: Reduced Diameter Logs with Rootwads	(63,420)	(62,311)	1,109
CO186-TP24 COMM-MPa Concrete Premium (GFL Infrastructure)	-	15,416	15,416
CO189-TP24 CSS-Caisson Obstructions (GFL Infrastructure)	-	92,921	92,921
CO195-TP39 -FH30 LTP Granular A Placement for Ridgid Inclusion Load Transfer Platform	26,425	26,425	-
CO196-TP24 CSS/COMM-Caisson Reinforcement Revisions (GFL Infrastructure)	67,616	172,565	104,949
CO198-TP41 -Additional Testing and Sampling	21,618	21,618	-
CO199-TP39 -62 Villiers Shed and Slb Removals	26,425	22,913	(3,512)
CO200-TP39 -Concrete Removal and Crushing for Reuse (road and utilities)	52,850	155,250	102,400
CO201-TP39 -MH5 Investigations and Removals		14,982	14,982
CO202-TP39 -Disposal of Removed Oil Pipeline	-	15,629	15,629
CO203-TP24 CSS-Foundation Sequence Disruption (GFL Infrastructure)	502,075	116,679	(385,396)
CO206-TP36 -FH30 Site Clean Up and Accommodate Inspections		29,041	29,041
CO208-TP41-Use of Polson Dredgeate as Fill	-	45,698	45,698
CO213-TP39-MT35_Test Pit	-	16,789	16,789
SCO#01 PFP: TRCA PLFP Delivery Agreement-Amendment #3-Barn Swallow Compensation, SDMA Study, and Coves Clean Up	-	28,203	28,203
PFP: Supply and delivery of various types of printing, copying & finishing services-Project Related	114	114	-
PFP: PL Initiate & Provide Immediate Design Reviews to Advance Permanent Connections & Relocations	-	400,000	400,000
PFP: Port Lands - PLFP Utility Relocation at Saulter and Villiers	-	74,544	74,544
PFP: Costs to relocate Enbridge line as part of PLFP work being undertaken	1,146,501	-	(1,146,501)
PFP: Enbridge Relocation Work - Design for Permanent Servicing Villiers Island	-	169,243	169,243
PFP: Commissioners Street Abandonment - Phase 3 (Section in front of 39 Commissioners Street)	69,759		(69,759)
TOTAL	30,381,147	20,740,708	(9,640,439)

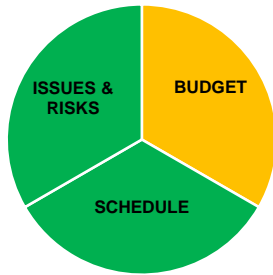
Note: Approx. \$9.16M of the Toronto Hydro cost sharing were added to the contingency based on Ellisdon's latest EAC. This number might be adjusted further in the future to reflect actual cost.

PLFP Contingency Tracker

March 2021	90% EAC ESTIMATE	APPROVED AMOUNT	CONTINGENCY DRAWDOWN
SCO47: PLFPEI Project (USD)-Geotechnical Construction Administration Services Reallocation	70,353	70,353	-
SCO48: PLFPEI Project-(USD)-Earthworks, RMM, Environmental CA Support-Extended	(81,497)	(81,497)	-
SCO49: PLFPEI Project (USD): Geotech WP9 Reallocation	-	-	-
SCO50: PLFPEI Project (USD)- Existing Conditions Modeling for Enbridge Crossing	29,140	29,140	-
SCO51: PLFPEI Project-(USD)- Geosyntec WP9/13	182,407	182,407	-
SCO52: PLFPEI Project-(USD)- Geosyntec Additional Services	213,147	213,147	-
SCO53: PLFPEI Project (USD): Environmental Assessment Advisory Services-1st Release of USD 24,097	8,434	8,434	-
SCO37: PFP: PLFPEI-Monitoring of Existing Structures-SDMA & Structural Consulting Engineering Services	208,500	208,500	-
SCO38: PFP: PLFPEI-Geotechnical Construction Administration Services Reallocation	(70,000)	(70,000)	-
SCO39: PFP: PLFPEI-Earthworks, RMM, Environmental CA Support-Extended	80,438	80,438	-
SCO40: PFP: PLFPEI – Peer Review of Enbridge Gasmain Assessment by WSP		9,980	9,980
SCO40: PFP: PLFPEI – Peer Review of Enbridge Gasmain Assessment by WSP	9,980		(9,980)
SCO41: PFP: PLFPEI-Heritage Planning Services			
	42,745	42,745	-
SCO42: PFP: PLFPEI-Jacobs Reassignment of Scope	(206,810)	(206,810)	-
SCO02-PFP: Environmental Peer Review of the Port Lands- Upcoming Environmental Peer Review Efforts	69,354	88,496	-
PFP: Errors & Omissions insurance coverage for Meggen Janes	19,141	1,443	1,443
PFP: Payment of assessed provincial land transfer tax required as part of the expropriation by City of 39 Commissioners. Payment will be to the City.		37,675	37,675
PFP: Utility Relocation Legal Fees for CreateTO Easements		60,300	60,300
PFP: High Speed Plotting Bond		130	-
PFP: High Speed Plotting Bond	130	130	-
TPBR81-Bridge-Electrical (Guild Electric Ltd) CM2020-18	1,901,172	2,744,610	(248,771)
CO209-TP14 62 Villers Building Condition Assessment (BCA)		6,078	6,078
CO210-TP41 Reconciled Quantities to November Soil Movements	1,092,340	90,258	90,258
CO211-TP41 Inheritance of Cut-off Wall Spoils for WP-3 and WP-6	-	215,628	215,628
CO214-TP42 Updated Levee Key Geomembrane Design	-	73,035	73,035
CO215-TP42 Revised RMM Interface at WP-3 Cut Off Walls	-	12,741	12,741
CO216-TP24 CSS/COMM-Pier Tolerance (GFL Infrastructure)	-	102,949	(45,563)
CO216-TP24 CSS/COMM-Pier Tolerance (GFL Infrastructure)	-	53,496	(169,273)
CO217-TP24 CSS/COMM-Test Shaft Drilling (GFL Infrastructure)	371,282	217,482	(1,937)
CO218-TP41 COMM-Centre Pier Shoring (QM Environmental)	132,749	161,193	161,193
CO223-TP44 CSS/COMM-Winter Works Premium (Verdi Alliance)	86,671	350,607	350,607
TOTAL	4,159,676	4,703,089	543,413

<p>Purpose</p>	<p>For Committee Information</p> <p>The Bayside External Services Dashboard provides the financial status of Stormwater and Sanitary Servicing Infrastructure projects and is a key component of the Corporation’s project planning and reporting framework. The purpose of this report is to update on a quarterly basis the progress and achievement of project budgets and schedules against the corporation’s Long Term Plan and the Capital Project Budget approved by the Board of Directors.</p>
<p>Areas of note/ Key issues</p>	<p>The Bayside External Services dashboard includes Stormwater and Sanitary Servicing Infrastructure projects that are proceeding within 10% of the Board approved Capital Project Budget.</p> <p>The following represents the financial status of the project as of Q4 2020/21:</p> <ul style="list-style-type: none"> • The anticipated final cost for the Stormwater and Sanitary Servicing Infrastructure project is forecast to be \$70.97 million or 6.6% over the approved Capital Project Budget. Additional costs are due primarily to constructability issues related to the concrete shell and roof as well as a number of delays and changed condition claims from the contractor that have resulted in an increase in the estimate at completion. • The current commitments amount to \$67.04million; an increase from the prior report of \$0.08 million. • The forecast of additional future commitments equals \$3.93 million to cover contractor claims and Operations and Maintenance costs for the next 3 years until city assumption. • All of the project contingency amounting to \$8.6 million is allocated to the Stormwater and Sanitary servicing project components. • The total cost incurred to date is \$64.25 million which represents 91% of the Estimate at Completion. <p>The work accomplished last quarter includes:</p> <ul style="list-style-type: none"> • Achieved Substantial Performance on March 30th, 2021. • Building is fully operational and undergoing deficiency rectification which is forecast to be completed within the next 60 days. • SWF to be Maintained and Operated under WT’s responsibility until City assumption. • Bayside storm attenuation shaft (“SAS”) is 100% complete and operational. The last leg of the Twin storm force main remains to be completed within the SWF site before the IWP is completed.
<p>Resolution or Next Steps</p>	<p>This is the final report for the Bayside External Services project. The project is complete, having achieved substantial performance on March 30, 2021.</p>

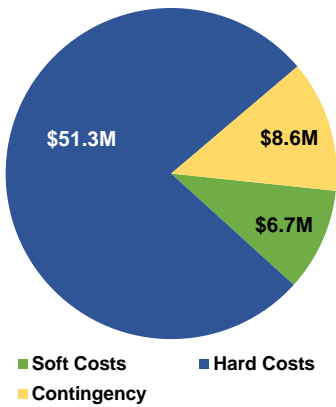
PROGRAM SUMMARY



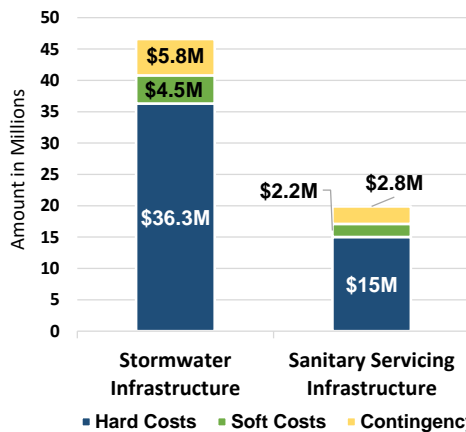
March 2021 Update: The Stormwater and Sanitary Servicing Infrastructure project is proceeding in accordance with the Board Approved 2020-2021 Long-Term Plan and is forecast to be complete within 10% of the Capital Project Budget. The increase in Estimate at Completion is due to number of potential delay and changed conditions claims from the contractor. The variance to the approved budget is below 10% of the Capital Approval Amount. Substantial Performance achieved March 30, 2021. Deficiencies in progress to be completed by mid June, 2021.

PROGRAM BUDGET ALLOCATION

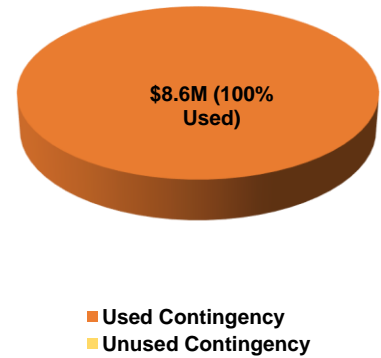
Program Cost (Capital Approval Budget \$66.5M)



Approved Program Budget by Projects and Cost Category (\$66.5M)



Contingency Allocation (\$8.6M of \$8.6M)



FINANCIAL SUMMARY

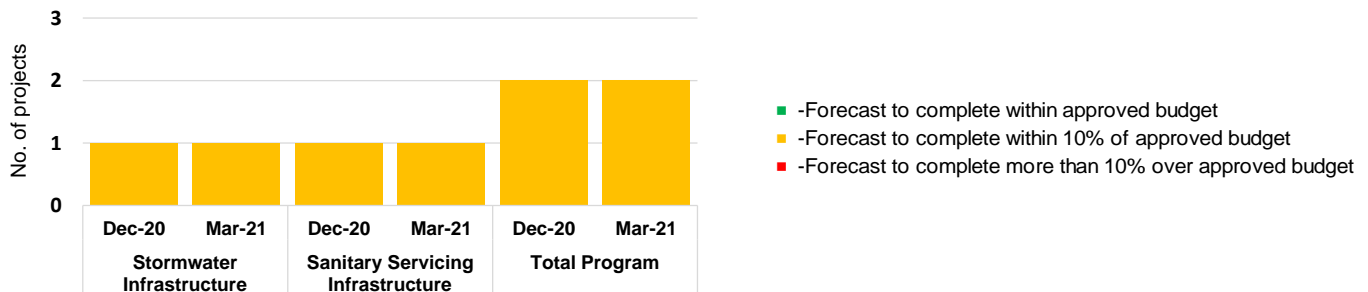
Project Description	Original Budget	Approved Changes	Approved Budget	Total Committed	Anticipated Commitments	Estimate at Completion	Cost Incurred to Date	Variance to Budget	% Complete
Stormwater Infrastructure	\$ 46.60	\$ -	\$ 46.60	\$ 46.95	\$ 3.79	\$ 50.74	\$ 44.59	\$ (4.14)	88%
Sanitary Servicing Infrastructure	19.94	-	19.94	20.10	0.13	20.23	19.66	(0.29)	97%
Total Program	\$ 66.54	\$ -	\$ 66.54	\$ 67.04	\$ 3.93	\$ 70.97	\$ 64.25	\$ (4.43)	91%

All figures in Millions

*Funding has been increased in 2021/22 Long Term Funding Plan and Strategic Plan to address the Additional costs.

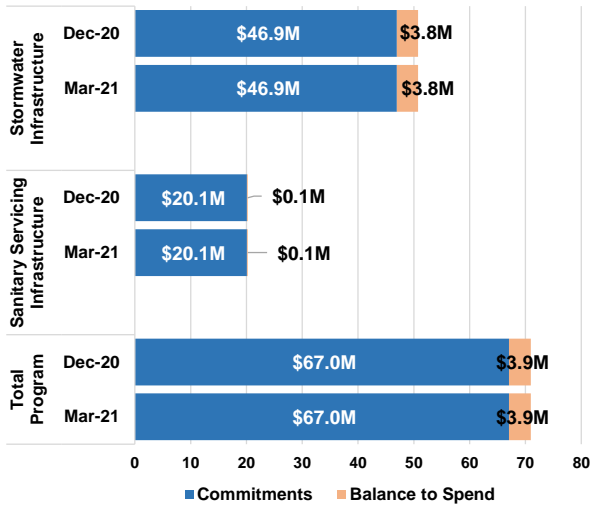
PROGRAM BUDGET STATUS

Budget Status by Projects

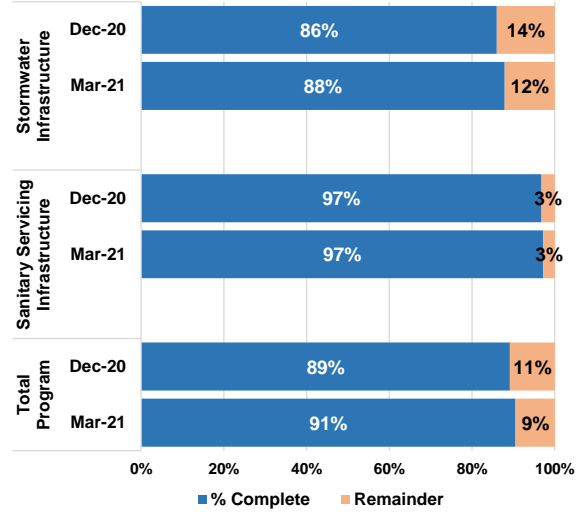


PROGRAM IMPLEMENTATION INDICATORS

Commitments and Balance to Spend (\$M)
(Based on Estimate at Completion)

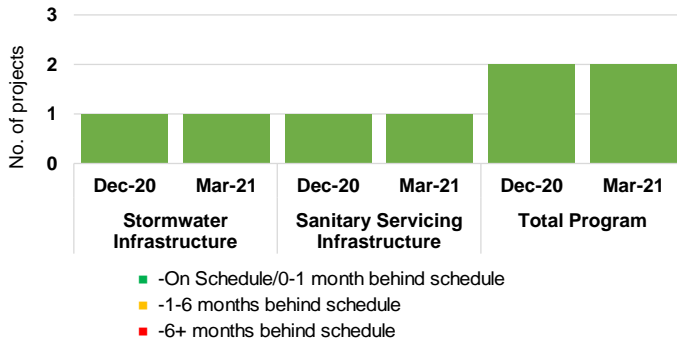


Project Completion (%)
(Based on Estimate at Completion)

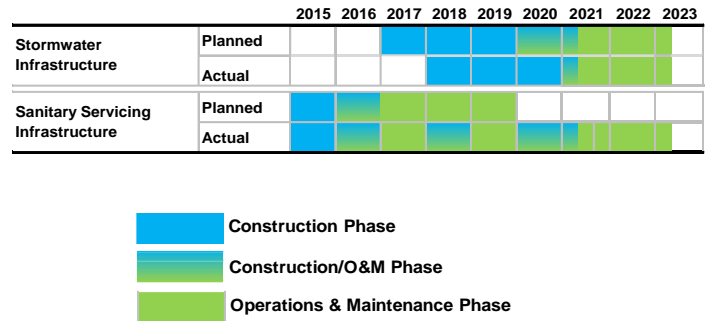


PROGRAM SCHEDULE STATUS

Schedule Status by Projects



Project Duration



SITE PHOTOS



SWF South West View



Overview of Complete SWF



West View and Storm Shaft



Inside at the Chemical Tanks

<p>Purpose</p>	<p>For Committee Information</p> <p>The Lake Shore Boulevard East – Bridge and Public Realm (LSBE) Dashboard report is a key component of the Corporation’s project planning and reporting framework. The purpose of this report is to monitor on a monthly basis the progress and achievement of project budgets and schedules against the corporation’s Long-Term Plan and Capital Project Budgets approved by the Board of Directors.</p>
<p>Areas of note/ Key issues</p>	<p>The Lake Shore Boulevard East – Bridge and Public Realm (LSBE) Project is currently proceeding in accordance with the terms of the Phase I Delivery Agreement between Waterfront Toronto and the City of Toronto. The Delivery Agreement for Phase II is currently being finalized for execution in May 2021.</p> <p>The following represents the financial status of the projects as of Q4 2020/21:</p> <ul style="list-style-type: none"> • The anticipated total project cost and approved funding is \$163.2 million. • Current commitments equal \$13.5 million. • Cost incurred to date equals \$12.2 million. • \$27.8 million of the project contingency is unallocated and is available for future risks and unknowns. <p>The key accomplishments for last quarter include:</p> <ul style="list-style-type: none"> • Finalize Due Diligence Report and Project Charter • Prepare draft Delivery Agreement and circulate to the City of Toronto • Released Issued for Tender documents for Lake Shore Boulevard East – Bridge and Public Realm • Issue permit applications to the City of Toronto, Toronto Region Conservation Authority, Department of Fisheries and Oceans • Close procurement for Logan ramp demolition • Issue and obtain acceptance from City of Toronto for three final Traffic Modelling Reports: 1) Existing Conditions, 2) Construction Scenarios and 3) Traffic Mitigation • Released Issued for Construction documents for Gardiner / Jarvis off ramp modifications. Coordinated procurement with City of Toronto Jarvis watermain project • Issued 90% design for Gardiner Expressway interim conditions, Logan Ramp demolition staging, Lake Shore Boulevard east traffic diversions, and Lake Shore Boulevard / Cherry Street intersection traffic staging • Issue 90% design for Lower Don Trail detours
<p>Resolution or Next Steps</p>	<p>The next Lake Shore Blvd East – Bridge and Public Realm Dashboard for Q1 2021/2022 will be provided on September 14, 2021.</p>

PROJECT NAME: PFP08-01 LAKE SHORE BOULEVARD EAST BRIDGE & PUBLIC REALM

PROJECT DIRECTOR: SIMON KARAM and SHANNON BAKER

PROJECT STATUS SUMMARY				
Budget Status				
Approved Budget \$163,235,576	Total Commitments \$13,450,336	Anticipated Commitments \$149,785,240	Estimate at Completion \$163,235,576	
Contingency \$27,758,624	Contingency Utilization 0%	Cost to Date \$12,214,682	Variance to Budget \$0	
Schedule Status				
Percent Complete 7%	Project Start 29-Apr-20	Construction Start 01-Sep-21	Substantial Performance 24-Dec-24	Warranty Complete 24-Dec-26
Project Progress Summary				
Alternative Case Project is on budget and expected to be completed on time. Next steps include finalizing the Due Diligence Report and executing the Delivery Agreement with the City for the Alternative Case Phase 2 (Construction Work).				

BUDGET AND COST SUMMARY									
Description	Due-Diligence Budget	Approved Changes	Approved Budget (30%)	Total Commitments*	Anticipated Commitments	Estimate at Completion	Cost Incurred to Date*	Variance to Budget	% Complete
Hard Cost	\$ 110,300,000	\$ -	\$ 110,300,000	\$ 4,298,370	\$ 106,001,630	\$ 110,300,000	\$ 3,745,606	\$ -	3%
Soft Cost	\$ 22,353,695	\$ -	\$ 22,353,695	\$ 8,931,389	\$ 13,422,306	\$ 22,353,695	\$ 8,269,621	\$ -	37%
Contingency	\$ 27,758,624	\$ -	\$ 27,758,624	\$ -	\$ 27,758,624	\$ 27,758,624	\$ -	\$ -	0%
NRHST	\$ 2,823,257	\$ -	\$ 2,823,257	\$ 220,576	\$ 2,602,680	\$ 2,823,257	\$ 199,455	\$ -	7%
Total	\$ 163,235,576	\$ -	\$ 163,235,576	\$ 13,450,336	\$149,785,240	\$ 163,235,576	\$12,214,682	\$ -	7%

*Reflect March 2021 WT PMO Month-End Financial Report. NRHST included in Hard / Soft Cost.

SCHEDULE SUMMARY						
Milestone	Baseline		Forecast		Actual	
	Start	Finish	Start	Finish	Start	Finish
Project Start	29-Apr-20	n/a	29-Apr-20	n/a	29-Apr-20	n/a
Engineering & Design	29-Apr-20	01-Jun-21	29-Apr-20	09-Sep-21	29-Apr-20	
IFC (Completion Date)	n/a	01-Jun-21	n/a	09-Sep-21		
Construction	23-Apr-21	24-Dec-24	01-Sep-21	24-Dec-24		
Gardiner Ramps Demolition	23-Apr-21	8-Nov-21	01-Sep-21	8-Nov-21		
Roadwork: Outside lanes, Boulevards	21-Dec-21	06-Jun-23	21-Dec-21	06-Jun-23		
Roadwork: New Centre Median Track Rail	03-May-23	01-Aug-24	03-May-23	01-Aug-24		
Roadwork: Don Rdwy and LSB Intersection	26-Jul-24	24-Dec-24	26-Jul-24	24-Dec-24		
Warranty Complete	n/a	24-Dec-26	n/a	24-Dec-26		

* Baseline Schedule: Based on February 2021 Baseline Schedule. ** Forecast Schedule: Based on March 2021 schedule update.

PROGRESS OF WORK AND KEY DELIVERABLES	
Work Accomplished this Period	Work Planned for Next Period
1. Continued to coordinate with private utilities through TPUCC process.	1. Continue to coordinate with private utilities through TPUCC process.
2. Continued to coordinate with City team on outstanding design coordination items like: Don Roadway Intersection, Booth Intersection.	2. Continue to coordinate with City team on outstanding design coordination items like: Don Roadway Intersection, Booth Intersection.
3. Continued to coordinate with City team on Delivery Agreement.	3. Continue to coordinate with City team on Delivery Agreement.
4. Reconciled IFT estimates and run the quantitative risk analysis	4. Reconcile IFT estimates and run the quantitative risk analysis
5. Closed the Logan Ramps Demo RFP and evaluate for recommendation. Prepare for upcoming RFPs.	5. Close the Logan Ramps Demo RFP and evaluate for recommendation. Prepare for upcoming RFPs like Temporary Road Construction, Bridge Construction.



PROJECT NAME: PFP08-01 LAKE SHORE BOULEVARD EAST BRIDGE & PUBLIC REALM

KEY PROJECT RISKS		
Risk Register ID	Risk Description	Mitigation Strategy
1. UTL_ALT 20.01	(Risk) Unknown Utilities - LSB East: Base cost for utilities include wet utilities of \$5M, and dry utilities of \$10M (amounts to be confirmed). Risk that additional funds are required for the treatment of unknown utilities along Lake Shore Blvd.	Mitigate; Team intends to mitigate through ongoing SUE investigations (130 locations) in addition to proposed test pits.
2. UTL 10.03 (2)	(Risk) Enbridge Cost Sharing: As per the TPUCC, WT/CoT is only responsible for labour costs (\$1.8M) within the bridge extents. This risk captures the likely outcome of establishing cost-sharing arrangement with Enbridge. Risk is negatively correlated to UTL 10.03 (1).	Mitigate; follow up meeting scheduled to explore other options.
3. CNS 90.06	(Risk) Delay to Gardiner Rehabilitation project: May delay the start of bridge works and subsequently result in delay to PLFP works.	Mitigate; explore options to work in parallel.
4. UTL 20.22	(Risk) Jarvis Street Sewer Works and other parallel City projects including Jarvis Watermain Works, Streetcar Track replacement (Yonge/Church), and Watermain work on Sherbourne (Queen/Dundas): May potentially impact the Lake Shore/Jarvis intersection.	Accept.
5. PSP_ALT 30.01	Risk of sudden scope changes due to planned consultation with DRP and the city council. Potential for delay in funding approval and execution of delivery agreement for phase 2.	Accept

*Top 5 risks only

KEY ISSUES AND DECISIONS	
Key Issues	
1.	WT and City to agree to design of Don Roadway Intersection.
2.	WT and City to agree on handover protocol.
3.	
Key Decisions	
	Due Date
1.	City to advise on direction regarding the Harbour Lead Rail staying. Jun-21
2.	
3.	

*Top 3 only

PHOTOS & ILLUSTRATIONS	
 <p>Location Map</p>	 <p>Current Site Status</p>

GENERAL COMMENTS	
1.	No additional comments.
2.	
3.	

PROJECT NAME: PFP08-01 LAKE SHORE BOULEVARD EAST BRIDGE & PUBLIC REALM

Legend			
Indicator	Budget Impact	Schedule Impact	Risk & Issues Impact
●	Forecast to complete more than 10% over approved budget	Forecast to complete more than 6 months behind schedule	High likelihood of risks occurring and/or issues flagged will impact schedule/budget
●	Forecast to complete within 10% of approved budget	Forecast to complete 1- 6 months behind schedule	Medium likelihood of risks occurring and/or likely issues flagged are likely to impact schedule/budget
●	Forecast to complete within approved budget	Forecast to complete on schedule or before	Low likelihood of risks occurring and/or issues flagged are expected to be resolved without impact to schedule/budget

Definitions

Anticipated Commitments (ACM): Unreleased Trade Packages + Unapproved Change Orders + Potential Claims = ACM
Cost Incurred to Date (CID): What you have paid to date for the work that has been done/completed = CID
Estimate at Completion (EAC): Given the current performance, what is the expected overall project cost when the project is completed = EAC= TCM + ACM
Percent Complete: Actual project progress based on Approved Budget and Cost Incurred to Date = CID / EAC
Project Contingency: Total Contingency allocated for a given project (includes both soft and hard contingency).
Program Contingency: Allocated Management Reserve for a given project.
Substantial Performance: Substantial completion date of the project.
Total Commitments (TCM): Includes: Approved Contracts + Approved Change Orders + Approved Change Directives + Approved Non-Contract Costs = TCM
Variance to Budget: Difference between the Approved Budget and what you are expecting it to cost at the end = EAC – Approved Budget
Warranty Complete: Warranty end date, calculated as two years from date of substantial performance.

1. S. 11 of the Procurement Policies require reporting to the FARM committee of (a) exceptions to the Procurement Policies; and (b) contracts awarded in excess of \$5 million.

Since the last Quarterly Procurement Report there were the following items to report for January to March 2021:

(a) Exceptions to the Procurement Policies as follows:

- *Non-Competitive Procurement - Goods & Services (including Professional Services) for contract value above \$25,000, the following does not meet the permitted exceptions under Section 6 (3):*
 - *Standard Practice* – Development of Renderings for Quayside Project in East Bayfront. Contract value: **\$67,000.00**
 - Standard Practice is a small organization that has extensive experience in high-end residential development and was selected on the basis of their independence from Waterfront Toronto's Quayside development RFQ process.
 - *Meggen K Janes* – Environmental Advisory Services for Waterfront Toronto projects. Contract value: **\$2,400 per week as and when required**
 - This is a three-year, part-time contract with a former employee of Waterfront Toronto, whose unique and specialized environmental skillset and depth of experience is required for the Port Lands Flood Protection project. The services will be provided only when requested by Waterfront Toronto.

(b) Contracts awarded in excess of \$5 million as follows:

- *Stantec Consulting Ltd.* - Queen's Quay East Extension and Cherry Street - LRT Road, and Public Realm Design Services in East Bayfront. Contract value to date: **\$9,955,611**
- *Clearway Construction Inc.* – Construction of In-Water Pipes and Boardwalk in East Bayfront. Contract value to date: **\$15,775,000**

Regulatory & Operational Compliance Report

(for the period from January 1, 2021 to March 31, 2021)

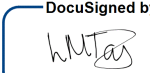
Finance, Audit and Risk Committee Meeting

May 27, 2021

Document/Program	Regulatory Body	Filing Requirements	Status	Compliant	Accountability
Wages, Taxes, Source Deductions and Employment-Related					
Harmonized Sales Tax Filing <i>Directors may be jointly and severally liable with the Corporation for unremitted HST</i>	Canada Revenue Agency	Monthly; last day of month following month's end	Ongoing: up to date	Yes	Director, Financial Management Accounting
Additional comments:	HST Return filed Apr 30, 2021 for period Mar 1, 2021 to Mar 31, 2021				
Corporate Income Tax Return <i>Directors may be liable for failure to file corporate income tax returns and up to 50% of unpaid taxes</i>	Canada Revenue Agency	Annually; June 30 of each year	Ongoing: up to date	Yes	Director, Financial Management Accounting
Additional comments:	March 31, 2020 CIT Return filed on September 30, 2020 [nil tax liability]				
CPP, EI & Income Tax remittances <i>Directors may be liable for unremitted source deductions</i>	Canada Revenue Agency	Within 3 days of any pay date	Ongoing: up to date	Yes	VP, Human Resources and Administration
Additional comments:	ADP makes the remittances on behalf of Waterfront Toronto				
Workplace Safety and Insurance Board premium remittances <i>Directors may be liable for fines of up to \$25,000 for non-compliance by the Corporation under the WSIA</i>	Minister of Labour	Monthly; 30 th of each month	Ongoing: up to date	Yes	VP, Human Resources and Administration
Additional comments:	Administered in-house				
Employee Health Tax Filing <i>Directors may be liable for failure to make payments under the Act</i>	Minister of Finance	Monthly; 15 th of every month	Ongoing: up to date	Yes	VP, Human Resources and Administration
Additional comments:	Administered in-house				
Employee Wages and Accrued Vacation Pay <i>Directors may be liable for up to 6 months of unpaid wages accrued vacation pay</i>	Employment Standards Act	Semi-monthly	Ongoing: up to date	Yes	VP, Human Resources and Administration
Additional comments:	ADP administers payments; vacation pay accrual recorded in financial statements				


Other Filings – Operational					
Annual business plan to be adopted at least 90 days before the beginning of each fiscal year with updated 5-year plan <i>This is a key governance requirement of the TWRC Act</i>	TWRCA	Annually	Up to date	Yes	Chief Financial Officer
Additional comments:	Current annual business plan and current rolling 5-year strategic plan both adopted December 10, 2020				
Audited Financial Statements and Annual Report to governments within 90 days of the end of each fiscal year <i>This is a key governance requirement of the TWRC Act</i>	TWRCA and Ontario Business Corporations Act	Annually; financial year end is March 31	Audited financial statements and annual report presented to Board by June 30 of each year	Yes	Chief Financial Officer
Additional comments:	2020/21 Audited financial statements presented to FARM Committee May 27, 2021; to be recommended to the Board for approval June 24, 2021 and provided to governments on/before June 30, 2021.				
Property Management <i>In the operation of the properties it owns or manages, the Corporation is responsible for various obligations</i>	Landowner's liability (Fire Code Act, Ontario Building Code, Occupier's Liability Act) /Landlord obligations under lease	Inspections are completed according to regulatory requirements and properties are maintained according to a regular maintenance schedule	Ongoing: up to date	Yes	Chief Financial Officer
Additional comments:	The eight properties owned by the Corporation are professionally managed by DMS Property Management and third-party parking operators (SP+ and Target Park) except for the following: <ul style="list-style-type: none"> • 54 Commissioners St. was vacated by the tenant in February 2020 and care and control of the property has been taken over by the Port Lands Flood Protection project (PLFP) through the Construction Manager for the purpose of material and equipment storage; and • 130 Commissioners St. has been demolished and care and control of the property taken over by PLFP through the Construction Manager for construction activities. 				

Lisa Taylor, Chief Financial Officer

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Document/Program	Regulatory Body	Filing Requirements	Status	Compliant	Accountability
Other					
Employee Health and Safety – workplace incidents or injuries <i>Under OHSA, directors may be held responsible for non-compliance and liable for fines of up to \$100,000 and imprisonment for up to 1 year</i>	Occupational Health and Safety Act (“OHSA”)	Report to FARM	Ongoing: up to date	Yes	Chief Project Officer
Additional comments:	Port Lands Flood Protection Project <ul style="list-style-type: none"> No MOL lost time reportable events during reporting period 				
Environmental Liability – spills, claims or administrative orders <i>Under the EPA, directors may be held responsible for non-compliance and liable for fines of up to \$4,000,000 and imprisonment for up to 5 years</i>	Environmental Protection Act (“EPA”)	Report to FARM	Ongoing: up to date	Yes	Chief Project Officer
Additional comments:	Port Lands Flood Protection Project <ul style="list-style-type: none"> No MECP reportable events, claims or administrative orders during reporting period 				

David Kusturin, Chief Project Officer

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Document/Program	Regulatory Body	Filing Requirements	Status	Compliant	Accountability
Other					
Litigation <i>In its projects and other operations, the Corporation is exposed to claims in the usual course of business</i>	None	Report to FARM	Ongoing: up to date	Yes	General Counsel
Additional comments:	All existing claims against the Corporation are being defended by insurers under project insurance or the Corporation's corporate insurance program. The Corporation is not aware of any facts which would lead us to believe that liability, if any, of the Corporation in respect of such claims would exceed the insurance coverage available.				
Privacy Breach <i>Breaches of personal information arising from the operations of the Corporation will be reported to the Board</i>	Canadian Privacy Principles	Report to FARM	Ongoing: up to date	Yes	General Counsel/Privacy Officer
Additional comments:	No breaches have been reported.				

Ian Ness, General Counsel

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Ian Ness

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Purpose	<p>For Information</p> <p>The attached dashboard summarizes Fundraising Action Plan expenditures, priority deliverables and progress, enabling the Committee to monitor implementation of the Fundraising Action Plan on a quarterly basis.</p>
Areas of note /Key issues	<p>Implementation of the Fundraising Action Plan is proceeding in accordance with the approved Rolling Five-Year Strategic Plan 2021/22-2025/26, except that delays to certain deliverables have resulted in a yellow (caution) to the schedule status. Progress is being made on these deliverables, but not at the rate originally planned.</p> <p>Overall actual costs are tracking under budget for the initial two-year period to March 31, 2021, due to some activities shifting into FY 2021/22, as well as less reliance on third party consultants:</p> <ul style="list-style-type: none"> • Fundraising Action Plan: \$0.9 million costs incurred of budget \$1.8 million • Design development of Signature projects (Destination Playground, Jack Layton Ferry Terminal, Waterfront Walk and the Landmark Institution): \$1.5 million costs incurred of \$2.5 million budget. <p>The following are key accomplishments over the previous quarter:</p> <ul style="list-style-type: none"> • Appointment of Executive Director, Philanthropy & Fundraising Coordinator. • Completed 10% Design for the Destination Playground including 10% detailed cost estimate; • Commenced 30% Schematic Design for the Destination Playground and pavilion; • Completed the (v3 illustrated) version of the “Case for Philanthropic Gift Support” document; • Operations and Maintenance Governance Study for the Destination Playground is nearing completion; • Commenced Phase 1 of the Indigenous Place Making Integration for the Destination Playground. <p><u>Fundraising Action Plan Update</u></p> <p>In June 2021 a comprehensive Fundraising Campaign Planning study will be presented to management. This report will review the current environment and readiness for fundraising and lay out a multi-year fundraising strategy and plan including revenue targets and expenses. This report will replace the existing Fundraising Action Plan and be presented to the FARM Committee on September 14, 2021.</p> <p>The following key milestones were included in the 2021/22 Corporate Plan and continue to be worked on/ towards:</p> <ul style="list-style-type: none"> • Build prospect pipeline • Together with the City, implement the City-Waterfront Toronto Fundraising MOU • Launch Destination Playground Fundraising Campaign (subject to City Council approval and feasibility study) • Achieve 60% design of the Destination Playground and pavilion and finalize the Operations and Maintenance Strategy • Work with the City to advance Jack Layton Ferry Terminal implementation
Next Steps	<p>The next Fundraising Action Plan Dashboard will be provided at the next FARM Committee meeting on September 14, 2021. The Fundraising Campaign Planning study will also be presented.</p>

PROJECT STATUS SUMMARY

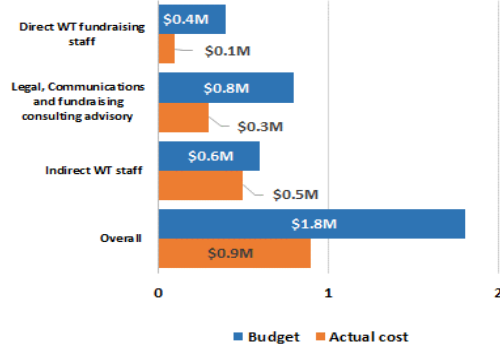
As per the Fundraising Action Plan a Fundraising Campaign Planning Study is currently underway with an expected completion time of June 2021. The study will address: fundraising strategy and plan, and related targets and budgets. In addition the "case for philanthropic gift support" is nearing completion and prospect research is well underway.



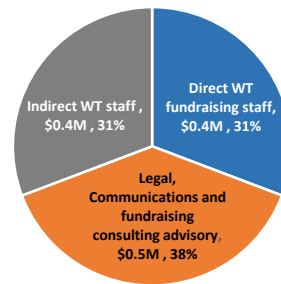
Implementation of the Fundraising Action Plan is proceeding in accordance with the approved Rolling Five-Year Strategic Plan 2021/22-2025/26. This dashboard summarizes Fundraising Action Plan and Project Design expenditures, deliverables and progress.

FUNDRAISING ACTION PLAN EXPENDITURES (EXCLUDING CAPITAL SIGNATURE PROJECTS)

Planned versus Actual Expenditures for Fiscal Years 2019-20 and 2020-21

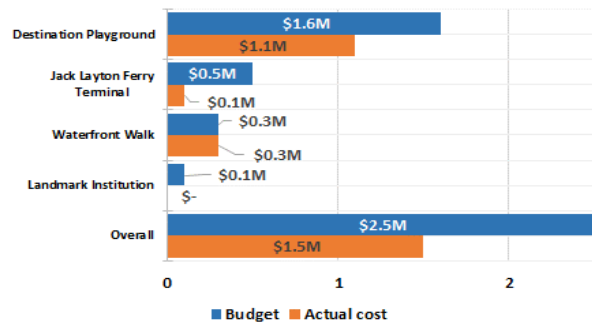


Planned Expenditures for Fiscal Year 2021-22 (\$1.3M)

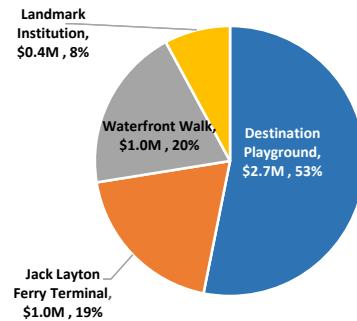


SIGNATURE PROJECTS EXPENDITURES (EXCLUDING FUNDRAISING ACTION PLAN)

Planned versus Actual Expenditures for Fiscal Years 2019-20 and 2020-21

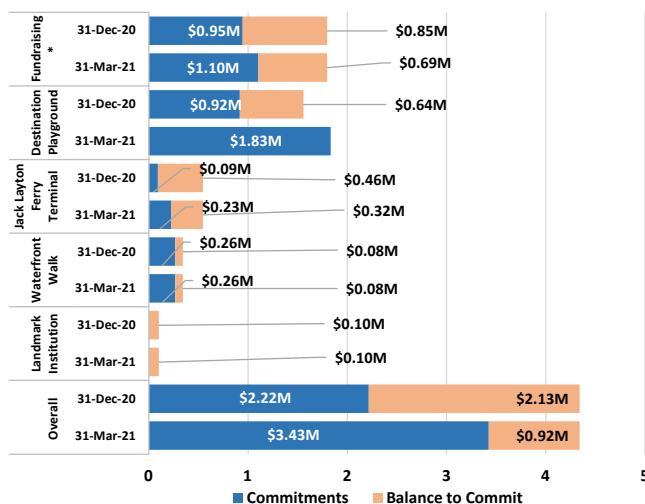


Planned Expenditures for Fiscal Year 2021-22 (\$5.1M)

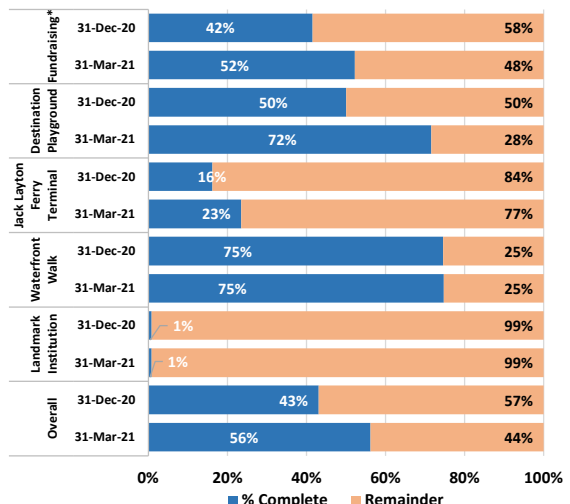


FUNDRAISING ACTION PLAN IMPLEMENTATION INDICATORS (For initial 2 years)

Commitments and Balance to Commit (\$M)



Action Plan Completion (Budget %)



*Fundraising includes Start up Cost and Cost of Fundraising for Destination Playground

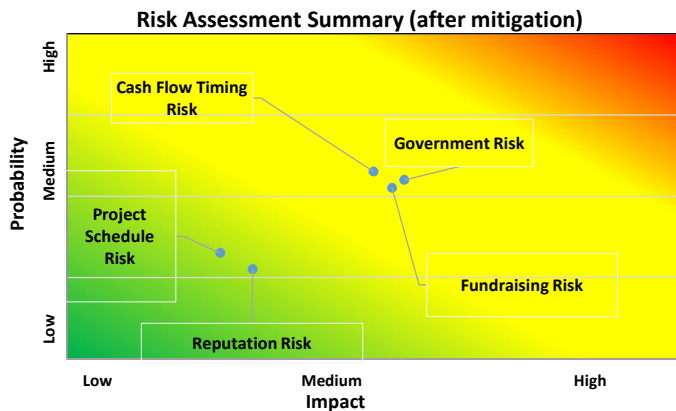
Fundraising Action Plan Dashboard - as of March 31, 2021

Issued: May 21, 2021

FUNDRAISING ACTION PLAN PRIORITY DELIVERABLES

Priority Deliverables	Completed to Date	Apr to June 2021 Forecast Completion	Jul to Sept 2021 Forecast Completion	Oct to Dec 2021 Forecast Completion
Government Consent and City Alignment				
Amendments to WT consent to raise revenues (requested Sept 2019)			◆	
Fundraising MOU with City of Toronto Term Sheet			◆	
Execute Fundraising MOU				◆
Fundraising Capabilities				
Hire Fundraising Director	✓			
Develop Prospect Pipeline (Ongoing)	✓			
Hire Partnerships Officer and Prospect Researcher	✓		◆	
Develop key policies, procedures and precedent legal agreements				◆
Fundraising for Destination Playground				
Develop Case for Support content	✓			
Undertake Planning Study		◆		
Develop Fundraising Strategy for Destination Playground		◆		
Undertake Market Sounding for Naming and Case for Support Toolkit		◆		
Build Presentation Model (maybe virtual)		◆		
Advance Destination Playground				
Complete the conceptual design vision (10% design) for the Destination Playground	✓			
Complete O&M and governance strategy	✓			
Complete 30% Schematic Design				◆

FUNDRAISING ACTION PLAN RISKS STATUS



Risk Legend:

Level	Impact	Likelihood
Low	Cost or timing impact can be managed	Remote chance of occurring
Medium	Project cost or timing will be affected	Possible
High	May make project not viable	Likely to happen

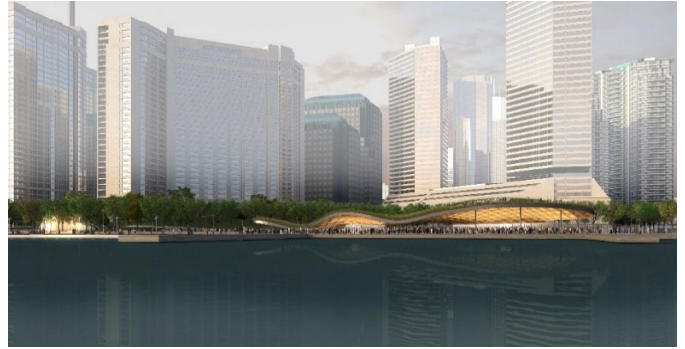
Fundraising Action Plan Highest Key Risks

Risk Description	Mitigation Strategy
Waterfront Toronto is unable to proceed with fundraising for the Destination Playground because it does not have the support of the City for the project or for its fundraising	Waterfront Toronto is working to determine the operational requirements of the Playground (i.e., cost to maintain) and provide this information to the City. Waterfront Toronto is working with the City to develop an MOU to co-ordinate its fundraising efforts and obtain the necessary City input and approvals. Waterfront Toronto will take steps to have Destination Playground added to the Council-approved list of City priorities. Waterfront Toronto will not launch a fundraising campaign for Destination Playground without first obtaining approval of the City.
Investment in fundraising does not result in any/sufficient donations	Fundraising expenditure will be very limited (& well below current budget) until a pathway to funding is clear. A Fundraising Campaign Planning (Feasibility) Study is well advanced and is expected to be complete in June 2021 (this schedule is subject to the availability of WT Board Members to participate). The study process is evidence-based and includes a testing of assumptions and targets. This study will produce a comprehensive fundraising strategy and plan with targets and budgets. After the study is complete (and assuming favourable findings) fundraising expenditure and risks can be managed to deliver gift support and sponsorship at a cost between 5-20% of whatever is raised.
Fundraising initiative proceeds too slowly to impact Waterfront Toronto funding gap	Quayside land sale also has the potential to offset funding gap.

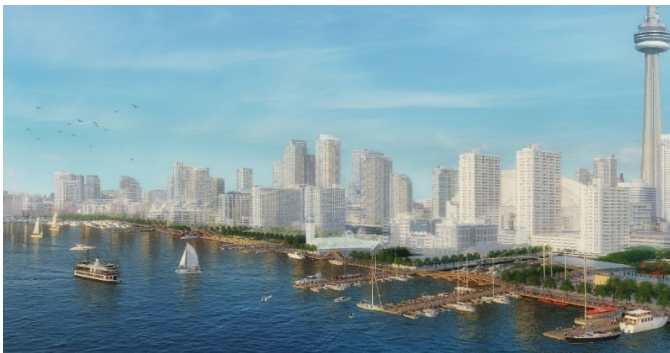
SIGNATURE PROJECTS



Destination Playground



Jack Layton Ferry Terminal



Waterfront Walk



Example of Landmark Institution

May 27, 2021

Waterfront Toronto Finance Audit and Risk Management Committee

COVID-19 Impact Update on Waterfront Toronto

Waterfront Toronto

Executive Summary

Waterfront Toronto response to COVID-19

- The **COVID-19** global pandemic constitutes an unprecedented challenge with potential severe socio-economic consequences and far-reaching implications to health and safety of all, including workers and their families
- Due to pandemic and government mandated restrictions on personal movements, companies and construction projects are facing labour shortages, reduced productivity and supply chain issues. Covid related impacts to budget and schedule can result from the following:
 - Impacts to work force and materials
 - Reduced efficiency and productivity
 - Labour and material mobility
 - Third party & external dependency delays
 - Extended overheads and escalation

Executive Summary

Waterfront Toronto response to COVID-19 (Cont'd)

- In full alignment with governmental direction, Waterfront Toronto has implemented a comprehensive and coordinated approach to mitigate impact to the Corporation. Primary focus has been health and safety of all internal and external resources
- Cost Impacts to date (\$2.1M total):
 - Cost to Port Lands Flood Protection (PLFP) project of **(\$1,813,014)**
 - Reduced travel consultant travel costs PLFP **\$200,000**
 - Reduced parking revenue – approximately **(\$1,000,000)**
 - Savings on corporate operating costs **\$500,000**
- Claims received and under review **(\$1,204,321)** as well as potential claims, associated costs and/or schedule impacts are included in the PLFP risk register
- Impacts related to staff availability, reduced productivity and enhanced safety procedures have been mitigated through sequencing of work. Substantial completion for the PLFP remains March 31, 2024

Executive Summary

Waterfront Toronto response to COVID-19 (Cont'd)

- In the past quarter the industry has begun to experience substantial cost escalation and volatility, particularly in lumber and steel supply
- Recent procurement outcomes are showing evidence of cost escalation, with bids exceeding budget estimates on some current competitive tenders. These results are presumed to be due to the combination of a robust construction market coupled with the effects of the Covid-19 pandemic on labour and material availability

Waterfront Toronto and COVID-19

Construction Project Impacts

Background

- Province of Ontario through the Emergency Management Act has implemented restrictions of activities to varying degrees through 2020 and 2021
- These included a shut down of non-essential work-places in the first wave (April 3), gradual reopening (May 1), with second and third wave restrictions progressing from “Red” (November 14) to “Grey” (November 23) to “Full” (December 26) to “Grey” (March 5) and back to “Full” (April 16) lockdowns
- All Waterfront Toronto construction projects have been deemed “essential” work-places through this period
- Construction has proceeded with enhanced health and safety procedures

Background

- Waterfront Toronto construction projects and potential implications are summarized as follows:
 - **Port Lands Flood Protection (PLFP)**
 - Construction ongoing. Project deemed essential
 - Maintained “essential” designation through restrictions to date
 - **Cherry Street Stormwater Treatment Facility (CSSTF)**
 - Substantially complete March 31, 2021, currently commissioning and start-up
 - Minimal risk of future shut-down impacts
 - **In-Water Pipe**
 - Contractor mobilized in March 2021
 - Potential risk of future shut-down is addressed in contract documents
 - **The Bentway**
 - To be procured and commence construction summer 2021
 - Potential risk of future shut-down is addressed in contract documents
 - **Love Park**
 - Construction start spring 2021
 - Potential risk of future shut-down is addressed in contract documents

Covid 19 – PLFP Claims Realized

GFL Infrastructure	\$200,514
Cut off Walls Phase 2, CO 110 <ul style="list-style-type: none"> Duplication and isolation of advisory staff from US. 	\$117,776
Cut-off walls Phase 2, CO 055 <ul style="list-style-type: none"> Repatriate and quarantine redundant workers from US to avoid delays 	\$82,738
Hermanns Contracting Limited	\$1,612,500
Supply of Topsoil <ul style="list-style-type: none"> Subcontractor's soil source was a development property that was impacted by the restrictions on non-essential construction. Revised supply price resulted in increase of \$1,612,500 but did not change tender ranking 	\$1,612,500
Total Costs Realized	\$1,813,014

Covid 19 – PLFP Claims Received and Under Review

GFL Infrastructure	
<ul style="list-style-type: none"> • Cut-off walls Phase 1 (TP 62.0) <ul style="list-style-type: none"> • Claim received July 1, 2020: Under negotiation • Cost and schedule impacts 	\$593,079
<ul style="list-style-type: none"> • Cut-off walls Phase 2 (TP 63.1) <ul style="list-style-type: none"> • Claim received June 10, 2020: Under negotiation • Additional US staff and quarantine requirements 	\$65,000
<ul style="list-style-type: none"> • Cut-off walls Phase 2 (TP 63.1) <ul style="list-style-type: none"> • Claim received February 1, 2021: Under negotiation 	\$292,902
<ul style="list-style-type: none"> • Cherry South Bridge Foundations (TP 54) <ul style="list-style-type: none"> • Original claim received July 7, 2020 (\$88,251) • Revised claim received December 7, 2020: Under negotiation 	\$162,217
Keller Foundations	
<ul style="list-style-type: none"> • West Plug Wall Phase 1 (TP 63.3) <ul style="list-style-type: none"> • Claim received January 27, 2021: Under negotiation • Quarantine requirements for US Staff 	\$91,123
Total Claims Received and Under Review	
	\$1,204,321

East Bayfront & West Don Lands Project Risk Status

COVID-19 Risk Issues affecting Complete Communities construction projects include;

Potential Contractor Claims

- CSSTF contractor Graham Construction issued Notice of Potential Delay due to COVID-19 on March 27, 2020.

No direct cost and schedule impacts have been submitted to date. Cost and schedule impacts due to Covid 19 are currently estimated to be immaterial on EBF and WDL projects.

Waterfront Toronto and COVID-19

Finance and Accounting

Finance & Accounting Impacts of COVID-19

- WT's finance and accounting operations remain uninterrupted by COVID-19 due to cloud-based accounting and finance system, which supports remote access of all WT users.
- WT continues to pay its vendors on time.
- WT continues to leverage benefits of technology to support productivity and working remotely, while maintaining and enhancing internal controls to prevent increased fraud risks (resulting from electronic approvals):
 - Collaboration platforms such as Microsoft Teams and Sharepoint Online
 - Implementation of DocuSign to collect and manage digital signatures on important documents
 - Implementation of Bonfire, a cloud-based Procurement sourcing platform for posting and receiving electronic bid submissions and electronic evaluation of the submissions
 - Electronic filing/payment systems (e.g., for government and banking requirements) thereby ensuring faster processing of payments/refunds
 - Adoption of a formal Cyber Security Program, including creation of Cyber Security Risk Taskforce.
- In March 2021 WT migrated the Corporation's aging phone system to Microsoft Teams Voice, saving approx. \$10K p.a. and increasing mobility to allow calling from almost anywhere
- From a cash flow perspective WT remains secure with >\$50M in liquid funds and continues to have the funding support of the City, Provincial and Federal governments.
- Interim property parking operations have been adversely impacted by COVID-19 and resulted in a decrease in revenues of approx. \$1 million in FY 2020/21.
- Conversely WT has seen savings in operating costs of up to \$500K in FY 2020/21 resulting from reduced office supplies, printing, travel, courier, parking and conference fees (to name a few), and move to virtual public and stakeholder consultation meetings.

Thank you.

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Join Waterfront Toronto on social media





Finance, Audit and Risk Management Committee – May 27, 2021
Item 4 – March 31, 2021 Unaudited Interim Financial Statements
Lisa Taylor/ Sampada Chandane

<p>Purpose</p>	<p>Submitted for approval and recommendation to the Board for approval . The purpose of the audited financial statements is to provide information about the results of the operations, financial position and cash flow of the Corporation.</p>
<p>Areas of note/ Key issues</p>	<p>The Corporation’s financial activities for the year ended March 31, 2021 have increased from the same period last year. For the year ended March 31, 2021 the Corporation has:</p> <ul style="list-style-type: none"> • Spent approx. \$286.4 million (up from \$207.5 million last year) of which \$269 million was capitalized as Assets Under Development, primarily for the Port Lands Flood Protection (\$244 million) and \$9.1 million was expensed. • Recognized revenues of \$248.9 million (down from \$273.4 million for last year) which is primarily made up of government contributions for Port Lands Flood Protection project (\$203.4 million), Lakeshore Bridge project (\$14M), land sale proceeds (\$17.5 million), and parking/rental and interest revenues (\$4.4 million). The decrease from prior year is largely due to lower government contributions for Port Lands Flood Protection project driven by timing of expenditures. • Reported a lower net operating income as a result of COVID-19 impact on WT’s interim parking operations. <p>Other items of note during the period include:</p> <ul style="list-style-type: none"> • Unrestricted net assets (Note 12) is in a deficit position representing a timing difference between realization of unrestricted revenues (such as Quayside land sale revenues) and corresponding expenditures funded out of the same. The deficit position is expected to continue until realization of land sale proceeds in 2022. • During the year, the Corporation has made a provision for liability of \$2 million for remediation of contaminated site pertaining to one of its properties zoned as parkland and not intended for development (Note 16). • As of March 31, 2021, the Corporation has notional swing forward exchange contracts of US\$4,125,000 outstanding with settlements occurring monthly until August 2021 (Note 20). • Note 26 on Subsequent Event has been added to reflect the Corporation’s intention to purchase property required for future waterfront revitalization. • The Corporation has no off-balance sheet transactions requiring note disclosure.
<p>Resolution/ Next Steps</p>	<p>ON MOTION duly made by [●] and seconded by [●], it is RESOLVED that the FARM Committee recommends that the Board of Directors approve the March 31, 2021 Financial Statements, as presented.</p> <p>The audited financial statements for the year ended March 31, 2021 will be presented for approval by the Board of Directors on June 24, 2021.</p>

Financial statements of

Toronto Waterfront Revitalization Corporation
(c.o.b. as Waterfront Toronto)

March 31, 2021

Draft Copy - Subject to Change

Toronto Waterfront Revitalization Corporation

March 31, 2021

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Statement of remeasurement gains and losses	6
Statement of changes in net assets	6
Statement of cash flows	7
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Draft Copy - Subject to Change



Management's Responsibility for the Financial Statements

June 24, 2021

The integrity and objectivity of the accompanying financial statements of the Toronto Waterfront Revitalization Corporation ("the Corporation") is the responsibility of management. These financial statements have been prepared in accordance with Canadian public sector accounting standards established by the Chartered Professional Accountants of Canada (CPA Canada). Significant accounting policies of the Corporation are described in Note 2 to the financial statements.

Management is also responsible for maintaining a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded, and reliable financial information is available on a timely basis for the preparation of the financial statements.

Management meets with the external auditors, the Finance, Audit and Risk Management Committee and the Board of Directors to review the financial statements and discuss any significant financial reporting or internal control matters prior to approval of the financial statements.

The financial statements have been audited by BDO Canada LLP, the independent external auditors appointed by the Board of Directors. The accompanying Independent Auditor's Report outlines Management's responsibilities, the auditor's responsibilities, the scope of its examination and its opinion on the Corporation's financial statements.

President and CEO

Chief Financial Officer

Independent Auditor's Report

To the Board of Directors of Toronto Waterfront Revitalization Corporation

Opinion

We have audited the financial statements of Toronto Waterfront Revitalization Corporation (the "Corporation"), which comprise the statement of financial position as at March 31, 2021, and the statements of financial activities, remeasurement gains and losses, changes in net assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2021, and the results of its operations, its remeasurement gains and losses, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditor's Report (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants, Licensed Public Accountants
Mississauga, Ontario
June 24, 2021

Toronto Waterfront Revitalization Corporation
Statement of financial position
as at March 31, 2021

	March 31, 2021	March 31, 2020
	\$	\$
Assets		
Current assets		
Cash	104,592,114	87,249,424
Receivables (Note 3)	36,579,038	86,795,715
Deposits and prepaid expenses and other assets (Note 4)	4,784,428	4,850,089
	145,955,580	178,895,228
Restricted cash (Note 5)	40,234,509	27,693,933
Assets under development (Note 6)	95,012,547	685,913,187
Capital assets (Note 7)	89,802,349	90,692,130
	1,231,085,085	983,194,478
Liabilities and net assets		
Current liabilities		
Accounts payable and accrued liabilities (Note 9)	68,455,592	45,084,203
Deferred contributions (Note 10)	140,660,162	176,108,768
Other liabilities and settlements (Note 11)	1,117,303	948,086
	210,233,057	222,141,057
Other liabilities and settlements (Note 11)	1,890,528	4,560,003
Environmental and contaminated sites liability (Note 16)	2,075,900	-
	214,199,485	226,701,060
Net assets (Note 12)	1,016,885,600	756,493,418
	1,231,085,085	983,194,478

The accompanying notes are an integral part of the financial statements.

Approved on behalf of the Board:

Director

Director

Toronto Waterfront Revitalization Corporation

Statement of financial activities

year ended March 31, 2021

	March 31, 2021	March 31, 2020
	\$	\$
Restricted Revenues:		
Province of Ontario	103,400,000	116,440,200
City of Toronto	62,612,065	102,223,613
Government of Canada	60,000,000	45,076,297
Other restricted contributions	998,688	3,033,639
	227,010,753	266,773,749
Less: Government contributions for assets under development	(256,311,839)	(191,126,483)
Decrease (increase) in deferred contributions for continuing operations related to future periods	(5,448,606)	(74,456,579)
	6,142,520	1,190,687
Expenses (Note 13)		
Eastern Waterfront Transit	3,024,123	1,122,781
Complete Communities	2,363,299	1,322,103
Signature Projects	1,895,452	559,814
Strategic Initiatives	1,133,488	1,331,304
Public Places	217,365	177,011
	8,633,727	4,513,013
Deficiency of revenue over expenses before other items	(2,491,207)	(3,322,326)
Environmental and contaminated sites expense (Note 16)	(2,075,900)	-
Net other operating income (Note 17)	500,940	2,948,145
Land sale proceeds and/or other income (Note 18)	17,485,877	360,150
Excess (deficit) of revenues over expenses	13,419,710	(14,031)

The accompanying notes are an integral part of the financial statements.

Toronto Waterfront Revitalization Corporation
Statement of remeasurement gains and losses
year ended March 31, 2021

	March 31, 2021	March 31, 2020
	\$	\$
Accumulated remeasurement gains, beginning of the year	49,920	252,025
Unrealized (loss) gain attributable to foreign currency transactions	(124,636)	6,162
Unrealized (loss) attributable to forward exchange contracts (Note 20)	(442,384)	(260,869)
Unrealized gain attributable to short term investments	-	52,602
Net remeasurement (loss) for the year	(567,020)	(202,105)
Accumulated remeasurement (loss) gain, end of the year	(517,100)	49,920

Statement of changes in net assets
year ended March 31, 2021

	March 31, 2021	March 31, 2020
	\$	\$
Net assets, beginning of the year	756,493,418	579,897,673
Add: Excess (deficit) of revenues over expenses	13,419,710	(14,031)
Add: Net remeasurement (loss)	(567,020)	(202,105)
Add: Government contributions for assets under development	256,316,839	191,126,483
Less: Transfer of assets to Government (Note 6)	(8,336,109)	(14,314,602)
Less: Assets written off	(441,238)	-
Net assets, end of the year	1,016,885,600	756,493,418

The accompanying notes are an integral part of the financial statements.

Toronto Waterfront Revitalization Corporation
Statement of cash flows
year ended March 31, 2021

	March 31, 2021	March 31, 2020
	\$	\$
Cash flows from operating activities		
Excess (deficit) of revenues over expenses	13,419,710	(14,031)
Adjustments to reconcile excess (deficiency) of revenues over expenses to net cash provided by operating activities		
Amortization of capital assets	875,173	489,621
Unrealized (loss) gain attributable to foreign currency transactions	(124,636)	6,162
Unrealized (loss) attributable to forward exchange contracts	(442,387)	(260,869)
Unrealized gain attributable to short term investments		52,602
Changes in non-cash working capital balances		
Net increase in deferred contributions	(35,418,606)	74,456,579
Current assets (Receivables, Deposits and prepaid expenses)	50,282,338	(57,662,181)
Current liabilities (Payables, Other liabilities and settlements)	22,947,031	20,359,679
Net cash received from operating activities	51,508,626	37,427,562
Cash flows from capital activities		
Cash received from government contribution for assets under development	256,316,839	191,126,483
Cash used to acquire assets under development	(277,876,807)	(217,135,144)
Cash used to acquire capital assets	(65,392)	(1,040,093)
Net cash paid from capital activities	(21,625,360)	(27,048,756)
Cash flows from investing activities		
Invested in restricted cash and investments	(12,540,576)	(8,696,568)
Cash received from short-term investments	-	10,189,542
Net cash (paid) received from investment activities	(12,540,576)	1,492,974
Increase in cash	17,342,690	11,871,780
Cash, beginning of the year	87,249,424	75,377,644
Cash, end of the year	104,592,114	87,249,424

The accompanying notes are an integral part of the financial statements.

Toronto Waterfront Revitalization Corporation

Notes to the financial statements

March 31, 2021

1. Description of Corporation

The Toronto Waterfront Revitalization Corporation (the "Corporation" or "TWRC") was initially incorporated on November 1, 2001 under the Ontario Business Corporations Act with the Province of Ontario being its sole shareholder.

Pursuant to the Toronto Waterfront Revitalization Corporation Act, 2002 (the "Act"), the Corporation was continued as a corporation without share capital on May 15, 2003. The Corporation is deemed not to be a Crown Agency within the meaning of the Crown Agency Act.

Under the Act, the Corporation's objects are to:

- (a) implement a plan that enhances the economic, social and cultural value of the land in the designated waterfront area and create an accessible and active waterfront for living, working and recreation and to do so in a fiscally and environmentally responsible manner;
- (b) ensure that ongoing development in the designated waterfront area can continue in a financially self-sustaining manner;
- (c) promote and encourage involvement of the private sector in the development of the designated waterfront area;
- (d) encourage public input into the development of the designated waterfront area; and
- (e) engage in such other activities as may be prescribed by regulation.

2. Significant accounting policies

(a) Basis of presentation

These financial statements have been prepared in accordance Canadian public sector accounting standards for not-for-profit organizations including the 4200 series of standards contained in the Chartered Professional Accountants (CPA) handbook.

(b) Revenue recognition

The Corporation follows the deferral method of accounting for restricted contributions. Under this method, restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Restricted contributions for which the related restrictions remain unfulfilled are accumulated as deferred contributions.

Contributions used for the purchase of amortized capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets. Contributions for the purchase of non-amortized capital assets such as land as well as assets under development which will be transferred to government(s) upon completion are recognized as a direct contribution to net assets.

Under the Contribution Agreements, contributions from the Governments can only be applied towards payments of eligible costs in respect of project activities, as defined in the Contribution Agreements. Unrestricted contributions such as other operating items are recognized as revenue in the current period.

In addition to contributions, the Corporation has several other revenue streams, which it accounts for as follows:

(i) Property Operations: Property revenues primarily consist of rental revenues from leasing activities and parking operations. Revenues from parking operations are recognized at the point of service on a cash basis. Property rental income is recognized as it is earned over the course of a tenants lease. Waterfront Toronto has retained substantially all of the risks and benefits of ownership of the properties which it rents out and therefore accounts for leases with its tenants as operating leases. Rental revenue includes recoveries of operating expenses, including property, capital and similar taxes. Operating expense recoveries are recognized in the period that they are chargeable to tenants.

Toronto Waterfront Revitalization Corporation

Notes to the financial statements

March 31, 2021

2. Significant accounting policies (con't)

(ii) **Land Sales:** The gain or loss from the sale of real property owned by TWRC is recognized when title passes to the purchaser (control is transferred) upon closing at which time all or substantially all of the funds are receivable, or have been received, and the conditions of the sale have been completed.

(iii) **Delivery Agreements:** The Corporation has entered into certain agreements to deliver construction management and development services. Under these agreements, TWRC bills eligible costs to clients as they are incurred. Revenue from delivery agreements is recognized at the time of billing, when the costs become measurable and collection is reasonably assured.

(c) Financial instruments

Financial instruments are recorded at cost when acquired, except for contributions that are recorded at fair value. In subsequent periods, investments traded in an active market are reported at fair value, with any unrealized gains and losses reported in the statement of remeasurement gains and losses. All other financial instruments are recorded at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each balance sheet date and charged to the financial instrument for those measured at amortized cost. Financial instruments that are measured subsequent to initial recognition at fair value are grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

(i) **Level 1:** Fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities using the last bid price;

(ii) **Level 2:** Fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

(iii) **Level 3:** Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(d) Transfer payments and grants

The Corporation has entered into agreements with third parties who are responsible for managing various projects on Toronto's Waterfront. Expenditures related to these projects are recorded in the statement of financial activities as transfer payments and grants. Under the terms of the agreements, the Corporation does not assume ownership or ongoing operational responsibility during development or upon project completion.

(e) Allocation of general support expenses

The Corporation incurs a number of general support expenses that are common to the administration of the organization and each of its projects. General support expenses are incurred to support the functional areas of construction/implementation, planning, design and approvals, and project management. These expenses are allocated using a "blended rate" i.e. hourly rate incorporating both direct and indirect cost.

(f) Taxes and Charitable Status

The Corporation is exempt from income taxes pursuant to paragraph 149(1) (d.3) of the Income Tax Act (Canada) and is eligible to claim a rebate of approximately 86.5% for HST paid on property and services acquired pursuant to section 123(1)(b) of the Excise Tax Act. TWRC is registered with the Canada Revenue Agency as a qualified donee and is eligible to issue official donation receipts and receive gifts from registered charities.

Toronto Waterfront Revitalization Corporation

Notes to the financial statements

March 31, 2021

2. Significant accounting policies (con't)

(g) Assets under development

Assets under development represent those investments in assets which the Corporation has been directed to develop under an executed agreement and the Corporation has actual or beneficial ownership over during the development stage. Land under development under this category represents all costs associated with getting a parcel of land site ready for development, including costs associated with contracting with a developer, rezoning, and soil management and treatment.

Upon substantial completion and warranty period, these assets are either transferred to a respective government who assumes ownership and ongoing operational responsibility, transferred to capital assets for those assets the Corporation continues to have actual or beneficial ownership over, or sold to a third party. The assets transferred to a respective government are considered a related party transaction and the difference between cost and proceeds is recorded directly to net assets. Any gain or loss on assets sold to a third party is recorded through the statement of financial activities.

Assets under development are recognized at cost, are not amortized and include both direct project costs as well as overhead costs directly attributable to the asset under development.

(h) Capital assets

Capital assets are recorded at cost less accumulated amortization. With the exception of land which is not amortized. Capital assets less residual value are amortized on a straight-line basis over their estimated useful lives as follows:

Computer hardware and software	3 - 5 years
Leasehold improvements	5 years
Furniture and fixtures	5 years
Office equipment	5 years

The cost incurred to enhance the service potential of a capital asset, including land, is a betterment and capitalized to the asset. Repairs and maintenance costs are charged to expense. When a capital asset no longer contributes to the Corporation's ability to provide services or the value of future economic benefits associated with the capital asset is less than its net book value, the carrying value of the capital asset is reduced to reflect the decline in the asset's value.

(i) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates. The items subject to the most significant estimates are the amortization and impairment of capital assets, accrued liabilities, deferred revenue and accrued benefit liability.

(j) Liabilities for contaminated sites

The Corporation recognizes a liability for remediation of contaminated sites on land owned by Waterfront Toronto when all of the following criteria has been met : there is evidence that contamination exceeds an environmental standard, the Corporation is directly responsible or accepts responsibility for the contamination, it is expected that future economic benefits will be given up and a reasonable estimate of the amount can be made.

(k) Trusts under administration

Trusts administered by TWRC are not consolidated in the financial statements as they are not controlled by the Corporation.

Toronto Waterfront Revitalization Corporation

Notes to the financial statements

March 31, 2021

3. Receivables

	March 31, 2021	March 31, 2020
	\$	\$
Province of Ontario	25,452,619	39,299,452
City of Toronto	5,004,364	40,556,151
HST receivable	3,934,601	4,906,356
Rent and other receivables	2,187,454	2,033,756
	36,579,038	86,795,715

4. Deposits and prepaid expenses

	March 31, 2021	March 31, 2020
	\$	\$
Prepaid expenses	2,603,229	2,668,890
Construction deposits	2,181,199	2,181,199
	4,784,428	4,850,089

The Corporation has provided the City of Toronto (the "City") with certain construction deposits to guarantee satisfactory performance, completion of work, and related obligations required for construction of municipal infrastructure by the Corporation. The construction deposits will be released to Waterfront Toronto at the expiration of certain performance and guarantee periods. The construction deposits paid to the City of \$2,181,199 (2020 - \$2,181,199) are non-interest bearing.

5. Restricted cash

The Corporation has received deposits that are subject to restrictions that prevent its use for operating purposes, as outlined below:

	March 31, 2021	March 31, 2020
	\$	\$
Holdbacks payable (including HST)	30,885,475	15,533,261
Developer contribution - East Bayfront public art	5,711,584	5,372,534
Developer Deposit - Broadband services	1,615,015	2,803,370
East Bayfront child care facility	1,538,024	1,523,235
Developer Deposit - Bayside project agreement	257,791	2,236,081
Escrow Account - River city development	226,620	225,452
	40,234,509	27,693,933

6. Assets under development

The following table details assets under development by category:

	March 31, 2021	March 31, 2020
	\$	\$
Roads, Bridges, Services, Structures	458,019,808	354,420,300
Flood Protection Features	365,789,789	225,178,064
Land under development	86,883,659	73,574,721
Parks and Public Realm	44,319,391	32,740,102
	955,012,647	685,913,187

Toronto Waterfront Revitalization Corporation

Notes to the financial statements

March 31, 2021

6. Assets under development (continued)

The following table details assets under development by Priority Initiatives:

	The Port Lands	Complete Communities	Quayside	Public Places	Total
	\$	\$	\$	\$	\$
Opening balance, April 1, 2020	311,552,555	338,561,668	22,697,711	13,101,253	685,913,187
Capital additions	237,606,462	23,115,570	1,305,860	1,513,498	263,541,390
Direct project management - Note 13	4,302,715	978,755	4,020,472	413,738	9,715,680
General and support expenses - Note 13	2,130,001	467,637	1,818,896	203,203	4,619,737
Transfer of completed assets to City of Toronto	-	(5,826,023)	-	(2,510,086)	(8,336,109)
Assets written off	-	(125,455)	-	(315,783)	(441,238)
Closing balance, March 31, 2021	555,591,733	357,172,152	29,842,939	12,405,823	955,012,647

During the year, assets (i.e. Front Street Public Art, Aitken Place Public Art, Martin Goodman Trail Jarvis Dockwall Reinforcement) costing \$8,336,109 were formally transferred to the City of Toronto and assets (i.e. Don River Park Public Art, Toronto Book Garden) costing \$441,238 were written off the books. The transfer has been recorded as a reduction to assets under development and included as a distribution of net assets in the statement of changes in net assets. The write off has been recorded as a reduction to assets under development and included as an expense in the statement of financial activities.

7. Capital assets

	March 31, 2021		March 31, 2020	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
	\$	\$	\$	\$
Land	87,305,565	-	87,305,565	-
Computer hardware and software	4,040,292	2,084,367	3,935,523	1,441,273
Leasehold improvements	1,377,975	886,837	1,415,514	719,519
Furniture and fixtures	539,371	409,650	534,047	337,727
Office equipment	145,563	145,563	145,563	145,563
	93,408,766	3,526,417	93,336,212	2,644,082
Cost less accumulated amortization		89,882,349		90,692,130

Land is recorded at cost in accordance with the significant accounting policy 2(h). Certain land, known as Quayside, has approximately 2,700,000 square feet zoned for development.

The Corporation owns land containing environmental contamination. As of March 31, 2021, the Corporation has made a provision of \$2,075,900 (2020 - \$Nil) for remediation cost of contaminated site (Note 16).

The Corporation owns buildings on a number of its properties. As none of the buildings are intended for use other than on a temporary rental basis and all will ultimately be demolished, they have been recorded at a carrying value of \$Nil (2020 - \$Nil).

8. Credit facility

In 2015 the Corporation secured a revolving credit facility with a Canadian commercial bank which provides for a maximum borrowing amount of \$40 million. The facility bears interest at the Canadian Prime Lending Rate less 0.5%. The Corporation's interest rate was 1.95% at March 31, 2021 (2020 - 1.95%). The facility is secured by a first lien interest over several of the Corporation's real properties in the City of Toronto and a General Security Agreement creating a first priority interest over property of the Corporation not obtained through a contribution agreement, including accounts receivable. At March 31, 2021 the available borrowing limit is \$37 million as a result of a Letter of Credit reissued by Waterfront Toronto during 2020 to the Department of Fisheries and Oceans for the Cherry Street Stormwater and Lakefilling project.

Under the current financing agreement, the Corporation is subject to a financial covenant. The revolving credit facility stipulates that the Corporation must ensure that the most recent appraised value of the properties which secure the facility at all times provide a minimum of 150% coverage for the outstanding amount of credit. As at March 31, 2021, the Corporation is in compliance with this covenant and expects to be in compliance for the next 12 months.

9. Accounts payable and accrued liabilities

	March 31, 2021	March 31, 2020
	\$	\$
Accrued liabilities	35,873,598	26,518,973
Holdbacks payable	27,037,500	15,458,583
Accounts payable	5,544,494	3,106,647
	68,455,592	45,084,203

Toronto Waterfront Revitalization Corporation

Notes to the financial statements

March 31, 2021

10. Deferred contributions

Deferred contributions represent project specific contributions from Governments which have not been applied to eligible costs at March 31, 2021, as well as contributions received for the acquisition of capital assets which have yet to be amortized.

	March 31, 2021	March 31, 2020
	\$	\$
Expenditures of future periods		
Balance, beginning of year	176,108,768	101,652,189
Additional contributions	(30,181,259)	75,157,645
Less: amounts recognized as revenue	(5,267,347)	(701,066)
Balance, end of year	140,660,162	176,108,768
Capital contributions		
Balance, beginning of year	-	-
Add: contributions for acquisition of capital assets and assets under development	25,192,012	191,616,104
Less: direct contribution to net assets	(256,316,839)	(191,126,483)
Less: amount amortized to revenue	(875,173)	(489,621)
Balance, end of year	-	-
	140,660,162	176,108,768

11. Other liabilities and settlements

Other liabilities and settlements largely represent security and developer deposits.

	March 31, 2021	March 31, 2020
	\$	\$
Deposit - broadband services	1,615,016	2,303,930
Deposit - Bayside project agreement	275,512	2,256,073
Deposits - rent and other	1,117,303	948,086
Total other liabilities	3,007,831	5,508,089
Less: current portion	(1,117,303)	(948,086)
	1,890,528	4,560,003

12. Net assets

a) Net assets recorded on the Statement of Financial Position are comprised of the following:

	March 31, 2021	March 31, 2020
	\$	\$
Invested in non-amortizable capital assets	87,305,565	87,305,565
Invested in assets under development	955,012,647	685,913,187
Unrestricted (deficit) (Note 12b)	(24,915,512)	(16,775,254)
Accumulated re-measurement (loss) gain	(517,100)	49,920
	1,016,885,600	756,493,418

b) Unrestricted (deficit)/surplus

	March 31, 2021	March 31, 2020
	\$	\$
Unrestricted (deficit)/surplus, opening balance	(16,775,254)	9,247,438
Excess (deficit) of revenues over expenses	13,419,710	(14,031)
Investment in assets under development	(21,559,968)	(26,008,661)
Unrestricted (deficit), closing balance	(24,915,512)	(16,775,254)

Toronto Waterfront Revitalization Corporation

Notes to the financial statements

March 31, 2021

13. Expenses by Priority Initiative and Function

	Eastern Waterfront Transit	Complete Communities	Signature Projects	Strategic Initiatives	Public Places	Quayside	The Port Lands	Total Mar. 31, 2021
	\$	\$	\$	\$	\$	\$	\$	\$
<i>Direct project costs:</i>								
Project planning and implementation costs	2,179,524	1,447,453	1,030,879	149,718	48,836	-	-	4,856,410
Project management - salaries, fees and benefits	572,696	1,602,190	586,240	667,063	532,619	4,020,472	4,302,715	12,283,995
Less project management - salaries, fees and benefits related to assets under development (Note 6)	-	(978,755)	-	-	(413,738)	(4,020,472)	(4,302,715)	(9,715,680)
	2,752,220	2,070,888	1,617,119	816,781	167,717	-	-	7,424,726
<i>General and support expenses:</i>								
General and office administration	97,245	271,828	93,545	113,269	90,431	650,521	761,787	2,084,626
Support staff salaries, fees and benefits	78,736	220,090	80,598	91,710	73,219	526,705	616,793	1,687,851
Amortization	40,826	114,120	41,791	47,553	37,965	273,104	319,815	875,173
Information technology	40,769	113,932	41,733	47,487	37,913	272,725	319,372	873,961
Communications and public engagement	14,327	40,018	14,666	16,688	13,323	95,841	112,234	307,127
	271,903	760,948	278,333	316,707	252,851	1,818,896	2,130,001	5,828,738
Less general & support costs allocated to assets under development (Note 6)	-	(467,637)	-	-	(203,203)	(1,818,896)	(2,130,001)	(4,619,737)
	3,024,123	2,363,299	1,895,452	1,133,488	217,365	-	-	8,633,727

General and support expenses for the year ending March 31, 2021 have been allocated to priority initiative using an overhead burden rate of 0.47 (2020 - 0.69) for every \$1 of direct labour (project management - salaries and benefits). Total salaries, fees and benefits for the Corporation were \$13,971,846 for the year ending March 31, 2021 (2020 - \$14,771,696) comprising direct project management salaries, fees and benefits of \$12,283,995 (2020 - \$11,043,905) and general salaries, fees and benefits of \$1,687,851 (2020 - \$3,727,791).

Toronto Waterfront Revitalization Corporation

Notes to the financial statements

March 31, 2021

13. Expenses by Priority Initiative and Function (Cont.)

	Eastern Waterfront Transit	Complete Communities	Signature Projects	Strategic Initiatives	Public Places	Quayside	The Port Lands	Total Mar. 31, 2020
	\$	\$	\$	\$	\$	\$	\$	\$
<i>Direct project costs:</i>								
Project planning and implementation costs	640,137	615,762	212,729	211,946	128,648	-	-	1,809,218
Project management - salaries, fees and benefits	285,769	1,533,606	205,506	662,761	444,786	4,570,306	3,341,171	11,043,905
Less project management - salaries, fees and benefits related to assets under development (Note 6)	-	(1,076,379)	-	-	(405,179)	(4,570,306)	(3,341,171)	(9,393,035)
	925,906	1,072,989	418,235	874,707	168,255	-	-	3,460,088
<i>General and support expenses:</i>								
Support staff salaries, fees and benefits	96,459	517,658	59,367	223,710	150,134	1,534,780	1,135,681	3,727,791
General and office administration	60,275	323,470	43,345	139,790	93,815	959,041	709,655	2,329,391
Information technology	17,512	93,980	12,593	40,614	27,257	278,637	206,181	676,775
Amortization	12,669	67,991	9,111	29,383	19,719	201,583	149,164	489,621
Communications, marketing and government relations	9,960	33,412	7,163	23,100	15,503	158,477	117,269	384,924
	196,875	1,056,551	141,579	456,597	306,428	3,132,518	2,317,950	7,608,502
Less general & support costs allocated to assets under development (Note 6)	-	(807,437)	-	-	(297,672)	(3,132,518)	(2,317,950)	(6,555,577)
	1,122,81	1,322,103	559,814	1,331,304	177,011	-	-	4,513,013

Toronto Waterfront Revitalization Corporation

Notes to the financial statements

March 31, 2021

14. Commitments

The Corporation has corporate lease commitments of \$2,735,693 until May 31, 2023.

15. Risk disclosures

(i) Credit risk:

Credit risk arises from cash, restricted cash and investments held with banks and credit exposure to governments and other debtors, including accounts receivable. The maximum exposure to credit risk is equal to the carrying value (net of allowances) of the financial assets. The objective of managing counterparty credit risk is to prevent losses on financial assets. The Corporation assesses the credit quality of funding partners and debtors, taking into account their financial position, past experience and other factors.

(ii) Liquidity risk:

Liquidity risk is the risk the Corporation will not be able to meet its financial obligations as they fall due. The Corporation's objective in managing liquidity risk is to ensure that it will always have sufficient liquidity to meet its commitments when due, without incurring unacceptable losses or risking damage to the Corporation's reputation. The Corporation manages exposure to liquidity risk by closely monitoring supplier and other liabilities; by focusing on debtor collection; and by requesting government funding in advance.

(iii) Currency risk: The Corporation has cash denominated in U.S. dollars and is exposed to currency risk. Included in the statement of financial position is \$1,043,647 (2020 - \$90,248) of cash and \$1,309,603 (2020 - \$1,212,039) of payables which has been translated from its U.S. denominated amount.

Also refer to Note 25 regarding an assessment of the impact of COVID-19 on the financial statements.

16. Environmental and contaminated sites liability

As of March 31, 2021, the Corporation has made a provision for liability of contaminated site of \$2,075,900 (2020 - \$NIL) representing one Waterfront Toronto owned property zoned as parkland and not intended for development, through the Statement of Financial Position with corresponding charge in the Statement of Financial Activities. The liability reflects the Corporation's best estimate of the amount required to remediate the site to the current minimum standard of use prior to contamination, as of the financial statement date. The liability will be assessed and adjusted each year due to any changes in management estimates and remediation costs incurred through the year.

17. Net other operating income

	March 31, 2021	March 31, 2020
	\$	\$
Rental, parking and other income	2,932,004	3,962,881
Less: operating expenses	(3,934,969)	(3,325,458)
	(1,002,965)	637,423
Interest	980,562	2,181,490
Realized gain on foreign currency transactions	354,123	(28,570)
Other Income	169,220	157,802
Net other operating income	500,940	2,948,145

18. Land sale proceeds and other income

During the year ended March 31, 2021, the Corporation received \$17,378,877 (2020 - \$114,525) as closing payments associated with the sale of land in East Bayfront owned by the City of Toronto. Other income comprises of \$107,000 (2019 - \$Nil) for sale of district energy equipment.

During the prior year ended March 31, 2020, the Corporation received \$245,625 in revenues from a sub-contractor for delivery of fill to the Cherry Street Lakefilling project site.

Toronto Waterfront Revitalization Corporation

Notes to the financial statements

March 31, 2021

19. Trust under administration

In February of 2016, the Corporation became the administrator of the Project Under Gardiner fund (The Bentway). Based on the Memorandum of Understanding dated December 22, 2015, the total cost of the Project Under Gardiner was expected to total \$25,000,000, of which \$23,500,000 will flow to the Corporation from the City of Toronto to be used towards the execution of the project. The current estimated cost of the project is \$26,194,499 due to additional scope pursuant to the delivery agreement between the Corporation and the City of Toronto for the Events Dock and Garisson project. Up until March 31, 2021 the Corporation has received \$25,656,529.

The trust is entitled to any interest earned on the balance of funds. A summary of the trust's financial position, as at March 31, 2021, is as follows:

Financial Position as at March 31, 2021

	March 31, 2021	March 31, 2020
	\$	\$
Cash and accounts receivable	289,294	543,949
Assets under development	25,703,984	25,638,547
Total assets	25,993,277	26,182,496
Accounts payable and accrued liabilities	303,865	303,904
Net assets	25,689,412	25,878,592

Revenues and expenditures as of March 31, 2021

	March 31, 2021	March 31, 2020
Revenues	\$	\$
Restricted revenue	2,795	(213,352)
Total revenues	2,795	(213,352)
Cumulative revenues (from inception of trust)	25,733,055	25,730,259

	March 31, 2021	March 31, 2020
Direct Project Costs	\$	\$
Implementation and construction	65,437	449,107
Total expenditures	65,437	449,107
Cumulative expenditures (from inception of trust)	25,703,984	25,638,547

20. Forward Exchange Contracts

The Corporation uses forward exchange contracts to reduce its exposure to fluctuations in exchange rates that result from certain transactions in foreign currencies. The Corporation does not enter into forward exchange contracts for trading or speculative purposes. The Corporation recognizes any unrealized gains/losses related to unsettled future transactions in the Statement of Remeasurement Gains and Losses. Any realized gains/losses related to foreign exchange transactions are recorded in the Statement of Financial Activities. The unrealized (loss) gain on forward contracts included in the Statement of Remeasurement Gains and Losses for the year ended March 31, 2021 is \$(442,384) (2020 - \$(260,869)). As at March 31, 2021, the Corporation has notional swing forward exchange contracts of US\$4,125,000 outstanding with settlements occurring monthly until May, 2022.

Toronto Waterfront Revitalization Corporation

Notes to the financial statements

March 31, 2021

21. Related Party Transactions

By virtue of the TWRC Act, the Governments of Canada and Ontario, the City of Toronto and Waterfront Toronto are related parties. The Corporation receives funding and renders services to these entities in the normal course of carrying out its business. The transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

22. Qualified Donee Status

In 2017, TWRC was registered with the Canada Revenue Agency as a qualified donee and is now eligible to issue official donation receipts and receive gifts from registered charities. The status is effective June 24, 2016 and as at March 31, 2021, the Corporation had not received any donation or gifts.

23. Contingent Liabilities

- (a) Under the terms and conditions of the Contribution Agreements, the Corporation provides an indemnity to the City, Province of Ontario and Government of Canada and their respective officers, employees and agents, from and against all claims, losses, damages, costs, expenses, actions and other proceedings related to any injury to or death of a person or damage to or loss of property, infringement of rights or any other loss or damages whatsoever arising directly or indirectly from any willful or negligent act, omission or delay on the part of the Corporation, the Corporation's directors, officers, employees, contractors, agents or Third Party Contractors, in carrying out a project or as a result of the project, except to the extent that the injury, loss or damage has been caused by the City, Province of Ontario and/or Government of Canada or their respective officers, employees or agents.

The Corporation requires all Eligible Recipients to indemnify the Corporation from and against liability on the same basis outlined above.

The Corporation requires most third party contractors to indemnify each level of government and the Corporation, its officers, employees and agents against all claims, liabilities and demands with respect to any injury to persons (including death), damage to, loss or destruction of property or infringement of rights caused by or arising directly from:

- (i) the breach of any term or condition of the contract by the third party contractor or its officers, employees or agents; or
 - (ii) any omission or any willful or negligent act of the third party contractor or its officers, employees or agents in relation to the applicable project.
- (b) Under the Delivery Agreement with each Eligible Recipient respectively, the Corporation provides an indemnity to the Eligible Recipient and its respective officers, employees and agents, from and against any claims with respect to direct loss arising from:
- (i) any breach by the Corporation of the Delivery Agreement or documents or certificates given pursuant to the Agreement, or
 - (ii) any negligent or willful acts or omissions of the Corporation, its officers, directors, employees or agents, in relation to the project.

Management attempts to limit the Corporation's exposure under these indemnifications through the purchase of directors and officers insurance, the allocation of risk to Eligible Recipients and contractors (outlined above) and through enforcing the Corporation's and Eligible Recipients' policies and procedures, as well as intense oversight where appropriate.

- (c) The Corporation has entered into a number of Development Agreements with third party builders with respect to lands located in the West Don Lands and East Bayfront. Under these agreements, the Corporation has provided the builders certain milestone representations based on specific Corporation development obligations. The representations primarily relate to schedule delays. The maximum potential future liability related to these representations is \$7.5 million under one development agreement with one builder and although under the other development agreements the amounts are not determinable, they are limited to the amount up to the respective builder's carrying costs and/or out of pocket expenses incurred on the development. No amount for these representations has been accrued in these financial statements. Management attempts to limit the Corporation's potential exposure under these guarantees through appropriate schedule, cost and scope management practices.

24. Comparatives

Certain comparative amounts have been reclassified to conform with the current year's method of presentation.

Toronto Waterfront Revitalization Corporation

Notes to the financial statements

March 31, 2021

25. Impact of COVID-19

On March 11, 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. On April 3, 2020, the Ontario Provincial government Emergency Management Act ordered the shut-down of non-essential workplaces. While these restrictions were eased on May 1, 2020 through December 26, 2020, when the Ontario Provincial government Emergency Management Act ordered another shut-down of non-essential workplaces, all of Waterfront Toronto's major projects, including the Port Lands Flood Protection project, were determined to be essential workplaces and as such, continued construction activities. To date, while there has been some impacts to Waterfront Toronto's projects as a result of increased health and safety requirements and some delays in supply chain, there has been no material impact to assets, expenses and/or liabilities as of the date of these financial statements.

26. Subsequent Event

On April 16, 2021, the Corporation executed a Purchase and Sale Agreement with a third party to purchase property required for future waterfront revitalization. This transaction is expected to close by December 31, 2021. The estimated financial effect of this transaction will be an increase to land assets, a decrease to cash and a drawdown of retained earnings (unrestricted deficit). At the time of preparing these financial statements, the amount is subject to confidentiality.

Draft Copy - Subject to Change



Finance, Audit & Risk Management Committee – May 27, 2021
Item 5 – 2020/21 External Auditor’s Report
Jeff Barrett, BDO Canada LLP

Purpose	For Committee Information.
Areas of note/ Key issues	<p>BDO Canada LLP (BDO) intends to issue a clean, unqualified audit opinion on the Corporation’s financial statements for the year ended March 31, 2021.</p> <p>There were no material matters of concern to report to the FARM Committee regarding internal controls.</p> <p>Please refer to the Final Report to the Finance, Audit and Risk Management Committee (May 27, 2021) from BDO.</p>
Key Takeaways/ Next Steps	The Board will approve the Corporation’s financial statements for the year ended March 31, 2021 on June 24, 2021.



TORONTO WATERFRONT REVITALIZATION CORPORATION

AUDIT FINAL REPORT TO THE FINANCE, AUDIT AND RISK MANAGEMENT COMMITTEE

May 27, 2021

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SUMMARY

Our audit and therefore this report will not necessarily identify all matters that may be of interest to the Finance, Audit and Risk Management Committee in fulfilling its responsibilities. This report has been prepared solely for the use of the Finance, Audit and Risk Management Committee and should not be distributed without our prior consent. Consequently, we accept no responsibility to a third party that uses this communication.



Status of the Audit

As of the date of this report, we have substantially completed our audit of the 2021 financial statements, pending completion of the following items:

- ▶ Receipt of legal confirmation from Bennett Jones LLP
- ▶ Receipt of legal confirmation from Borden Ladner Gervais LLP
- ▶ Receipt of signed management representation letter
- ▶ Subsequent events review through to financial statement approval date
- ▶ Approval of financial statements by the Board of Directors

We conducted our audit in accordance with Canadian generally accepted auditing standards. The objective of our audit was to obtain reasonable, not absolute, assurance about whether the financial statements are free from material misstatement. See Appendix A for our draft independent auditor's report.

The scope of the work performed was substantially the same as that described in our Planning Report to the Finance, Audit and Risk Management Committee dated February 25, 2021.



Materiality

As communicated to you in our Planning Report to the Finance, Audit and Risk Management Committee, preliminary materiality was \$2,500,000, based on average expenditures for five years. Final materiality increased to \$3,500,000, based on average expenditures for three years.



Audit Findings

Our audit focused on the risks specific to your Corporation and key accounts. Our discussion points below focus on areas of significant risks of material misstatement, or the following items:

- ▶ Management Override of Controls
- ▶ Revenue Recognition
- ▶ Accrued Liabilities
- ▶ Assets Under Development
- ▶ Construction Deposits
- ▶ Contribution Agreements
- ▶ Deferral of Contributions
- ▶ COVID-19



Internal Control Matters

We are required to report to you in writing, any significant deficiencies in internal control that we have identified. The specifics of this communication are included in our report below. No control deficiencies were noted that, in our opinion, are of significant importance to discuss with those charged with governance.



Independence

Our annual letter confirming our independence was previously provided to you. We know of no circumstances that would cause us to amend the previously provided letter. See Appendix B for independence update.



Adjusted and Unadjusted Differences

We have disclosed all significant adjusted differences identified through the course of our audit engagement. Each of these items has been discussed with management.

A summary of unadjusted differences has been presented in Appendix C.



Management Representations

During the course of our audit, management made certain representations to us. These representations were verbal or written and therefore explicit, or they were implied through the financial

statements. Management provided representations in response to specific queries from us, as well as unsolicited representations. Such representations were part of the evidence gathered by us to be able to draw reasonable conclusions on which to base our audit opinion. These representations were documented by including in the audit working papers memoranda of discussions with management and written representations received from management.

A summary of the representation we have requested from management is set out in the representation letter included in Appendix D to the report.



Fraud Discussion

Through our planning process, and current and prior years' audits, we have developed an understanding of your oversight processes. We are not currently aware of any fraud affecting the Corporation.

If you are aware of changes to processes or are aware of any instances of actual, suspected or alleged fraud affecting the Corporation, we request that you provide us with this information.

Please refer to the Auditor's Responsibilities for Detecting Fraud in the Planning Report to the Finance, Audit and Risk Management Committee.

AUDIT FINDINGS

As part of our ongoing communications with you, we are required to have a discussion on our views about significant qualitative aspects of the Corporation's accounting practices, including accounting policies, accounting estimates and financial statement disclosures. In order to have a frank and open discussion, these matters will be discussed verbally with you. A summary of the key discussion points are as follows:

SIGNIFICANT RISKS OF MATERIAL MISSTATEMENT	RISKS NOTED	AUDIT FINDINGS
Management Override of Controls	<p>Management, due to its authority, is in a unique position to override internal controls, which potentially results in misleading financial information.</p> <p>Risk of management override of controls is a standard risk in all audits.</p>	<p>BDO tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements. We also obtained an understanding of the business rationale for significant transactions that we became aware of that were outside the normal course of operations for the Corporation, or that otherwise appeared to be unusual. We reviewed accounting estimates for potential biases and, if any, evaluated whether the represented a risk of material misstatement.</p> <p>All audit testing in this area was executed as planned and no errors were noted.</p>
Revenue Recognition	<p>There is a risk that revenue may be incorrectly deferred into future periods in order to reduce surplus, or recognized in the current year in order to reduce a deficit.</p> <p>Fraud risk in revenue is a standard risk in all audits.</p>	<p>BDO obtained an understanding of the key controls surrounding revenues, tested revenue transactions on a sample basis, obtained revenue confirmations for government funding, and performed an analysis over changes year over year.</p> <p>All audit testing in this area was executed as planned and no errors were noted.</p>
Accrued Liabilities	<p>There is a risk that accrued liabilities are recorded in the incorrect period relating to contractors for existing ongoing projects.</p>	<p>All audit testing in this area was executed as planned and no errors were noted.</p>

SIGNIFICANT RISKS OF MATERIAL MISSTATEMENT	RISKS NOTED	AUDIT FINDINGS
Assets Under Development	There is a risk of accuracy and existence for the capitalization of assets under development. TWRC must have beneficial ownership of the projects that it capitalizes.	All audit testing in this area was executed as planned and no errors were noted.
Construction Deposits	There is a risk of accuracy on the construction deposits. TWRC has made lump sum payments related to certain projects, which are to be repaid over time as certain levels or milestones of expansion are reached.	All audit testing in this area was executed as planned and no errors were noted.
Contribution Agreements	There is a general risk to TWRC surrounding the accuracy of the contribution agreement terms and project values. The project terms and agreements affect multiple financial statement areas.	All audit testing in this area was executed as planned and no errors were noted.
Deferral of Contributions	There is a risk that contributions and expenses are incorrectly accounted for on a project by project basis to determine the completeness and accuracy of deferred contributions.	All audit testing in this area was executed as planned and no errors were noted.
COVID-19	On March 11, 2020, the World Health Organization (WHO) declared the outbreak of the coronavirus (COVID-19) pandemic resulting in economic uncertainties impacting the Corporation.	We assessed management's assessment of COVID-19 impact on the Corporation.

INTERNAL CONTROL MATTERS

During the course of our audit, we performed the following procedures with respect to the Corporation's internal control environment:

- ▶ Documented operating systems to assess the design and implementation of control activities that were relevant to the audit.
- ▶ Discussed and considered potential audit risks with management.

The results of these procedures were considered in determining the extent and nature of substantive audit testing required.

We are required to report to you in writing, significant deficiencies in internal control that we have identified during the audit. A significant deficiency is defined as a deficiency or combination of deficiencies in internal control that, in the auditor's professional judgment, is of sufficient importance to merit the attention of those charged with governance.

As the purpose of the audit is for us to express an opinion on the Corporation's financial statements, our audit cannot be expected to disclose all matters that may be of interest to you. As part of our work, we considered internal control relevant to the preparation of the financial statements such that we were able to design appropriate audit procedures. This work was not for the purpose of expressing an opinion on the effectiveness of internal control.

No control deficiencies were noted that, in our opinion, are of significant importance to discuss with those charged with governance.

OTHER REQUIRED COMMUNICATION

Potential effect on the financial statements of any material risks and exposures, such as pending litigation, that are required to be disclosed in the financial statements.

- BDO Response: There were no such matters identified during the audit.

Material uncertainties related to events and conditions that may cast significant doubt on the Corporation's ability to continue as a going concern.

- BDO Response: There were no such matters identified during the audit.

Disagreements with management about matters that, individually or in the aggregate, could be significant to the Corporation's financial statements or our audit report.

- BDO Response: There were no disagreements with management.

Matters involving non-compliance with laws and regulations.

- BDO Response: No legal or regulatory non-compliance matters were noted as part of the audit.

Significant related party transactions that are not in the normal course of operations and which involve significant judgments made by management concerning measurement or disclosure.

- BDO Response: No items noted.

Management consultation with other accountants about significant auditing and accounting matters.

- BDO Response: No management consultation with other accountants regarding significant matters.

Other Matters

- BDO Response: No other matters noted.

Professional standards require independent auditors to communicate with those charged with governance certain matters in relation to an audit. In addition to the points communicated within this letter, the attached table summarizes these additional required communications.

APPENDICES

Appendix A: Draft Independent Auditor's Report

Appendix B: Independence Update

Appendix C: Unadjusted Differences and Disclosure Omissions

Appendix D: Representation Letter

Appendix E: BDO Resources

APPENDIX A: DRAFT INDEPENDENT AUDITOR'S REPORT

DRAFT FOR DISCUSSION PURPOSES ONLY

To the Board of Directors of Toronto Waterfront Revitalization Corporation

Opinion

We have audited the financial statements of Toronto Waterfront Revitalization Corporation (the "Corporation"), which comprise the statement of financial position as at March 31, 2021, and the statements of financial activities, remeasurement gains and losses, changes in net assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2021, and the results of its operations, its remeasurement gains and losses, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

DRAFT FOR DISCUSSION PURPOSES ONLY

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants, Licensed Public Accountants
Oakville, Ontario
June 24, 2021

APPENDIX B: INDEPENDENCE UPDATE



Tel: 289 881 1111
Fax: 905 845 8615
www.bdo.ca

BDO Canada LLP
360 Oakville Place Drive, Suite 500
Oakville ON L6H 6K8 Canada

May 27, 2021

Members of the Finance, Audit and Risk Management Committee
Toronto Waterfront Revitalization Corporation

Dear Finance, Audit and Risk Management Committee Members:

We have been engaged to audit the financial statements of Toronto Waterfront Revitalization Corporation (the "Corporation") for the year ended March 31, 2021.

Canadian generally accepted auditing standards (GAAS) require that we communicate at least annually with you regarding all relationships between the Corporation and our Firm that, in our professional judgment, may reasonably be thought to bear on our independence.

In determining which relationships to report, these standards require us to consider relevant rules and related interpretations prescribed by the appropriate provincial institute/order and applicable legislation, covering such matters as:

- Holding a financial interest, either directly or indirectly in a client;
- Holding a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of a client;
- Personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with a client;
- Economic dependence on a client; and
- Provision of services in addition to the audit engagement.

We have prepared the following comments to facilitate our discussion with you regarding independence matters arising since February 25, 2021, the date of our last letter.

We are not aware of any relationships between the Corporation and our Firm that, in our professional judgment may reasonably be thought to bear on independence that have occurred from February 25, 2021 to May 27, 2021.

We hereby confirm that we are independent with respect to the Corporation within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of Ontario as of May 27, 2021.

This letter is intended solely for the use of the FARM Committee, the Board of Directors, management and others within the Corporation and should not be used for any other purposes.

Yours truly,

Jeffrey Barratt, CPA, CA
Partner
BDO Canada LLP
Chartered Professional Accountants, Licensed Public Accountants

APPENDIX C: UNADJUSTED DIFFERENCES AND DISCLOSURE OMISSIONS

SUMMARY OF UNADJUSTED DIFFERENCES

The following is a summary of uncorrected misstatements noted during the course of our audit engagement:

	Debit (Credit)			
	Assets	Liabilities	Net Assets	Excess of Revenue Over Expenses
Costs related to expenses incurred for CWF17-00 which were capitalized in the prior year instead of being expensed	\$ -	\$ -	\$ (125,455)	\$ (125,455)
Costs related to expenses incurred for WDL08-03 which were capitalized in the prior year instead of being expensed	-	-	315,783	(315,783)
Total	-	-	441,238	(441,238)
Effect of Prior Year's Reversing Errors	-	-	-	-
Total Unadjusted Differences	\$ -	\$ -	\$ 441,238	\$ (441,238)

SUMMARY OF DISCLOSURE OMISSIONS

The following is a summary of disclosures that have not been made within the financial statements:

Disclosure Omission	Management's Response
None to note	None to note

APPENDIX D: REPRESENTATION LETTER

Toronto Waterfront Revitalization Corporation
20 Bay Street, Suite 1310
Toronto, ON
M5J 2N8

June 24, 2021

BDO Canada LLP
Chartered Professional Accountants
360 Oakville Place Drive, Suite 500
Oakville, ON
L6H 6K8

This representation letter is provided in connection with your audit of the financial statements of Toronto Waterfront Revitalization Corporation for the year ended March 31, 2021, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with Canadian public sector accounting standards.

We confirm that to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated February 15, 2019, for the preparation of the financial statements in accordance with Canadian public sector accounting standards; in particular, the financial statements are fairly presented in accordance therewith.

- The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement and/or disclosure that are reasonable in accordance with Canadian public sector accounting standards.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Canadian public sector accounting standards.
- All events subsequent to the date of the financial statements and for which Canadian public sector accounting standards require adjustment or disclosure have been adjusted or disclosed.
- The financial statements of the Corporation use appropriate accounting policies that have been properly disclosed and consistently applied.
- The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to the representation letter.
- We have reviewed and approved all journal entries recommended by the auditors during the audit.

Information Provided

- We have provided you with:
 - access to all information of which we are aware that is relevant to the preparation of the financial statements, such as records, documentation and other matters;
 - additional information that you have requested from us for the purpose of the audit; and
 - unrestricted access to persons within the Corporation from whom you determined it necessary to obtain audit evidence.

- We are responsible for the design, implementation and maintenance of internal controls to prevent, detect and correct fraud and error, and have communicated to you all deficiencies in internal control of which we are aware.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
- We have disclosed to you the identity of the Corporation's related parties and all the related party relationships and transactions of which we are aware.

Fraud and Error

- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the Corporation and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements.
- We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the Corporation's financial statements communicated by employees, former employees, analysts, regulators, or others.

General Representations

- We have provided you with significant assumptions that in our opinion are reasonable and appropriately reflect our intent and ability to carry out specific courses of action on behalf of the Corporation when relevant to the use of fair value measurements or disclosures in the financial statements.
- We confirm that there are no derivatives or off-balance sheet financial instruments held at year end that have not been properly recorded or disclosed in the financial statements.
- Except as disclosed in the financial statements, there have been no changes to title, control over assets, liens or assets pledged as security for liabilities or collateral.
- There have been no plans or intentions that may materially affect the recognition, measurement, presentation or disclosure of assets and liabilities (actual and contingent).
- The nature of all material uncertainties have been appropriately measured and disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.
- There were no direct contingencies or provisions (including those associated with guarantees or indemnification provisions), unusual contractual obligations nor any substantial commitments, whether oral or written, other than in the ordinary course of business, which would materially affect the financial statements or financial position of the Corporation, except as disclosed in the financial statements.

Other Representations Where the Situation Exists

- We have informed you of all known actual or possible litigation and claims, whether or not they have been discussed with legal counsel. Since there are no actual, outstanding or possible litigation and claims, no disclosure is required in the financial statements.
- Other than as disclosed in note 25 to the financial statements, no other impacts from the COVID-19 outbreak need to be reflected in the financial statements.
- Disclosures included in the financial statements regarding the relevant significant business, financial and reporting impacts of the COVID-19 outbreak accurately reflect management’s full consideration of such impacts.

Yours truly,

Signature

Position

Signature

Position

Toronto Waterfront Revitalization Corporation
 Summary of Unadjusted Misstatements
 Wednesday, March 31, 2021

Description of Misstatement	Identified Misstatements	Projections of Identified Misstatements	Estimates	Proposed Adjustments			
				Assets Dr(Cr)	Liabilities Dr(Cr)	Opening R/E Dr(Cr)	Income Dr(Cr)
which were capitalized in PY instead of being expensed	125,455		-	-	-	125,455	(125,455)
which were capitalized in PY instead of being expensed	315,783		-	-	-	315,783	(315,783)
Likely Aggregate Misstatements Before Effect of Previous Year's Errors and Estimates	441,238	-	-	-	-	441,238	(441,238)
Effect of Previous Year's Errors				-	-	-	-
Likely Aggregate Misstatements				-	-	441,238	(441,238)

Details of why no adjustment has been made to the financial statements for the above items:
Not material to adjust

APPENDIX E: BDO RESOURCES

BDO is a leading provider of professional services to clients of all sizes in virtually all business sectors. Our team delivers a comprehensive range of assurance, accounting, tax, and advisory services, complemented by a deep industry knowledge gained from nearly 100 years of working within local communities. As part of the international BDO network, we're able to provide seamless and consistent cross-border services to clients with global needs. Commitment to knowledge and best practice sharing ensures that expertise is easily shared across our global network and common methodologies and information technology ensures efficient and effective service delivery to our clients.

COVID-19 ALERTS

BDO teams across the country are proactively engaged and rapidly monitoring new developments, providing guidance and support to clients wherever they need it, and responding accordingly.

For additional information, please visit- <https://www.bdo.ca/en-ca/covid-19/home/> -19

NPO ARTICLES AND INSIGHTS

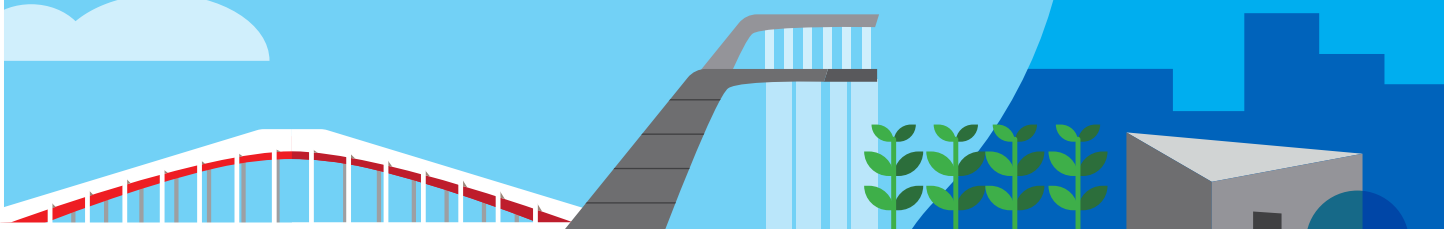
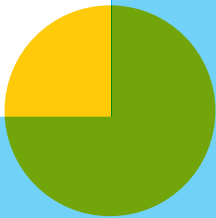
BDO Canada's website has an area dedicated to the Not-for-profit & Education sector. We provide practical advice to help organizations succeed in a competitive environment.

For more information, please refer to the following link:
<https://www.bdo.ca/en-ca/industries/not-for-profit-education/overview/>



Purpose	For Approval
Areas of note/ Key issues	<p>Attached is the Corporation’s second Integrated Annual Report, combining Waterfront Toronto’s environmental, social and financial results in one integrated report.</p> <p>The theme of this year’s report is <i>Connecting the Waterfront</i> which emphasizes how our revitalization approach supports many forms of connections that characterize thriving cities, including physical, social, economic as well as intangible.</p> <p>Building on last year’s reporting for impact approach, this year we have built stronger linkages to ESG (Environmental, Social and Governance) reporting, as well as between WTs Key Performance Indicators (KPIs), the global Sustainable Development Goals and the Global Reporting Index (GRI).</p> <p>The structure of the report retains past sections such as governance and financials, and the project-specific sections are integrated around three core themes/ sections:</p> <ul style="list-style-type: none"> ○ Economic – Building connections for a strong economy ○ Environment – Building connections for a sustainable city ○ Social – Building connections for thriving communities <p>These three themes were selected in early 2020 based on an independent materiality assessment with key stakeholders to determine the areas most important to them and where they see Waterfront Toronto can best make a difference.</p> <p>These themes tie very closely to Waterfront Toronto’s mandate.</p> <p>In terms of overall performance we met or exceeded 83% of our mandate-driven KPI targets this year (IAR pages 82-83). This is the second year we have measured ourselves against targets.</p> <p>Our 2020/21 financial results (actual-to-budget) are outlined in section 5 of the IAR (pages 74-80). We achieved 73% of our capital investment plan and 75% of our capital funding plan this year. In addition, we came in underbudget by \$2.5 million (12%) in our Corporate Operating Budget, due largely to lower HR costs. A reconciliation of these results to the Audited Financial Statements is included in Appendix 2 (IAR page 93).</p>
Resolution / Next Step	<p>ON MOTION duly made by [●] and seconded by [●], it is RESOLVED that the FARM Committee recommends that the Board of Directors approve the 2020/21 Integrated Annual Report substantially in the form presented, with such changes thereto as the Board may approve.</p> <p>The 2020/21 Integrated Annual Report will be presented to the Board for approval on June 24, 2021.</p>

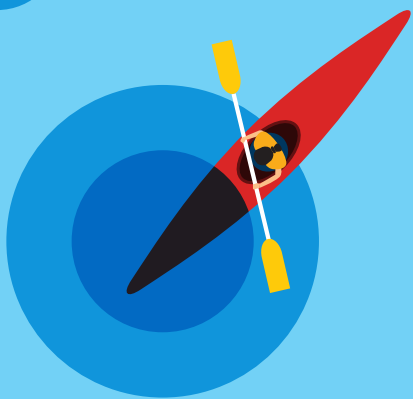
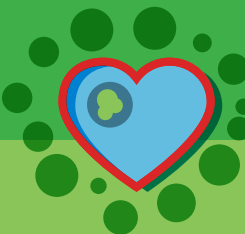
May 27, 2021



C O N N E C T I N G

H

W A T E R F R O N T



WATERFRONToronto

Waterfront Toronto / Integrated Annual Report / 2020-2021



Everyone's talking about Toronto's latest addition: The Cherry Street Bridge! Excited to be here today to see the amazing work that's been done in revitalizing @WaterfrontTO's Port Lands. #BridgeWatchTO @cathmckenna

So much excitement around #BridgeWatchTO as the new Cherry St North bridge swings into place! #PortLands2024 @malowitzki

The bridge has arrived on the eastern harbour gap, a huge milestone in the revitalization of the Port Lands @Mariana_ArtsTO

A warm welcome for our new Cherry Street Bridge from NS! @ALGlaholtBowles

...the coolest cargo to arrive in the Port of Toronto this year. A sign of the changes to come... @InducedDemand





Image by Vid Ingelevics and Ryan Walker

SWL 350KN
© W.188 S.W.178



Land Acknowledgement



Waterfront Toronto acknowledges that the land upon which we are undertaking our revitalization efforts is part of the traditional territory of the Mississaugas of the Credit First Nation and that Toronto is covered by Treaty 13 with the Mississaugas of the Credit First Nation.

In addition, Waterfront Toronto acknowledges that Toronto has historically been a gathering place for many Indigenous people including the Mississaugas of the Credit, the Anishnabeg, the Chippewa, the Haudenosaunee and the Wendat peoples, and is home to many First Nations, Inuit and Métis peoples today.

SECTION 1

**Building connections
between vision and action** 07

SECTION 2

**Building connections for
a strong economy** 33

SECTION 3

**Building connections for
a sustainable city** 47

SECTION 4

**Building connections for
thriving communities** 63

SECTION 5

**Building connections
between investment and results** 77

SECTION 6

Appendix 1 90
Detailed deliverables scorecard, 2020-2021

Appendix 2 95
Reconciliation to audited financial statements

Appendix 3 96
GRI disclosures

Building connections

between vision and action

SECTION 1:

Building connections between vision and action



Built to collaborate, Waterfront Toronto has strong and productive partnerships with the governments of Canada, Ontario and Toronto; with the Mississaugas of the Credit First Nation; with technical experts in fields such as flood protection and green building; and with leading domestic and international developers. We put the public's voice at the centre of everything we do.

From Stephen



Throughout this pandemic, Waterfront Toronto continued to meet and exceed the goals of its revitalization mandate in 2020-21. It continues to build the assets and connections that will help Toronto take its place among the world's great waterfront cities.

Though the Board of Directors was unable to meet in person due to public health restrictions arising from the COVID-19 pandemic, I was pleased that Waterfront Toronto was prepared to transition to remote work seamlessly and that we were able to provide oversight and advice to the executive team virtually throughout the year, as the Corporation continued to meet its financial and operating targets.

In particular, the Board of Directors was pleased that Waterfront Toronto released a Request for Qualifications for a world-class development for Quayside. Offering market and affordable housing options for individuals and families, Quayside will welcome people of all ages, backgrounds, abilities and incomes. This new waterfront neighbourhood will help residents age in place, providing the supports and amenities that allow older adults to live independently. A combination of beautiful design and a prime location will bring a wealth of inclusive economic development to the area, creating jobs and attracting businesses that reflect Toronto's diversity, creativity and dynamism.

The Board was also pleased to approve the acquisition of Parliament Slip from PortsToronto this past year. Improved access to the water enhances life in Toronto, including by supporting the physical and mental health of residents and visitors. Parliament Slip is an historic opportunity to create an exciting gathering place on the water, as well as a new link to all types of marine activity.

What may be lost to the public, is the massive Port Lands Flood Protection Project. This initiative is a collection of dozens of civil engineering projects that redirect a river, create a new Villiers Island, protect a substantial area for development and will enable the creation of a great community to work, live and play on Villiers Island. This project continues to be on time and on budget for a 2024 completion despite the enormous challenges the pandemic presents including increases to materials and labour costs. The arrival of the Cherry Street North Bridge and upcoming arrival of the Commissioners Street Bridge brings hope and optimism for a world class community for all to enjoy.

This past year, we said goodbye to four board members – Mazyar Mortazavi, Sevaun Palvetzian, Patrick Sheils and Chris Voutsinas. I want to thank each of them for the experience, knowledge and dedication they brought to Waterfront Toronto. We wish them all the best in their future endeavours.

On behalf of the Board of Directors, I would like to thank our President and CEO, George Zegarac, and his executive team for their leadership, as well as all Waterfront Toronto staff for their contributions and passion for waterfront revitalization.

**Stephen Diamond,
Chair, Board of Directors, Waterfront Toronto**



Stephen Diamond, Board Chair, Waterfront Toronto



Waterfront Toronto President and CEO George Zegarac makes remarks at a socially distanced event in late 2020 to celebrate the arrival of the Cherry Street North Bridge, the first of four new bridges coming to the area.

From George



Toronto became a city because of its proximity to local waterways and Lake Ontario. Over time, as shipping and industrial activity grew along the shore, local life became cut off from the lake. Waterfront Toronto is working to restore that connection: creating neighbourhoods and green spaces that reorient the city toward the water.

Part of the change we're delivering is physical: creating new places to live, work and play. But a truly connected waterfront is about more than construction: for the area to thrive, its planning and design must be shaped by diverse voices and perspectives.

Connecting with communities

Since Waterfront Toronto formalized our relationship with the Mississaugas of the Credit First Nation last year, we've worked together to ensure that the history and ongoing presence of Indigenous peoples is respected, sustained and enhanced. This means collaborating to ensure that Indigenous culture is reflected on the waterfront and that the economic benefits of revitalization are shared (see pages 28-29).

We are also deepening our efforts to ensure that waterfront revitalization is informed by the diverse experiences, identities and communities in our region (see page 22). Creating an even more inclusive revitalization process is bringing us closer to a goal Waterfront Toronto has held since it was created: to build livable, sustainable communities for people of all ages, backgrounds, abilities and incomes.

Unlocking growth on the eastern waterfront

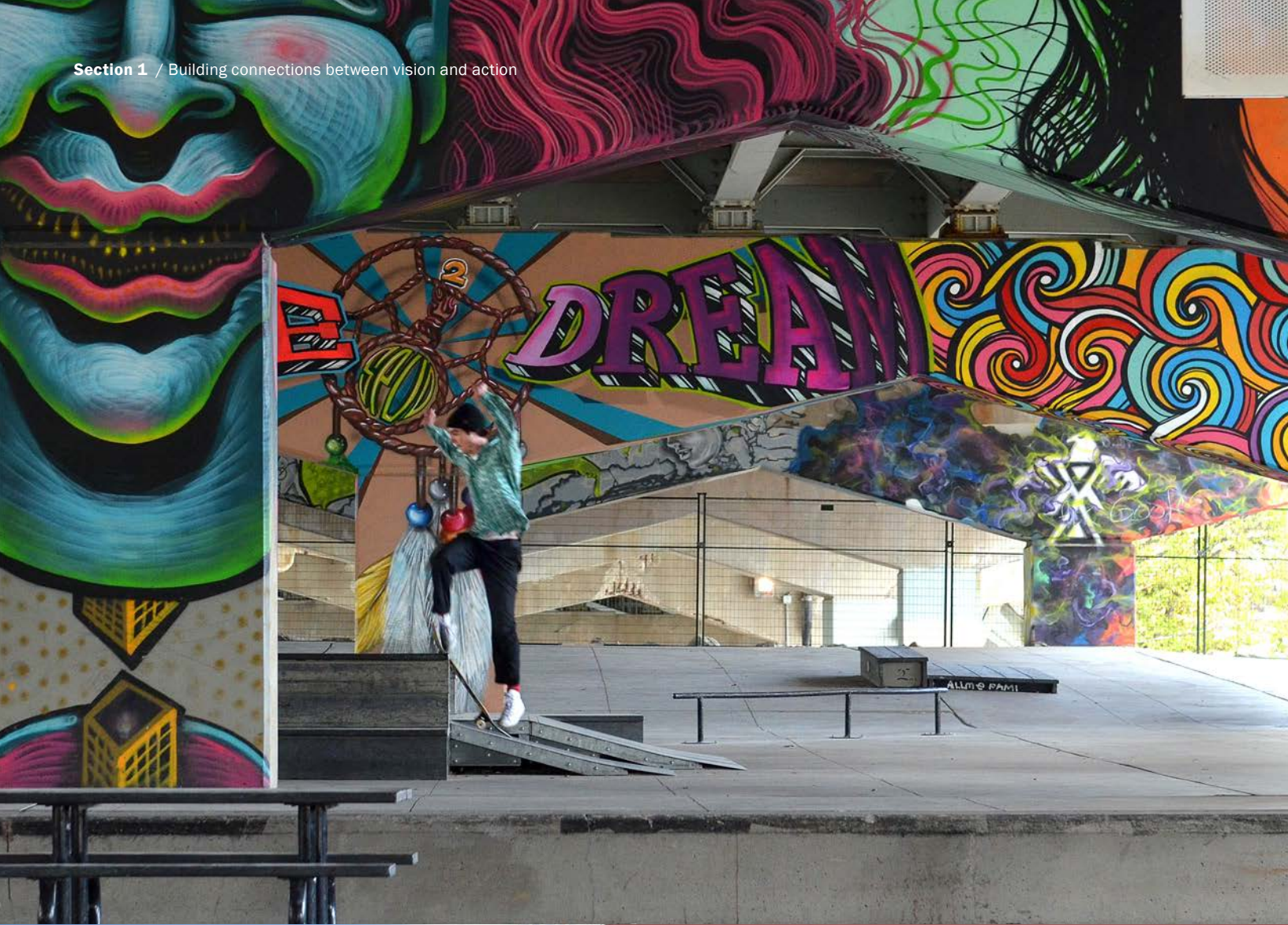
In 2020-2021 we took three important steps. We issued a Request for Qualifications for a development partner for Quayside (see page 38), released a bold vision for the Parliament Slip (see page 40), and launched an updated Marine Use Strategy (see pages 44 and 64) focused on creating an active, safe and accessible harbour. Quayside will connect neighbourhoods east and west, and create a gateway south to the Parliament Slip. The Parliament Slip, in turn, will enliven Quayside and offer new ways for people to connect with the water, realizing key priorities of the Marine Use Strategy.

Past, present, future

As these exciting possibilities come into view, our long-term projects continue to advance – and the report that follows describes the impact we've achieved with the public investments entrusted to us this year. Vital flood protection work in the Port Lands remains on track for completion in 2024 (see pages 48-49) and a state-of-the-art stormwater management system, 10 years in the making, became operational this year (see pages 52-55).

Bringing these transformative projects to fruition is a reminder that in addition to connecting people and places, our work links past, present and future. Through sustained investment and an unwavering commitment to the public good, we're realizing ambitious goals that will benefit communities and economies for generations to come.

George Zegarac,
President and CEO, Waterfront Toronto



Our mandate



Who we are

Waterfront Toronto is working to create a vibrant, connected waterfront that belongs to everyone. As city-builders, we care about realizing neighbourhoods, parks, destinations and infrastructure that make people's lives better.

Purpose

Waterfront Toronto was created in 2001 to coordinate public and private investment on the waterfront. Then, as now, there was a need for a single organization to clear barriers to waterfront revitalization and drive progress on government city-building objectives. In addition to attracting private investment and jobs, Waterfront Toronto promotes the social and ecological health of the area, making it a landmark of 21st century urbanism.

History

In 2001, the governments of Canada, Ontario and Toronto made an initial joint investment of \$1.5B in waterfront revitalization. Governments entrusted Waterfront Toronto with a large share of that total as seed capital, tasking the agency with catalyzing a dynamic and creative economic landscape by the lake. Sixteen years later, in 2017, the three levels of government made a further joint investment of \$1.25B in waterfront revitalization, directing Waterfront Toronto to deliver the transformational Port Lands Flood Protection Project. This more recent investment attests to governments' confidence in Waterfront Toronto's ability to deliver on its mandate, and their commitment to supporting its continued work through 2028.

Left above: Underpass Park

Left below: Sugar Beach

Below: The Water's Edge Promenade

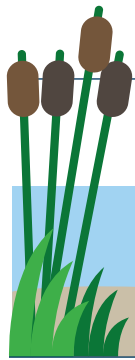


Progress continues



In 2020-2021, Waterfront Toronto deployed public investments to achieve impact in important areas such as flood protecting the eastern waterfront and increasing the availability of affordable housing. The report that follows uses a range of approaches to share our results. The appendices at the back of the document offer detailed project and financial information, while the stories and images in the main report bring context and colour to the year's achievements. The dashboard below presents highlights of our progress to date, including the gains we made this year.

*Large dark blue numbers are cumulative.
2020-2021 measurements are in light blue.*



Aquatic habitat created to date. In 2020-2021: 6,970 m²



138,433 m²



LEED Gold or Platinum buildings.
In 2020-2021: 2



Permanent public art installations to date.

9

In addition to delivering permanent public artwork, Waterfront Toronto is increasingly supporting arts programming (see page 68).



Public meetings to date (since 2006). In 2020-2021: 44 (mostly virtual)

535



Extending the record of design excellence on the waterfront, the Cherry Street Stormwater Management Facility earned acclaim this year, including from Azure Magazine and The Times of London (see page 74).

Design awards to date. In 2020-2021: 2

106



New residential units to date. In 2020-2021: 345

3,800

(576 affordable)



Permeable surfaces created to date. In 2020-2021: 157 m²

\$2.69B

Total value added to the Canadian economy to date.
In 2020-2021: \$309M

354,836 m²



Reporting for impact



Waterfront Toronto is committed to rigorous public reporting that supports accountability and helps us deepen our impact. We aim to create clear, approachable reports that inform readers about our work and the difference it makes for Toronto, Ontario and Canada. We also work to keep pace with leading practices in corporate reporting and transparency.

Last year, for the first time, we adopted an integrated reporting approach, capturing our financial information and project results as well as our sustainability performance and social impact in a single document. We maintain that approach in this year's integrated annual report, which covers the period from April 1, 2020 to March 31, 2021.

Our 2020-2021 report describes the sources of our funding and how we have deployed public investments this year to deliver our mandate by creating affordable housing, catalyzing private investment, and laying the foundations for complete communities that include comprehensive services, including supports for aging in place. Our approach to waterfront revitalization in Toronto is informed by an awareness of global challenges: we work to minimize the climate impacts of new construction on the waterfront, and to increase the climate resilience of the city's built environment.

Waterfront Toronto exists to promote the social and ecological health of the waterfront. Environmental, social and governance (ESG) factors are built into what we do and how we do it. The frameworks that guide our work, such as our Strategic Plan, are structured around ESG priorities, in keeping with our mandate. We also report on ESG considerations through our performance management system, through GRI disclosures (see below) and by outlining the contributions we make to the United Nations Sustainable Development Goals (SDGs).

Global Reporting Initiative

We use the Global Reporting Initiative (GRI) Standards: a global best practice that leading organizations use to report on their economic, environmental and social performance, management approach and impacts. The GRI's four key reporting principles are:

- Stakeholder inclusiveness: reporting on key issues from the perspective of Waterfront Toronto and its stakeholders
- Sustainability context: reporting our specific activities in a way that reflects the context beyond our own area of work
- Materiality: reporting on the issues that are of highest importance to our stakeholders, particularly in areas where we have the greatest impact
- Completeness: giving a complete picture of the difference we've made in specific categories in a specific time and place



A crew completes work on part of the Cherry Street South Bridge foundation. See page 60 for more on the family of four bridges that will connect Villiers Island to the mainland. Image by Vid Ingelevics and Ryan Walker.



Waterfront Innovation Centre, a new Menkes development overlooking Sugar Beach. Image courtesy of Menkes.

Working locally, contributing globally



Measuring progress against our mandate

Waterfront Toronto's performance measurement system is designed to track our progress against our legislative mandate. A breakdown of our progress against our key performance indicators (KPIs) in this fiscal year — as well as our cumulative outcomes over time — is included on pages 84-85 of this report.



Throughout this document, we use the symbol above to indicate where the achievements we're reporting connect to our **KPIs**.

Assessing our contributions to shared goals like climate action

Our work is firmly grounded in Toronto's central waterfront. At the same time, Toronto is part of a network of cities across Canada and around the world that are tackling shared challenges and reaching for common objectives, such as building resilience to extreme weather. For example, we participate in the C40 network, a group of cities and projects advancing climate-positive development and sustainable design. Like many leading organizations, we track how our work contributes to the Sustainable Development Goals (SDGs) (see page 86 of this report) and we seek opportunities to enhance these contributions where we can.



Throughout this report, we use the symbol above to indicate where the achievements we're reporting connect to the **SDGs**.

In addition to the Global Reporting Initiative (see previous page) and the United Nations SDGs, Waterfront Toronto participates in external forums to inform our work, such as the C40 Low-Carbon Districts Forum, the National Executive Forum on Public Property (NEFPP) and the Intelligent Community Forum.

Governance, oversight and advisory groups




For 20 years, Waterfront Toronto has been leading a process of transformative change, guided by a clear mandate, effective accountability mechanisms and an unwavering dedication to the public good. We've collaborated to add high-quality infrastructure, transit, parks, flood protection capacity, affordable housing and more – all while catalyzing billions of dollars in private investment. As we strive to extend this record of success, our work is shaped by the insights of our staff teams, board members, expert advisory panels, Indigenous partners such as the Mississaugas of the Credit First Nation, and community members who share our commitment to ensuring that Toronto's waterfront fulfills its potential.

Governance

Appointed by all three levels of government, Waterfront Toronto's Board of Directors includes leaders from a range of sectors and industries – from real estate, finance and business to culture and the public sector. They are engaged in Waterfront Toronto's work and committed to ensuring that we fulfill our mandate and purpose.

Oversight

In addition to our government-appointed Board of Directors, Waterfront Toronto is accountable to the governments of Canada, Ontario and Toronto. This accountability is exercised through a standing Intergovernmental Steering Committee (IGSC) composed of senior officials from the three levels of government, and a tri-government working group composed of dedicated staff from each of the three governments; these bodies provide operational review, and support in the delivery of our mandate. In 2020, the IGSC initiated a Strategic Review to assess the merits of a refreshed long-term vision for waterfront revitalization and a mandate extension for Waterfront Toronto. The review is also clarifying roles and responsibilities among various waterfront agencies.

Expert advisory bodies

We draw on specialist advice to guide and inform our work. The city's first Design Review Panel, formed in 2005, promotes design excellence on the waterfront. The Capital Peer Review Panel provides advice to the Board on the phasing and execution of the Port Lands Flood Protection Project.

In addition, Waterfront Toronto has executed a memorandum of understanding (MOU) in cooperation and partnership with the Mississaugas of the Credit First Nation respecting the revitalization of the Toronto waterfront. The MOU sets objectives, including recognizing and respecting MCFN's rights as the Treaty Holders of the lands on which the waterfront is situated; seeking economic opportunities for MCFN; and partnering to ensure development work acknowledges and celebrates Indigenous history, culture and ongoing presence in the area.

Board and committees

Waterfront Toronto's Board of Directors is composed of 13 members, including a Chair. Each of the three levels of government (federal, provincial, municipal) appoints four Directors; the Board Chair is jointly appointed by all three levels. As of June 24, 2021, our Board has five vacancies that are in the process of being filled.

Stephen Diamond (Chair)
CEO,
DiamondCorp

Wende Cartwright
President, Savira Cultural +
Capital Projects

Joe Cressy
City Councillor,
Ward 10, Spadina-Fort York

Michael Galego
CEO, Apolo Capital
Advisory Corp.

Andrew MacLeod
President & CEO,
Postmedia Inc.

Mazyar Mortazavi
(until December 31, 2020)
President & CEO,
TAS

Sevaun Palvetzian
(until August 31, 2020)
CCO,
Rogers Communications Inc.

Patrick Sheils
(until March 18, 2021)
Former Vice Chair,
Infrastructure Ontario

Jeanhy Shim
President & Founder,
Housing Lab Toronto

Kevin Sullivan
President,
KMS Capital Ltd.

Christopher Voutsinas
(until March 18, 2021)
President, Capital Value
& Income Corp.

Jack Winberg
CEO,
The Rockport Group

	Finance, Audit and Risk Management Committee	Human Resources, Governance and Stakeholder Relations Committee	Investment and Real Estate Committee
Mandate	Financial planning and reporting, audit, enterprise risk management, project risk management and ESG*	Human resources management, governance oversight, stakeholder relations and ESG*	Development projects, real estate transactions and ESG*
Chair	Kevin Sullivan	Wende Cartwright	Jack Winberg
Members	Michael Galego Jeanhy Shim	Joe Cressy Andrew MacLeod	Stephen Diamond Andrew MacLeod

*All three committees consider Environmental, Social and Governance (ESG) factors as part of their respective mandates, in support of decision-making by the Board of Directors, and the objects of the Corporation "to enhance the economic, social and cultural value of the land in the designated waterfront area...and to do so in a fiscally and environmentally responsible manner."

Everybody's waterfront



We're committed to creating an equitable, inclusive workplace, and to ensuring that diverse voices and identities are represented in the waterfront revitalization process.

Some of our current and forthcoming diversity, equity and inclusion efforts within our organization:

- All team members have completed Respect in the Workplace and Indigenous Cultural Safety training, and we plan to deliver From Bystander to Ally training in the coming year.
- Our Human Resources team has completed Battling Systemic Racism in the Workplace training.
- We've revised our job postings to attract a broader range of candidates, and have initiated an analysis of our policies, practices and systems to reduce barriers to employment at Waterfront Toronto.
- We are in the process of engaging a consultant to support the development of our diversity and inclusion program, which will seek to address unconscious bias in the workplace among other issues.
- Our Human Resources team has joined a Government Community of Practice (GCOP); together with other agencies, we now form a roundtable to discuss and share ideas and information on diversity, equity and inclusion, and other human resources matters.

Some of our current and forthcoming efforts to lead an equitable and inclusive waterfront revitalization process:

- We work with Indigenous Field Liaison Representatives chosen by the Mississaugas of the Credit First Nation to monitor excavation in the Port Lands (see page 28).
- We've engaged Indigenous placemaking consultants to advise our partners and design teams on Indigenous cultural considerations in the Port Lands (see page 28).
- We engaged an Indigenous design expert to join the Design Review Panel (see page 74).
- In a process led by an Indigenous Public Art Curator, we're commissioning two major public art pieces by Indigenous artists (see page 67).
- Our team is crafting a new accessibility strategy with the intention of making Toronto's waterfront one of the most accessible in the world.
- We continue to advance our long-standing policy of ensuring that at least 20% of units in new waterfront residential developments are affordable rental (see page 73).

Building a diverse team



Waterfront Toronto is working to foster an inclusive workplace and build a staff team that reflects the diverse public we serve. To better understand the visible and invisible dimensions of diversity within our organization, we're in the process of enhancing and expanding our measurement practices. We are now in the process of engaging a consultant to help inform our diversity, equity, and inclusion program; one aspect of that engagement will be to help us better understand and report on the diversity of our evolving team.

Women on staff

59%
54

(Total staff: 92)

Women on our Board

18%
02

(Total board: 11)

Staff age distribution (Total 92)

09
61
22

Age 18-29

Age 30-50

Age 50+

Board age distribution (Total 11)

00
04
07

Age 18-29

Age 30-50

Age 50+

Waterfront Toronto staff: Role, Type and Status*

Role	Total number (All staff)	% Women staff
Executive	12	50%
Director	19	32%
Professional staff	54	65%
Support staff	7	100%
Total	92	59%

Type

Part time	2	100%
Full time	90	58%
Total	92	59%

Status

Contract	20	55%
Permanent	72	60%
Total	92	59%

*Staff composition data are as of March 31, 2021.
Board composition data are as of December 31, 2020.

Fiscal responsibility

The work described on this page contributes to:



KPI 4

See page 19 for context.

Waterfront Toronto has a record of managing public funds with care and transparency. We continually refine our processes and systems to ensure that we're able to generate the greatest possible public benefit with the resources entrusted to us. Across all areas of our work – from procurement to project management to public reporting – we strive to meet the highest standards of openness and accountability.

Procurement approach and record. Our procurement policy is designed to be fair, open and transparent. In the last 3 fiscal years, 99% of our contracts by value have been awarded through competitive processes. We're continually refining our procurement practices. In 2020-2021, we completed our adoption of Bonfire, a cloud-based procurement management system. Having formalized our market sounding practices last year (2019-2020), we applied the new approach to this year's Request for Qualification process for Quayside (see page 38). Since beginning our work, we've entered into more than 2,500 contracts with over 1,000 suppliers, most of whom are in Canada.

Culture of accountability. Waterfront Toronto encourages our entire team to embrace the public-interest mission of our organization. In support of that objective:

Our **Wrongdoing Policy** empowers employees and other stakeholders to voice concerns in areas ranging from unethical business conduct to health and safety.

An independent **Accountability Officer** investigates any reports of wrongdoing.

Our **Code of Conduct** offers guidance to our team in areas such as conflict of interest, ethical decision-making and the handling of confidential information.

Our internal **Privacy Framework** governs the collection, use and disclosure of any personal information in our possession – whether it pertains to our staff, vendors or members of the public (e.g., people who attend consultations).

Our **Memorandum of Understanding with the three governments** outlines guiding principles for our work, including ethical behaviour, value for money, fairness, openness and transparency.

Audits and risk management. Waterfront Toronto operates in a rigorous audit environment, which includes annual external audits (required by legislation); regular audits and performance reviews by our government stakeholders; and regular internal audits that are outsourced to leading firms. Over the last 19 years, Waterfront Toronto has been the subject of at least 68 audits; we've used their findings to steadily strengthen and enhance our fiscal responsibility and accountability practices. Waterfront Toronto also takes a rigorous approach to risk, both at the project level and the enterprise level. As part of our Enterprise Risk Management framework, we've articulated a formal Risk Appetite Statement that explicitly defines our organization's risk tolerances.



Our procurement policy, our code of ethics and all our awarded contracts are available on our website at waterfrontoronto.ca.



Top: Members of the public sit in on a meeting of the Waterfront Design Review Panel in February 2020. Above: The Design Review Panel works to promote design excellence in all waterfront projects, public and private. (Images taken before the introduction of public health guidelines to stop the spread of COVID-19.)

Public consultation and communication by the numbers*

535

public and stakeholder meetings
(44 in 2020)

672

e-blasts and newsletters issued
(13 in 2020)

268

news conferences, special events
and community events
(14 in 2020)

7,742

subscribers to our newsletter

52,611

social media followers

45%

of public meeting attendees in 2020-
21 self-identified as living outside
the designated waterfront area**

* cumulative since 2006 unless
otherwise noted

** This number is based on the attendees
who chose to share their postal codes
with us.

Connecting with the public



The work described on this page contributes to:



KPI 8

See page 19 for context.

Waterfront Toronto has earned a reputation for putting the public's voice at the centre of revitalization. We encourage broad participation; work to increase awareness and understanding of changes happening on the waterfront; and report back to the public on what we learn and how we're responding. We go well beyond the consultation that's legally required for public projects, engaging the public early so there's time to understand and incorporate insights to improve the quality and relevance of our projects.

2020-2021 UPDATE

This year, our consultation activity moved online due to the COVID-19 pandemic. Although some schedules changed, we proceeded with all our planned engagements – from meetings with Stakeholder Advisory Committees to public consultations and a virtual town hall.

Key topics for public consultation over the past year included:

- Quayside revitalization. In preparation for seeking a new development partner for this important area of the waterfront, we engaged about three dozen community groups to inform our approach, and subsequently sought feedback on our vision and principles for Quayside from the public (see page 38).
- The Updated Marine Use Strategy. Extensive public engagement, including interviews with a diversity of user groups, was vital to the development of this new strategy, which seeks to balance the growing demand for recreational uses (see page 64) with commercial activity (see page 44).
- The Port Lands Flood Protection Project. At a virtual public meeting this year, we shared information about a range of activity associated with this project, including final design proposals, infrastructure updates and the results of our ongoing work with the Indigenous design collective MinoKamik. We fielded questions from the public, and invited feedback on updated designs for Lake Shore Boulevard East through an online survey.

In person or online, accessibility matters most

Online consultations are in some ways more accessible than in-person events, reducing barriers to participation related to transportation and caregiving responsibilities. But while they reduce some barriers, virtual consultations can create new barriers for those without access to reliable WiFi or internet-enabled devices.

Like many organizations, Waterfront Toronto is considering how the short-term adaptations we made during the pandemic will affect our practices in the years ahead. When it comes to public consultation, our goal is to ensure that whatever tools we use will connect us with insight and feedback from a wide range of stakeholders. We'll continue to use participant surveys to improve our connection with the people and communities we serve.

Partnering with Treaty Holders



For many years, Waterfront Toronto has engaged Indigenous communities with ties to the waterfront, and most extensively the Treaty Holders, the Mississaugas of the Credit First Nation (MCFN). In February 2020, MCFN and Waterfront Toronto signed a memorandum of understanding (MOU) to structure the First Nation's ongoing involvement in waterfront revitalization, including the exploration of mutual economic development opportunities and the enhancement of MCFN's long-standing presence in the area. As part of the MOU, we initiated a formal working group composed of representatives of MCFN and Waterfront Toronto; the working group meets at least quarterly, and we engage on specific projects as necessary.

2020-2021 UPDATE:

- MCFN and Michael Van Valkenburgh Associates (MVVA), the landscape architects designing the Port Lands public realm, joined us in co-hosting engagement sessions with broader First Nations communities and urban Indigenous groups with an interest in the waterfront. Together we explored opportunities to incorporate Indigenous design elements in the area. The engagement process concluded in January 2021; MVVA is in the process incorporating the insights gained during these sessions into their work.
- In the summer of 2020, responding to a recommendation from MCFN that Indigenous ideas and cultural presence be more strongly represented in the Port Lands public realm, we began working with MinoKamik, a collective of Indigenous placemaking specialists. MinoKamik is helping to ensure that Toronto's historical and ongoing status as a gathering place for Indigenous peoples is not only reflected and acknowledged, but sustained and expanded. MinoKamik also supported the engagement process that concluded in January 2021.
- MCFN and Waterfront Toronto jointly recruited Matthew Hickey, the first Indigenous member of the Waterfront Design Review Panel (see page 74).
- We continued to work together with MCFN to monitor fish habitats and the health of the lake during construction activity. To limit in-person activity during the COVID-19 pandemic, the Toronto and Region Conservation Authority fisheries staff recorded their field activity and shared the files with partners, including MCFN, for review.
- This year MCFN Field Liaison Representatives continued to monitor excavation activity in the Port Lands for possible archaeological discoveries. Monitors are empowered to ensure that any archaeological discoveries are respected and protected. To ensure that this activity was not interrupted during the COVID-19 pandemic, some of this year's



A Toronto and Region Conservation Authority archaeologist and a Field Liaison Representative from MCFN on-site in the Port Lands. Image by Vid Ingelevics and Ryan Walker.

oversight work was carried out using video cameras. Each day TRCA archaeologists attended the site, video files were uploaded to a shared folder with field notes and contextual information to support safe, off-site review by MCFN monitors.

- MCFN has helped to inform plans, principles and delivery for all of the major projects described in this report, including the revitalization of Quayside (page 38), the updated Marine Use Strategy (pages 44 and 64), the new stormwater management system (page 52) and planning for changes to transit and the public realm on Queens Quay East (page 43).

Making a difference that matters



We asked stakeholders inside and outside our organization which issues matter most to them, and where they believe Waterfront Toronto can have the biggest impact. Nine key areas of overlap emerged: issues that were of high importance to stakeholders, where they also believed Waterfront Toronto could make a meaningful difference. This Integrated Annual Report includes information on each of these topics, and we are committed to intensifying our efforts — and, where appropriate, deepening our reporting — in these areas in the future.



Nine material topics for Waterfront Toronto stakeholders

- Waterfront Access
- Accessible Public Spaces
- Neighbourhood Sustainability
- Flood Protection
- Energy
- Carbon Emissions
- Green Space
- Design Excellence
- Board Diversity*

Why do we conduct materiality assessments?

In traditional corporate reporting, the topics most relevant to investors, such as financial performance and risk exposure, are relatively well defined. In sustainability and ESG reporting, the goal is to inform stakeholders about an organization’s impacts across a broader range of dimensions — economic, social, and environmental.

Moreover, stakeholders may have different priorities. Some may care about an organization’s mission and want to track its progress, others may simply want to hold an organization to account in a specific area, such as energy conservation. Because of this uncertainty about which topics are most relevant to audiences, leading organizations inform their reporting practices by using materiality assessments to learn what matters most to their stakeholders.

Last year, Waterfront Toronto adopted an integrated reporting approach: for the first time, we used a single document to share our financial information, project results and performance on environmental, social and governance (ESG) dimensions. In support of that first Integrated Annual Report (2019-2020), we conducted a materiality assessment to guide our work and ensure that we were disclosing the information that mattered to key audiences, including non-profit organizations, employees, and other private sector and public sector stakeholders.

**Waterfront Toronto’s board members are appointed by governments, and therefore the diversity of members is not within our direct control. We are working to increase diversity and equity in our organization and to ensure that the entire waterfront revitalization process is equitable and inclusive.*



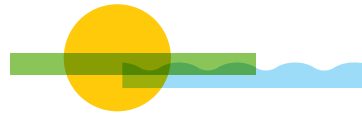


Building connections

for a strong economy

SECTION 2:

Building connections for a strong economy



Cities are defined by connections between people, places and opportunities. Waterfront Toronto is not only creating physical connections like bike paths and transit links that will support thriving waterfront neighbourhoods, we're also building partnerships and collaborations to draw private investment, drive job creation and deliver bold projects through ambitious philanthropy.

Unlocking development potential



The work described on this page contributes to:



See page 19 for context.

\$5.1 billion

overall value to the Canadian economy this waterfront revitalization project is expected to generate



Until recently, developments were prohibited on large portions of the downtown waterfront because they were vulnerable to flooding. Over the past several years, Waterfront Toronto and Infrastructure Ontario's flood protection work has begun to change that. Together, we've already enabled the environmentally responsible, thoughtfully planned development of the West Don Lands and East Bayfront. And more development is on the way at Quayside and beyond.

Waterfront Toronto-led developments are magnets for investment.

- \$1.8 billion in total estimated private investment to date
- \$0.6 billion in estimated private investment in waterfront residences and workplaces in 2020-2021
- 13 total developments completed
- 11 developments under review or approved to proceed

In 2020-2021, Waterfront Toronto's direct investments made a powerful impact.

- \$309.2 million in gross domestic product (GDP)
- 2,650 Full-time equivalent jobs (FTE)
- \$227 million in labour income
- \$108.9 million in tax contributions

The biggest transformation is yet to come. The Port Lands encompass 290 hectares (716 acres), more than one-third of the waterfront revitalization area. This area includes 240 hectares (593 acres) where revitalization potential will be unlocked when the Port Lands Flood Protection Project is completed in 2024. When fully realized, the transformation is expected to generate \$1.9 billion in government revenue.*

** Considering both direct construction activity at the site and the subsequent realization of the development potential of the area*

Powered by partnership

We're proud to be working with a dedicated coalition of partners to achieve this extraordinary transformation. Funding comes from the Government of Canada, the Province of Ontario and the City of Toronto. The Mississaugas of the Credit First Nation are the Treaty Holders and our partners in many aspects of waterfront revitalization. Our Port Lands Flood Protection Project partner is Toronto and Region Conservation Authority, and our agency partners are CreateTO and PortsToronto.





The July 2020 groundbreaking for T3 Bayside, a new mass timber office complex by Hines. In attendance from left to right: John Tory, Mayor of Toronto; The Honourable Laurie Scott, Ontario Minister of Infrastructure; Avi Tesciuba, Senior Managing Director and Country Head, Hines Canada; George Zegarac, President and CEO, Waterfront Toronto; The Honourable Catherine McKenna, Federal Minister of Infrastructure and Communities.

Digital connections for prosperity and inclusion



The work described on this page contributes to:



SDG 9.C

See page 19 for context.

Waterfront Toronto is a member of the Intelligent Communities Forum (ICF), a global network of cities and regions committed to helping communities pursue economic development and community growth in a way that “creates inclusive prosperity, tackles social challenges, and enriches quality of life.” ICF members benefit from the work of a think tank that provides research on effective community approaches to digital connectivity. Participating in ICF is one expression of Waterfront Toronto’s commitment to creating waterfront neighbourhoods where high-quality communications infrastructure meets employers’ connectivity needs while supporting digital inclusion for everyone.

Our record:

In 2008, informed by global research from ICF, Waterfront Toronto initiated a competitive procurement process to deliver ultra-high-speed broadband to new waterfront neighbourhoods through a system we called the Intelligent Communities Network. Our goal was to ensure that all residents and businesses had access to state-of-the-art digital infrastructure. At the time, none of the major carriers had expressed a willingness to service the emerging neighbourhoods, including Bayside. We issued a call for proposals with rigorous specifications – requiring broadband speeds ten times faster than anything available in Toronto at the time – and succeeded in delivering a new level of service by the lake.

We remain committed to:

- Working with development partners and technology leaders to ensure that the neighbourhoods we build today are equipped to meet the future connectivity needs of both residents and businesses—including firms with intensive data and bandwidth requirements.
- Setting procurement specifications that raise the bar for speed and performance. We engage innovative suppliers like Beanfield Metroconnect who share our commitment to creating leading-edge infrastructure to drive economic dynamism and promote digital inclusion.
- Putting access and inclusion at the heart of our technology decisions. We use a cross-subsidy model to provide ultra-high-speed internet access for residents of affordable housing units on the waterfront. We also offer complimentary neighbourhood-wide WiFi in new waterfront neighbourhoods and in public places like The Bentway.

In 2020-2021 we exceeded our target for expanding broadband coverage, extending ultra-high-speed internet access to more than 550 new waterfront residents as well as thousands of visitors to public places across the waterfront.

Connecting the eastern waterfront



The work described on this page contributes to:



All KPIs



SDGs 7.3, 7.a, 9.c, 11.7

See page 19 for context.

Quayside, a 4.9-hectare area of land at the foot of Parliament Street, sits at a prime location in the waterfront revitalization area. It's well positioned to be a vibrant hub, linking St. Lawrence, the West Don Lands, the Distillery District, Bayside, and Villiers Island. The geographic heart of this cluster of neighbourhoods and the gateway to the Parliament Slip, Quayside will help the area become more than the sum of its parts.

2020-2021 UPDATE

Community consultation. Prior to this year, we had consulted extensively with the public about the possibilities for Quayside as we explored a development partnership with Sidewalk Labs. After that relationship concluded in mid-2020, we sought new community input to understand how stakeholders' priorities had changed — especially in view of the dramatic events of 2020, including the COVID-19 pandemic, a mounting climate crisis and a groundswell of activism on racial and economic justice. We engaged the public on Quayside in three ways in 2020-2021.

- In August and September, we consulted with roughly three dozen organizations, including nonprofits, environmental groups, community service agencies, affordable housing providers and others to refresh our understanding of their priorities for the area.
- We formed a new Stakeholder Advisory Committee in October; the Committee will remain active throughout the life of the project.
- In October we held a virtual public forum to provide an update on the project's status and seek feedback on the three key principles developed through the August/September engagement.
-

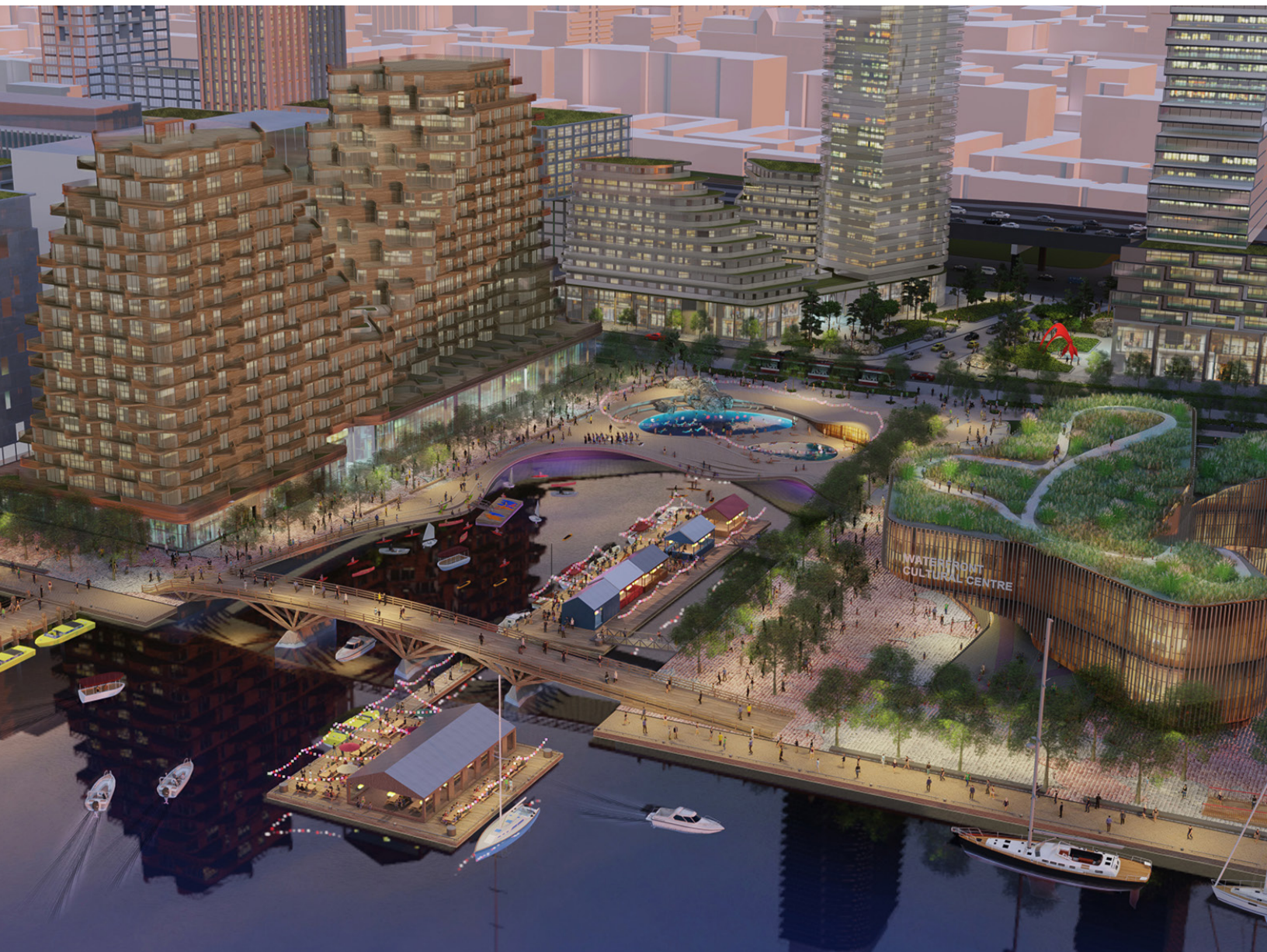
Establishment of key principles. Informed by our community consultations, we set out three key principles for the area: Quayside must be **dynamic, inclusive, and resilient**. These principles will ensure that Quayside builds on the momentum of waterfront revitalization while responding to today's pressing need for affordable housing; parks and generous public places; and social infrastructure that helps individuals and families thrive at all stages of life.

Market sounding. This year, we also engaged more than 20 development firms in a market sounding process that covered topics ranging from the effects of COVID-19 on their industry to particulars of the Quayside project including affordable housing and sustainability objectives. Our goal was to ensure that our Request for Qualifications (see opposite page) reflected an understanding of current realities in the development sector and would be able to attract strong interest from appropriate proponents.



A proposed vision for the Parliament Slip. This site has the potential to be a lively point of connection between city life and Lake Ontario.

Process to secure a development. On March 10, 2020, Waterfront Toronto initiated its search for development partner for the Quayside lands. The first step was to issue a Request for Qualifications (RFQ) to identify potential development proponents with the necessary experience, design portfolio and financial resources. In addition to these fundamentals, developers responding to the RFQ must show that they share our vision for the area, including our commitment to demonstrating climate leadership on Toronto's waterfront. From the pool of firms responding to the RFQ, Waterfront Toronto intends to shortlist about three proponents; these firms will be invited to submit full proposals for the development of Quayside through a Request for Proposals (RFP) process. We expect to select the development partner with the strongest proposal by the end of 2021-2022.



Our vision for the Parliament Slip, released in March 2021 through a joint venture between design teams at West 8 and DTAH, includes a waterfront amphitheatre, lakeside swimming pools, floating docks with concessions and a floating restaurant.

Parliament Slip



In March 2021, Waterfront Toronto announced a vision for developing the Parliament Slip into a vibrant waterfront destination where people can enjoy new access to the lake. Located at the heart of the eastern waterfront, the Parliament Slip has the potential to become a strong point of connection between the city and Lake Ontario. It presents an historic opportunity to create a bustling gathering place where people can swim, launch canoes and kayaks, visit a floating restaurant or enjoy performances at a waterfront amphitheatre. In addition to becoming an attraction in itself, the Parliament Slip can be an inviting complement to neighbourhoods and destinations nearby, including St. Lawrence, the Distillery District and the new Villiers Island.

Responding to public input

Our vision for the Parliament Slip has been shaped by more than a decade of public consultation about this area and sites nearby. Since our earliest consultations on East Bayfront, community members told us that they wanted new ways to access the water and enjoy the lands along the lake. Participants' priorities have included:

- More options for waterborne transportation
- More access points for recreational craft, including kayaks
- More ways to get on the water
- More opportunities to wade and swim
- More places to dine and enjoy cultural experiences
- More picnic areas and ways to spend the day by the shore

Having heard this public input on the wider waterfront loud and clear, our next step once funding is secured is to seek further public feedback to help take the preliminary vision for the Parliament Slip to a final design.

Toward a continuous waterfront walk

Great waterfronts around the world tend to have continuous walks that let pedestrians move along the shore uninterrupted. In surveys, Torontonians tell us their top priority for the city's waterfront is that it be an inviting experience for pedestrians. To bring a more connected walking experience to the shoreline, Waterfront Toronto is seeking opportunities to use boardwalks and bridges to build links and close gaps, completing a continuous pedestrian route running from the Portland Slip in the west to the Parliament Slip in the east. A floating boardwalk across the Parliament Slip itself (with an elevated centre to allow watercraft to come and go) will help to realize this vision.



Waterfront Toronto is collaborating with the City of Toronto and the TTC to improve transit service and the public realm.

New transit connections

The work described on this page contributes to:



SDG 11.2

See page 19 for context.

Next steps:

In the months ahead, we'll work with City staff and the TTC to complete preliminary design and engineering work, to gather and synthesize input from the public, and to present a complete package of foundational information to City Council, with the goal of having this important transit initiative receive funding approval.

Waterfront Toronto is working with the City of Toronto and the Toronto Transit Commission (TTC) to expand transit service in the eastern waterfront. Our shared goal is to complete the entire Waterfront Transit Network, linking the evolving precincts of the Central Waterfront, East Bayfront, West Don Lands, Lower Don Lands and the Port Lands. Toronto City Council has confirmed that the Waterfront LRT is one of its two priority transit projects that are currently unfunded (the other is the Eglinton East LRT).

Mobility on the waterfront will be further enhanced by the Ontario Line currently being planned by Metrolinx. This line will run through East Harbour station, located just east of the Don River between Lake Shore Boulevard East and Eastern Avenue, and through Corktown Station, near King Street and Berkeley Street.

2020-2021 UPDATE

- Our current focus is on designing the infrastructure needed to extend the streetcar service eastward along Queens Quay from Bay Street. In 2020- 2021 we made progress on **design and engineering for surface works** on Queens Quay East between Bay Street and the Distillery Loop, as well as on an extension of Queens Quay East to New Cherry Street. Our partners at the TTC have been carrying out concurrent work to advance the design for the Union Station Streetcar loop and the Queens Quay ferry docks station.
- This year we also initiated the pre-planning for the **Transit Project Assessment Process (TPAP)** related to the Waterfront East LRT Extension. A TPAP is a streamlined environmental assessment process designed specifically for transit projects. We carried out our first public, stakeholder and property-owner consultation in support of the TPAP in February of 2021. Two more public engagement initiatives are planned for the summer and fall of 2021.

Not just a transportation network

When it's completed, Queens Quay East won't just be a multi-modal transportation corridor focused on moving people; it will be a waterfront destination in itself. A significant part of the planning and design work for the Queens Quay transit extension is focused on improving the public realm along the corridor. We'll do that by applying green street design principles, enhancing the arrival experience at major intersections and slips, and designing boulevards in a way that creates a sense of flow and continuity with the central waterfront.

Commercial activity on the lake



In 2020-2021 Waterfront Toronto worked with the City of Toronto, PortsToronto and Toronto and Region Conservation Authority to update the 2006 Marine Use Strategy. The updated strategy seeks to balance different users' needs while supporting a healthy shoreline and lake — ultimately delivering an safe, active and accessible harbour. Waterfront Toronto is working to support the growing public demand for recreational opportunities on the water (see page 64) and we're also exploring ways to protect and, where appropriate, expand commercial activity in the harbour.

In shape for shipping. Industrial shipping in the Toronto Harbour has been fairly steady over the last few years. About 2.2 million tonnes of cargo move through the Harbour annually, the most common commodities being sugar, road salt, cement and aggregate. The Marine Use Strategy process explored ways to accommodate ongoing commercial shipping while supporting other priorities, including growing recreational uses.

Cruising for Toronto. The number of cruise vessels docking in Toronto Harbour more than tripled between 2000 and 2019. Toronto serves both as a home port (where passengers arrive and depart at the beginning or end of their cruise) and as a port of call. The Marine Use Strategy notes that some tour and cruising vessels currently lack adequate docking space; some of the Strategy's recommendations focus on how to respond to this deficiency, especially given that both traffic and vessel sizes are expected to increase in the years ahead.

Moving on the water. Waterfront Toronto and partners are working to address the untapped potential for waterborne transportation in Toronto Harbour; there's growing demand for opportunities to move around by water — both for fun and to get from A to B. One avenue for exploration is a common user dock for water taxis, which have been growing in popularity.



Cruise traffic and tourist activity are on the rise.

Building connections

for a sustainable city

SECTION 3:

Building connections for a sustainable city



Waterfront Toronto seeks to minimize the climate impacts of development, increase the resilience of waterfront neighbourhoods and realize outstanding environmental performance in every aspect of our work. Of all the connections we're building, the one that matters most is the bridge between Toronto and a more sustainable future.

Port Lands Flood Protection

One of the largest infrastructure projects ever undertaken in Canada, the Port Lands Flood Protection Project will deliver a wide range of benefits – economic, social and ecological (see page 51). This work builds on our record of success with the flood protection berm at Corktown Common, which enabled the revitalization of the West Donlands and East Bayfront. The Port Lands project remains on schedule and on budget for completion in 2024.

We invested a total of \$244 million in the Port Lands Flood Protection Project in 2020-2021, a significant share of the \$555 million total invested to date. For further detail on the year’s deliverables see appendix 1, page 88.

Excavation complete

Current excavation

Find out more:

 [River valley progress](#)

 [Port Lands 2024](#)

 [@TheRockRipper](#)

Flood protection work in the Port Lands remains on track. We finished building cut-off walls in the Central River Valley, Ice Management Area and Don Greenway (see diagram). These walls help us safely excavate and dewater portions of the river valley and will remain in place permanently to protect the sensitive wetlands and river valley from groundwater in the uplands that may carry contaminants. Excavation work in the Central River Valley and Don Greenway is complete. The protective liner is complete in the Central River Valley and river finishes are being placed. We began excavation in the Ice Management Area in March 2021. At each new site of excavation, we continue to install material to support drainage and to protect the Don River from any contaminants that may remain in the soil from past industrial uses. Look for #RockyRadar on Twitter to follow our progress on excavation.



Lake Shore Bridge Reconstruction.

We have deferred the start of construction while we engage with the City of Toronto to coordinate our work with other construction in the area, including rehabilitation work on the Gardiner Expressway. In December 2020, Toronto City Council approved a revised approach to reconstruction of the Lake Shore Bridge and Lake Shore Boulevard East to Carlaw Avenue. Design has advanced to the issued-for-tender stage, and traffic studies (to mitigate disruptions from construction) are complete. We expect construction to begin in September 2021.

Waterfront Toronto adheres to the Precautionary Principle, articulated in the Rio Declaration on Environment and Development (1992): "Where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost effective measures to prevent environmental degradation." For example, if we think one of our development sites might be contaminated, we undertake a risk assessment and often investigation, sampling and analysis to be sure.



Ice management area

Keating Channel

Commissioners Street

Don Greenway

Making progress safely during COVID-19



The work described on this page contributes to:



KPIs 2, 3, 5

See page 19 for context.

Our essential construction activities continued amid the COVID-19 pandemic, realizing progress on the Port Lands Flood Protection Project, the Cherry Street Stormwater Management Facility and on streets and services in Dockside and Bayside (Phase 2) through 2020-2021. Protecting the health of our teams and partners across all these projects was our top priority. In the Port Lands, Waterfront Toronto and our contractor Ellis Don introduced a number of safety measures and workarounds to prevent the spread of the virus as we worked together to keep this important work on track.

Screening and testing. Ellis Don developed an online COVID screening tool that workers and any essential site visitors could access by scanning a QR code. Anyone who comes to the site must complete the screening form and comply with Ellis Don's COVID-related rules and restrictions. More recently, Ellis Don implemented on-site rapid testing two days per week for everyone present on the site.

Cleaning and equipment management. Ellis Don implemented new day cleaning protocols on work sites, and wherever possible workers are consistently assigned the same excavator, truck or other equipment to limit contacts.

Helping foreign workers avoid cross-border travel. Although nearly all workers on the Port Lands Flood Protection Project are local, before COVID-19 a small number were travelling between the site and their homes in the U.S. in two-week shifts. We made changes to help them limit their travel, a move that reduced COVID risk while controlling project costs.

Overcoming barriers with creativity. Some of our design team members are based in the United States and have been unable to visit the work site for more than a year. We've used the extensive photographic record compiled by drone surveys, contract photographers and our own staff to help our U.S.-based team members track progress at the site and help resolve challenges. Time lapse and video footage from the shipping of the Cherry Street Bridge (see page 60) has been among the material we've relied on.

Protecting Water Quality During Port Lands Excavation and Construction. All Waterfront Toronto projects comply with relevant environmental rules and regulations at the municipal, provincial and federal levels. More than that, we strive to follow best practices and exercise environmental leadership in our project delivery wherever possible. In the Port Lands Flood Protection Project, we have an Erosion and Sediment Control Plan designed to minimize the risk of sediment being released into the Keating Channel, the Ship Channel or Toronto's Inner Harbour. In addition to our Environmental Protection Plans specific to the Port Lands, across our operations we adhere to detailed plans designed to support surface water quality compliance, stormwater management, spill prevention and waste management.

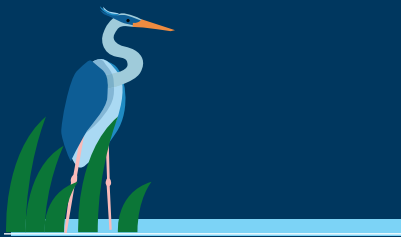
Our work in the Port Lands will:



Unlock 240 hectares* for revitalization by flood-protecting the area



Support biodiversity with new wildlife habitat in parks, wetlands, forests — and even underwater



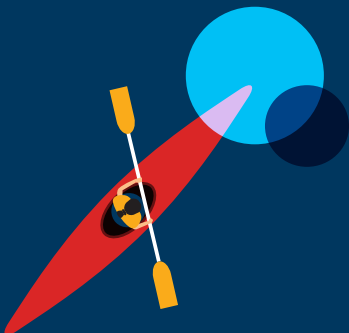
Create a new 35.5-hectare* island, Villiers Island



Add 25 hectares* of greenspace



Create five new places to launch small recreational watercraft like kayaks



**593 acres for revitalization; 217 acres at Villiers Island; 62 acres of greenspace.*

Infrastructure to protect communities and waterways



A new stormwater management system delivered by Waterfront Toronto is now up and running on the waterfront. Although largely hidden from view, this system is important because stormwater runoff can carry pollutants into lakes and waterways, and because inadequate infrastructure can lead to flooding. To protect local ecosystems and communities, Waterfront Toronto creates carefully designed stormwater management infrastructure. Our contributions include both standard (“grey”) infrastructure such as sewers and pipes, and also “green” infrastructure like absorbent landscaping and planters (see page 58).

The work described on this page contributes to:



See page 19 for context.

2020-2021 UPDATE

- After a decade of design and construction work to realize its innovative water treatment technology, the **Cherry Street Stormwater Management Facility** became operational in March 2021. The recipient of several design accolades, the facility is ready to begin managing millions of litres of combined runoff annually from the West Don Lands, East Bayfront and ultimately the communities in the Keating Channel Precinct.
- Currently, the system is able to collect stormwater from the West Don Lands Precinct, West Keating Precinct and a portion of the East Bayfront Precinct but we are working to expand its catchment area. In 2020-2021, Waterfront Toronto completed design work, selected a contractor and began to mobilize for construction on a set of **in-water pipes that will channel stormwater from the East Bayfront neighbourhoods of Dockside to Bayside**, to access the forcemains which are connected to the treatment facilities (see facing page). The pipes will be submerged in the lake underneath a planned boardwalk along the Water’s Edge Promenade; we expect the pipes to be substantially completed in 2022.

Stormwater Management Facility



How it works:

The system that became operational this year includes the **Cherry Street Stormwater Management Facility**, a **UV treatment facility at Sherbourne Common** and a series of **force mains** that collect water from waterfront neighbourhoods and channel it to the treatment infrastructure. Once complete, the in-water pipes (see facing page) will expand the area served by the stormwater management system.



The Cherry Street Stormwater Management Facility

Preventing flooding and water pollution

A decade in the making, this important new piece of waterfront infrastructure became operational in March 2021. To keep contaminants from entering the lake, it uses an innovative three-step process to treat stormwater:



1. An oil and grit separator removes sediment, debris and oil.
2. A process called ballasted flocculation removes fine suspended solids, clarifying the water.
3. The water is disinfected using ultraviolet (UV) light before being released into the Keating Channel.

This process achieves the necessary level of water quality without the use of sediment ponds, allowing us to minimize the facility's footprint. The structure is a key element in a larger stormwater management system (see pages 52-55).



“

[Proves] that even the compact, humble or functional can be elevated with a bit of flair, and should be.

Jonathan Morrison, “Ten of the coolest new buildings to gawp at this year,” *Times of London*, 13 February 2021

Leading on green urbanism



The work described on this page contributes to:



KPI 5



SDGs 7.3, 7.a

See page 19 for context.

Waterfront Toronto is a leader in promoting green design and construction – increasing standards for efficiency and performance and driving market transformation toward lower impact building and design approaches that reduce greenhouse gas (GHG) emissions as well as water and energy consumption.

Given that buildings currently contribute 55% of carbon emissions in Toronto, greener design and construction practices can play a vital role in increasing the sustainability and resilience of the built environment, as the City of Toronto has recognized through its climate action strategy, TransformTO.

A history of leadership – and a new milestone this year

Waterfront Toronto’s Green Building Requirements (GBRs), embedded in our proposal calls and enforced by contracts with development partners, set rigorous performance standards for new construction. To date, these requirements have led to 30 new LEED Gold or Platinum buildings (certified or in process) on the waterfront. Green building is a rapidly changing field, with advances driven by a combination of technological advances and market expectations. Since we released our first GBRs in 2005, we’ve remained at the leading edge with updated requirements in 2012, 2014 and most recently in 2021 (see facing page).

Since 2005, Waterfront Toronto’s Green Building Requirements have reduced energy costs (for electricity and natural gas) by 44% in 30 new buildings (constructed and planned). Our new standards will reduce GHG emissions by more than 75% compared to typical construction in Toronto.

Striving for sustainability in our own operations

Alongside efforts to reduce greenhouse gas (GHG) emissions through Green Building Requirements, Waterfront Toronto also works to minimize our footprint as an organization. By encouraging sustainable modes of transportation, we’re reducing emissions and improving local air quality. Our office, an Oxford Properties building, is located at WaterPark Place, 20 Bay Street, which has won a Canada Earth Award from the Building Owners and Managers Association (BOMA) and was the first building in North America to move from a Gold (2012) to a Platinum (2014) LEED certification in the Existing Building category. In 2021-2022, we’ll be developing a strategy to report our Scope 1, 2 and 3 GHG emissions more fully.



A new standard in sustainable building



In February 2021, Waterfront Toronto proudly released the latest version of our Green Building Requirements: v3. Beginning in 2021, all new Waterfront Toronto-led construction on the waterfront – including at Quayside – will deliver unprecedented levels of performance and environmental responsibility.

What's new

The new GBRs set stronger standards in some areas, such as reducing GHG emissions, and introduce some entirely new themes, such as urban agriculture. They align fully with and complement the Toronto Green Standard Tier 3, in support of the City of Toronto's TransformTO climate plan.

- New buildings will be designed for zero-carbon operations, when using clean electricity. These measures will limit operational GHG emissions to 5 kg CO₂/m²/year, making waterfront projects the lowest-carbon buildings in the city.
- New buildings will be required to use more sustainable building materials, including 50% recycled metal in steel and rebar, low-carbon concrete (with 25% Supplementary Cementing Materials), or timber products certified by the Forest Stewardship Council.
- Developers will need to disclose the embodied carbon content of their buildings throughout the design phase, reflecting the emissions associated with the extraction, manufacturing and transportation of materials, and the construction of the building itself, using the Canada Green Building Council's lifecycle analysis process.
- The landscape around new buildings will feature green spaces with biodiverse plantings, native species and generous tree canopies, as well as rooftop garden plots for community urban agriculture.

What continues

The new GBRs maintain some key themes from previous iterations, ensuring that new buildings on the waterfront will continue to:

- favour biophilic and resilient green landscapes
- encourage low-carbon transportation
- require low-energy building envelopes
- support solid waste diversion

Green innovation on the waterfront

The work described on this page contributes to:



See page 19 for context.

Waterfront Toronto is working with the City of Toronto to improve the stretch of Lake Shore Boulevard that runs under the Gardiner Expressway between Jarvis Street and Logan Avenue. Our goals are to improve the area’s infrastructure, create a more pleasant walking and cycling experience, and build a greater sense of connectedness between the city and the lake.



Last year. It will take time to realize a major transformation in this area, but in (2019-2020), Waterfront Toronto proposed, costed and earned **approval for ten small, “quick-start” projects** to signal that change is coming and to test materials and approaches. One of these projects is the Lake Shore Boulevard East Sidewalk Pilot Project, a sidewalk-improvement initiative to test “green streets”* components, including enhanced concrete, permeable pavers and bioretention plantings.



This year. In the summer and fall of 2020, we built a **sidewalk with special stormwater management capabilities** along a portion of Lake Shore Boulevard. It features porous paving stones sloping toward a planting bed that will include salt- and shade-tolerant plant species. The pavers, plantings and water storage capacity under the sidewalk all work together to keep rainwater out of storm sewers and to create a more inviting landscape for people as well as birds and other urban wildlife.



Next year. Beginning in spring 2021, our partners at Toronto and Region Conservation Authority will **monitor and evaluate the performance of this new infrastructure** for two years through the Sustainable Technologies Evaluation Program (STEP). The evaluation will inform the City of Toronto’s Green Streets program, helping to create design standards and operations and maintenance practices to facilitate implementation of green streets projects elsewhere in the city.



It’s all connected

Creating more and better green streets contributes to many other sustainability priorities, including the City of Toronto’s:

- Biodiversity Strategy
- Pollinator Protection Strategy
- Resilience Strategy
- Toronto Green Standards
- Wet Weather Flow Master Plan

**Green streets are streets that include landscape-based stormwater management features like trees, bioswales and bioretention planters, sometimes called “green infrastructure.” In addition to absorbing and filtering stormwater, green streets support biodiversity.*

Lake Shore Stormwater pilot project

1. Monitoring station
2. Permeable paving
3. 2% slope towards planting bed
4. Salt and shade tolerant plant species
5. Highway runoff infiltrates into planting bed for remediation and overflow collects into drain basin
6. Permavoid stormwater storage system holds water and recharges groundwater
7. Perforated pipe distributes storage as passive irrigation
8. Perforated pipe as overflow to drain excess water offsite

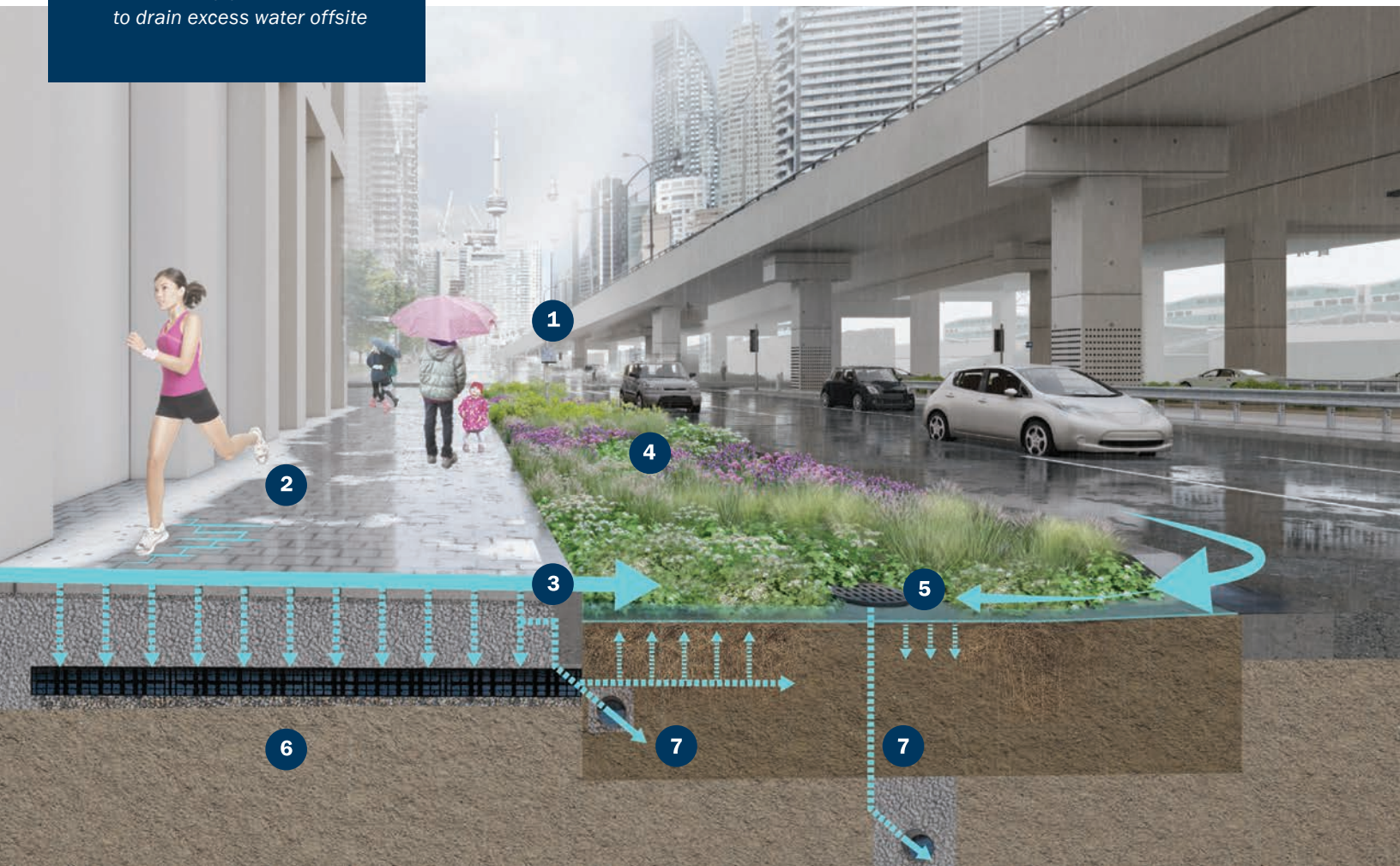
Using environmental data to boost conservation behaviour

The Port Lands Flood Protection Project is creating an engineered ecological system. After our work in the area is complete, Waterfront Toronto and our partners will continue to monitor water quality, plant and wildlife activity, and human impacts on ecosystems, among other things. Our scientists and engineers will use this monitoring data in their work, but we're now exploring whether the data can also be used to engage the public and encourage conservation behaviour.

In March 2021, with help from an RBC Tech for Nature Grant, we invited data scientists, designers and the general public to propose ideas that use a physical and/or digital platform to:

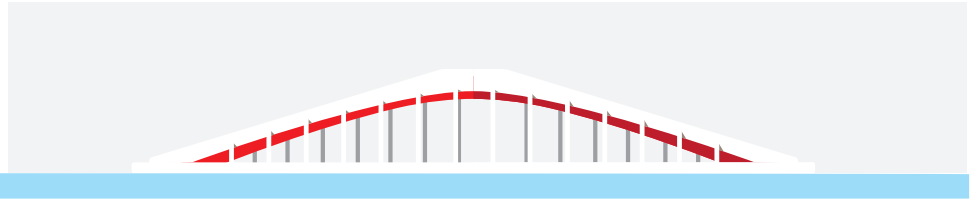
- stimulate interest in and knowledge about how climate-positive urban development interacts with natural systems
- share this information with the people using the river valley
- encourage stewardship of the river's water, wildlife and habitats

Three winning teams will be awarded up to \$10,000 and one team will receive \$30,000 to develop their prototype.



Rendering courtesy of West 8

Port Lands connections



Bridges to the future Villiers Island. Progress continued on the family of four bridges that will link Villiers Island to the mainland. In November 2020, we reached an exciting milestone as the superstructure for the Cherry Street North Light Rail Transit bridge arrived in Toronto, having travelled by barge along the St. Lawrence Seaway from its fabrication facility in Halifax. The vehicular bridges for Cherry Street South and Commissioners Street (both of which will accommodate pedestrians, bikes and cars), are scheduled to arrive in 2021 with the first half of the Commissioners Street Bridge having already arrived in May 2021. The foundations and substructures for all Cherry Street bridge abutments are in place; those for Cherry Street South were completed in 2020-21.

Bridge journey from Dartmouth to Toronto

The Cherry Street North Bridge, the first of four new bridges coming to the Port Lands, weighs 340 tonnes and spans 57 metres across the Keating Channel. Image by Vid Ingelevics and Ryan Walker.





Building connections

for thriving communities

SECTION 4:

Building connections for thriving communities



Waterfront Toronto has a record of thoughtful planning, serious public engagement and design excellence. The result is neighbourhoods that have everything people need to live, work and play. From creating affordable housing to expanding public access to the lake, we're committed to enhancing community life while advancing urgent public priorities — because it's all connected.

Helping people connect with the lake



Toronto's waterfront facilitates diverse marine traffic, from cargo ships to canoes and kayaks. Some marine uses have been fairly stable in recent years, but other uses are growing. The number of people participating in all forms of recreational boating is on the rise (see graphic on facing page), and we expect that demand for water taxis and charter boats will also increase as Toronto's population grows in the years ahead.

Planning for balance: an updated Marine Use Strategy

To balance different users' needs while maintaining a healthy lake and shoreline, we developed an updated Marine Use Strategy in partnership with the City of Toronto, PortsToronto and Toronto and Region Conservation Authority. The strategy was informed by interviews with a diverse range of users — from kayakers and conservation groups to shipping firms and cruise operators.

A deep dive on swimming

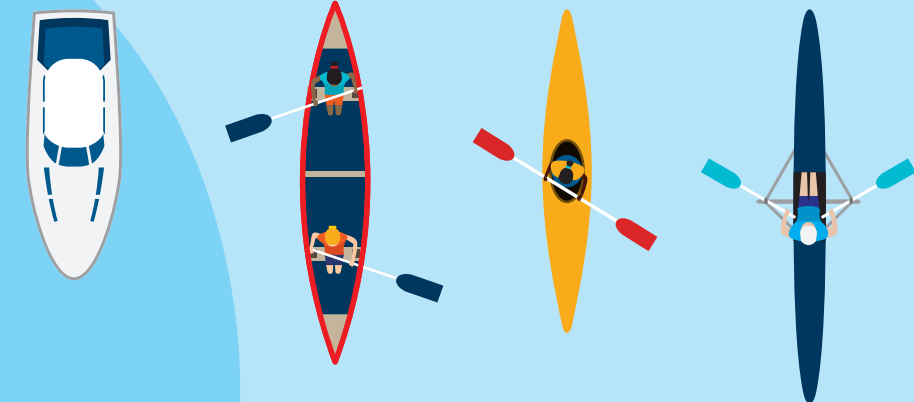
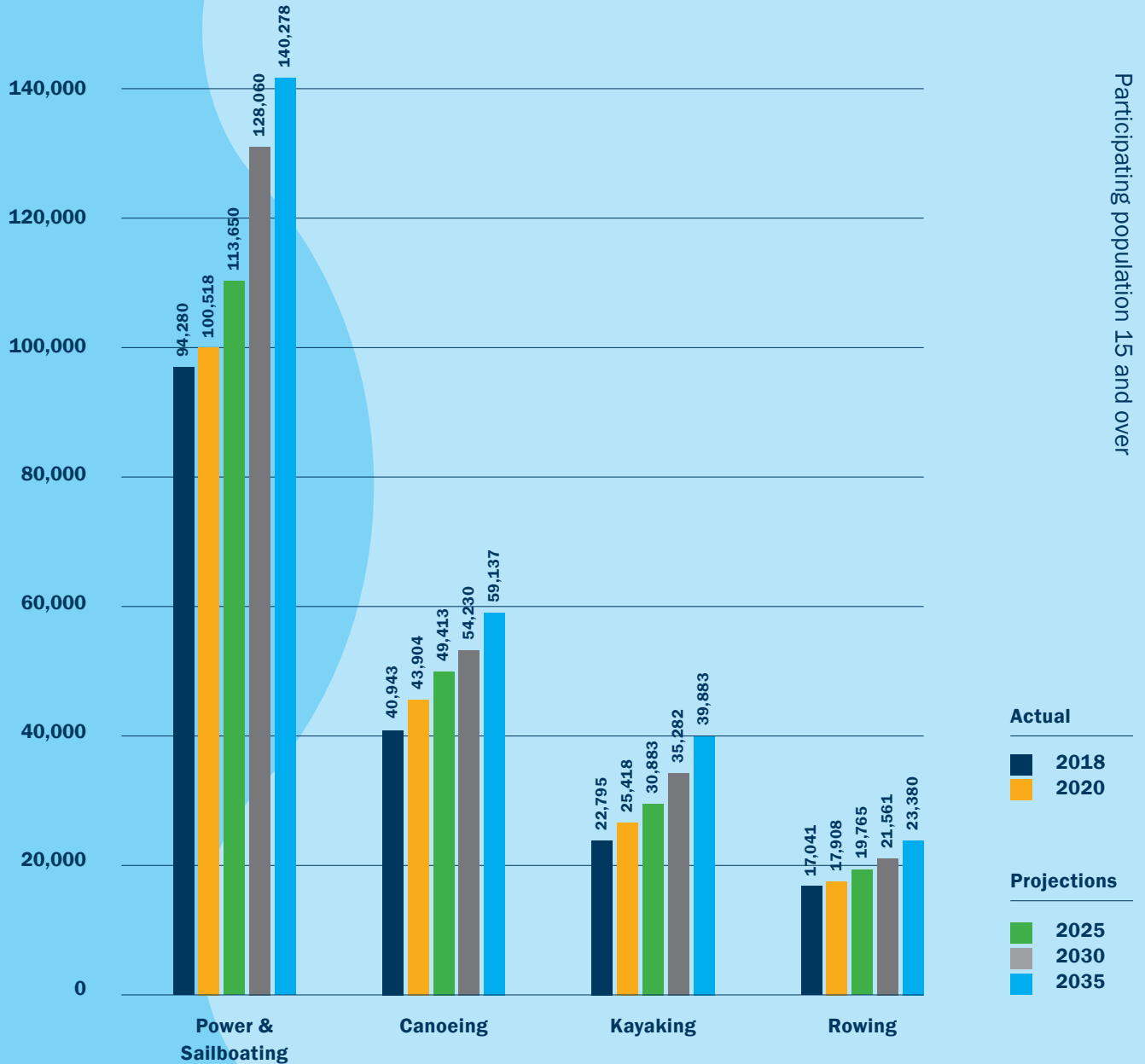
Importantly, while we engaged with current marine users we were also mindful that many residents and visitors would like to make more use of the lake than they currently do — especially for swimming. The Marine Use Strategy notes that cities like Copenhagen and Oslo have become leaders in urban outdoor swimming “as they offer ample areas for open swimming including floating barges, pools and beaches, where people are able to enjoy the experience of going into the open water.” Taking these world-best practices as a model, the Marine Use Strategy supports the creation of a safe and clean environment for open swimming on the Toronto waterfront. To learn more about local concerns and priorities, we engaged directly with Cherry Beach Swimmers, a community group representing over 1,000 current lake swimmers and passive water users.

Acting on the strategy

The updated strategy was published in March 2021. Once the document was finalized, we began working with partners to create a Marine Coordination Committee that will move the strategy into its first implementation phase: establishing the feasibility, costs and timing of priority action items. At the conclusion of this phase, which we expect will last through most of our fiscal 2021-2022, funding permitting, we plan to move on to detailed technical studies of proposed projects and execution of some smaller capital projects as we lay the groundwork for more substantial capital renewal and expansion.



Recreational uses on the rise



Source: City of Toronto data



Public art



The work described on this page contributes to:



KPI 2.4

See page 19 for context.

Bringing public art and cultural programming to the waterfront is important to our revitalization approach. In addition to curating neighbourhood-based collections of permanent public art in new waterfront communities, in the last few years we've led a growing program of temporary activations on land and in the water. More and more, we are also collaborating with partners and engaging artists to bring performances and other experiences such as workshops to the waterfront.

2020-2021 UPDATE

While much of Waterfront Toronto's work was able to continue this year — construction was declared an essential service and many office-based activities quickly moved online — our public art program was challenged by pandemic-related restrictions on public gathering as well as travel. Nevertheless, several important initiatives moved ahead, including the recruitment of an Indigenous Public Art Curator, the launch of an Artist in Residence Program, and the creation of various digital initiatives. As health and safety rules and guidelines have evolved, Waterfront Toronto has worked with artists to rethink and redesign all temporary activations on the waterfront; our goal has been to give the public safe access to as much programming as possible during the pandemic.

New commission at the foot of Sherbourne Common. In 2019-2020, we shortlisted (from more than 80 international applications) five proposals for the most ambitious work of public art ever created on the waterfront. The next step was for shortlisted artists to refine their proposals by visiting the area where the work will be installed. Understanding the site and its context is essential for major site-specific permanent works; here that's especially true, since the location gives artists an opportunity to engage with both land and water. To date, the pandemic has prevented the international shortlisted artists from visiting Toronto's waterfront. We're eager to keep advancing this important project, and hope to facilitate visits as soon as public health restrictions allow in order to gather final submissions. In the meantime, we've developed a site video to help the artists continue to advance their ideas remotely.



Learn more about this commission [here](#).

Framework, by Vid Ingelevics and Ryan Walker, is a large-scale photo installation in the Port Lands commissioned by Waterfront Toronto, as part of CONTACT Photography Festival. These photographs are part of the artists' ongoing series documenting the five-year transformation of the area.

Indigenous Public Art Curator. In January 2021, Waterfront Toronto was pleased to welcome Ryan Rice as Indigenous Public Art Curator. Chosen for his curatorial vision and extensive experience in the museum and gallery sector, Ryan will assist in the commissioning of two significant, site-specific permanent public artworks by Indigenous artists in the West Don Lands. Ryan, a Mohawk of Kahnawake, will also engage with Indigenous communities and local neighbourhood groups, conduct research for the sites and lead the outreach to artists. We hope to release a call for proposals from Indigenous artists in 2021.

The work described on this page contributes to:



KPI 2.4

See page 19 for context.

Waterfront Artists in Residence. The first ever Waterfront Artists in Residence, commissioned through a partnership between Waterfront Toronto and the Waterfront Business Improvement Area, have persisted in their work through the challenges of 2020-2021 with flexibility, playfulness and ingenuity. Inspired by the work of Octavia Butler, the Black Speculative Arts Movement (BSAM) Canada have advanced a multifaceted project called [Earthseeds: Space of the Living](#), which has used a range of media to explore the timely ideas of wellness, healing and change. BSAM Canada will also be creating unique augmented reality art hoarding for the construction fence on Love Park in summer 2021.

Port Lands Flood Protection Project Photographers. The first public art exhibition to showcase the work of Vid Ingelevics and Ryan Walker was installed in August 2020 on a series of purpose-built wooden structures along Villiers Street, between the ESSROC Silos and the Don Roadway. Framework displays photographs taken through windows and apertures of buildings since demolished, as well as other impermanent structures on the site. This forms part of a series of exhibitions to be included annually in CONTACT Photography Festival.

Mare Liberum. In collaboration with Evergreen, Waterfront Toronto is working with Mare Liberum, an interdisciplinary artists' collective focused on waterways, on a project that explores the Lower Don and its connection to Lake Ontario. The first part of the project was implemented in summer 2020 with the public panel "Artist As Policy Shaper." For the second part, Mare Liberum will lead a participatory public boat-build and workshops on the Don River Valley in July 2021. The project will conclude with a grey paper addressing best practices for artists and urban designers working collaboratively toward just environmental policy.



Learn more about our public art program on our website at waterfrontoronto.ca.

The Black Speculative Arts Movement (BSAM) Canada, the first ever Waterfront Artists in Residence, have advanced a multifaceted project called Earthseeds: Space of the Living, which has used a range of media to explore the timely ideas of wellness, healing and change. Image by Josimar Tulloch and BSAM Canada.



Love connection

The work described on this page contributes to:



KPI 3.1

See page 19 for context.

At a site where a Gardiner Expressway off-ramp once stood, construction is set to begin on a new park that will help to restore the connection between the city and the lake. Located at the intersection of York Street and Queens Quay West, Love Park — one of more than 25 parks Waterfront Toronto has added or improved to date — will help to turn a previously unfriendly landscape into an area with generous seating and plenty of trees.

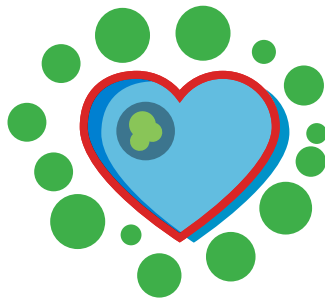
Park with heart. Love Park’s central feature will be a heart-shaped pond, edged with what has been called an urban love seat: a low wall that extends around the pond’s 165-metre perimeter, finished with a glass tile mosaic in shades of red.

Trees and vegetation. Wherever possible, Waterfront Toronto seeks to enhance the city’s tree canopy. Love Park’s landscape design sought to maximize the number of trees, retaining five mature trees and adding 37 new ones. Most of the trees will overhang the park’s perimeter and interior sidewalks. Sumach, hydrangea and wisteria will also add fragrance, shade and life this new green space.

Places to go. The park will also feature a fenced, off-leash area for dogs and a trellised pavilion made of undulating steel and eventually covered in white wisteria. Movable chairs will let visitors linger in the shade, or put their feet up on the edge of the pond.

OTHER PARK NEWS FROM 2020-21:

We also completed the Consensus Plan (or Preliminary Design) for nearby **Rees Park** this year, and we aim to complete the project’s design by the end of 2021-2022. The schedule for Rees Park has been subject to modifications because the City of Toronto needs to construct a new stormwater shaft on the site.



Excellence in park design

Love Park is designed by Montreal-based Claude Cormier + Associés and gh3*, the Toronto-based architects who created the award-winning Cherry Street Stormwater Facility. gh3* also won a 2020 Governor General’s Award for the design of a pavilion and chemical-free public swimming pool in Edmonton, with the award jury congratulating the City of Edmonton on its ambition and results: “It goes to show that if you support good civic design, you just might get it!” Waterfront Toronto looks forward to welcoming the public to this local example of excellent civic design; Love Park should open in 2022.



Designed by landscape architects Claude Cormier + Associés and gh3, York Street Park (Love Park) will feature a heart-shaped pond, a curving path network and plenty of seating. Image by gh3*.*



Aquavista, a Hines/Tridel development, includes 227 condominium units as well as 80 affordable rental lofts. (Photo courtesy of Hines/Tridel.)

Affordable housing



The work described on this page contributes to:



See page 19 for context.

Waterfront Toronto has a long-standing commitment to building welcoming, inclusive communities. A central part of that commitment is ensuring that a minimum of 20% of all units in new waterfront residential developments are affordable rental, and striving to ensure that an additional five percent are low-end-of-the-market ownership.

We are currently exploring the potential to exceed our 20% minimum requirement, consistent with the intended outcomes of current affordable housing programs such as the City’s Housing Now initiative. We also continue to seek opportunities to create affordable home ownership offerings, and to consider ways to support other housing models, such as co-living.

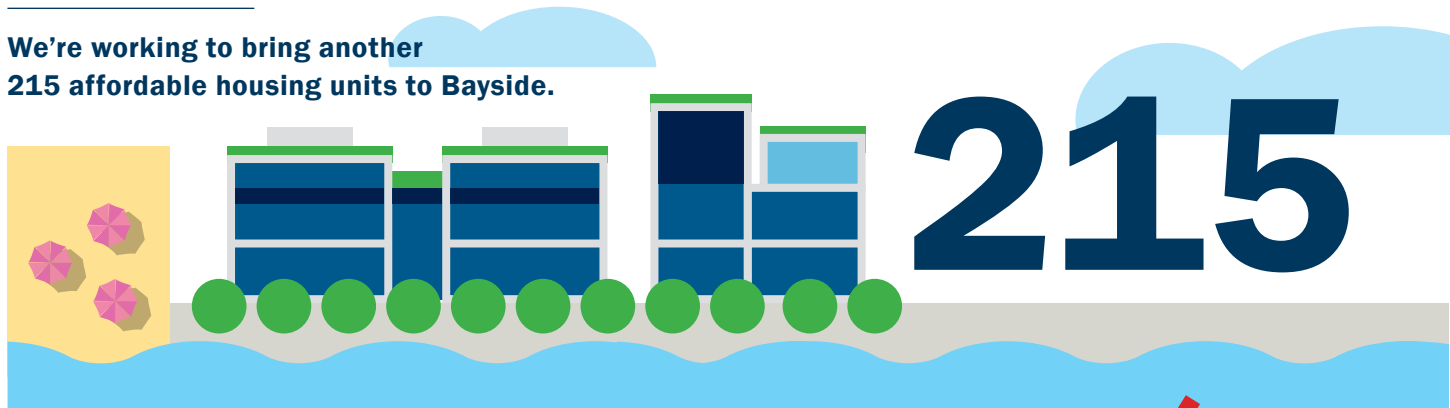
Not only does new affordable housing stock meet an urgent need, but research shows that mixed-income neighbourhoods can help to combat economic inequality. Economically diverse neighbourhoods are associated with better economic mobility for young people in low-income households and improved economic outcomes for residents at the lower end of the income spectrum.

2020-2021 UPDATE

- This year Waterfront Toronto worked with the City of Toronto on the development and operation of 215 new units of affordable rental housing. These units will be located in a mixed-income building of approximately 400 units, in the Bayside neighbourhood of East Bayfront.
- We’ve also been working on the Affordable Housing Program for Quayside (see page 38), which will add about 800 affordable rental housing units to the area. Five percent of the units in the area are targeted to be available for affordable home ownership.

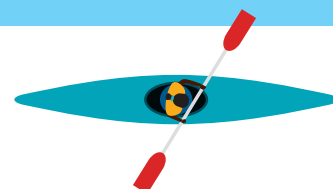
Affordable housing

We’re working to bring another 215 affordable housing units to Bayside.



800

Our plans for Quayside include 800 affordable rental units.



Design excellence



The work described on this page contributes to:



KPI 2.3

See page 19 for context.

Waterfront Toronto projects and places have won more than 100 awards for design excellence, earning recognition in categories ranging from water management to neighbourhood development. As our revitalization efforts have progressed, we've drawn on public consultation, international design competitions, and expert insights to set new standards for civic design in Toronto.

2020-2021 UPDATE

Indigenous design expertise. In December 2020, the Waterfront Design Review Panel welcomed its first Indigenous architecture and design specialist, with the goal of supporting the integration of Indigenous history and culture into project designs on the waterfront. Following an open call for the new Panel member, Waterfront Toronto and a representative of the Mississaugas of the Credit First Nation selected Matthew Hickey, a partner at Two Row Architect with 14 years of Indigenous design experience. Matthew Hickey is Mohawk from the Six Nation of the Grand River Reserve, a sessional instructor at the Ontario College of Art and Design, and a Member of the Board of Artscape Toronto.

Awards and recognition. Projects in waterfront neighbourhoods — led by Waterfront Toronto or by our design and development partners, contractors and collaborators — continue to earn awards from professional bodies and accolades from critics.

- River City Phase 3, a joint venture between Saucier + Perrotte Architectes / ZAS Architects, was a finalist for both a 2020 Ontario Association of Architects Design Excellence Award and a 2020 Ordre des Architectes Du Québec Architecture Excellence Award.
- The Cherry Street Stormwater Facility, completed in 2020 (see pages 52-55), was named as one of *The Times of London's* "Ten of the coolest new buildings to gawp at this year" (Feb 2021), and one of *Azure Magazine's* "10 Striking Architecture Projects Shaping Design in 2021" (Jan 2021).



“

I am proud to be appointed as the first Indigenous member of the Design Review Panel, and I look forward to working with our community, Waterfront Toronto, and the Panel to help keep place for Indigenous ways of knowing and being, and their support of design excellence.

Matthew Hickey,
Waterfront Design Review Panel member



Members of the Waterfront Design Review Panel hear from the proponents of a development project. (This photo, like many others in this report, was taken before the COVID-19 pandemic gave rise to public health rules on social distancing and masking.)



Building connections

between investments and results

SECTION 5:

Building connections between investments and results



Waterfront Toronto has a record of efficiently deploying the resources entrusted to us, creating award-winning projects that are embraced by the public and prove their value over time. We rigorously track and report our progress, working steadily to ensure that our results on the waterfront remain tightly connected to the goals and targets we've set with our stakeholders.

A. Capital investment

In December 2019, Waterfront Toronto's Board of Directors approved \$393 million in capital investment for fiscal 2020-2021. This investment was allocated primarily to four priority initiatives: the Port Lands, Complete Communities, Public Places and Next-Generation Sustainable Communities.

Our actual capital spending in 2020-2021 was \$286.4 million, 73% of the planned total and \$65 million (29%) higher than last year.

Of the \$106.6 million variance between our planned and actual investments, schedule changes and lower than expected productivity in some aspects of the Port Lands Flood Protection Project accounted for \$82.7 million (78% of the total variance). Schedule changes related to four other key initiatives or portfolios (Complete Communities, Next-Generation Sustainable Communities, Public Places, Signature Projects and Other Initiatives) collectively accounted for an additional \$23.8 million, or 22%. Further explanations are outlined below.

2019-2020		Approved Plan	Actual Cost	Variance \$*
The Port Lands	A	\$ 326.7	\$ 244.0	\$ 82.7
Complete Communities	B	35.6	26.9	8.7
Next Generation Sustainable Projects (Quayside)	C	11.9	7.1	4.8
Other Initiatives	D	11.3	4.2	7.1
Public Places		4.1	2.3	1.8
Signature Projects		3.4	1.9	1.5
Total		\$ 393.0	\$ 286.4	\$ 106.6

*Parentheses indicate spending in excess of budget

Figures are in millions

A Port Lands

Significant progress has been made this year on the Port Lands Flood Protection project, including: achievement of the 90% design milestone; completion of the excavation and river liner in the Central River Valley, with excavation underway in the remainder of the river valley, namely in the Don Greenway and Ice Management Area (see map on pages 48-49); on-site treatment of over 200 million litres of groundwater surfaced through excavation; near-completion of pre-loading for future Cherry Street (pre-loading is the addition of material to raise the grade and improve ground conditions where a road will be built); installation of the first of four bridges that will connect the future Villiers Island to the mainland (see page 60); and completion of the foundations for the remaining three bridges.

Several factors outside Waterfront Toronto's control resulted in lower than planned investments for fiscal 2020-2021. These include delayed start-up and/or slower than expected progress on: bioremediation soil treatment and placement of treated soil; temporary utility relocations; and deep excavation and dewatering in the Central River Valley.

The overall project budget of \$1.25 billion remains unchanged and we expect to complete the project, as planned, by 2024.

B Complete Communities

Construction of the award-winning Cherry Street Stormwater Management Facility was completed this year (see pages 52-55). We also transferred a new Bayside site to Hines in July 2020, as planned. This development, T3 Bayside, will house Bayside's first mass timber office building.

The underspend of \$8.9 million under Complete Communities was primarily due to deferral of the planned construction start on the in-water pipes project described on page 52. To reduce overall project cost, we adjusted the design and phasing of the project; we expect the in-water pipes to be operational in 2022.

C Next Generation Sustainable Communities (Quayside)

The underspend of \$4.6 million on Next-Generation Sustainable Communities (Quayside) is due primarily to changes in the scope and timing of the Quayside project after the withdrawal of Waterfront Toronto's Innovation and Funding Partner, Sidewalk Labs, in May 2020. Waterfront Toronto is currently undertaking a competitive procurement process for a development partner with the goal of having a partner engaged by the end of fiscal 2021-2022 (see pages 38-39).

D Other Initiatives

Other Initiatives refers mainly to Eastern Waterfront Transit and Queens Quay Revitalization (see page 43). In 2020-2021, we planned to complete preliminary design and engineering for public realm surface works between Bay Street and Parliament, and to assess the infrastructure design requirements for rapid transit eastward along Queens Quay. The underspend of \$7.3 million in this fiscal year was primarily due to scheduling, with the project starting later than anticipated due to a longer procurement process. Some contracts also came in under budget. We expect this design and other preparatory work to be completed within budget in fiscal year 2021-2022, in time to meet Toronto City Council capital budget submission deadlines.



More information about Waterfront Toronto's capital investments as reflected in our audited financial statements is available in Appendix 2. Our complete audited financial statements are available online at waterfronttoronto.ca.

B. Capital funding



Waterfront Toronto realized \$245 million (75%) of the \$330.2 million capital funding our Corporate Plan anticipated for fiscal 2020-2021. In total, we realized \$24.9 million (9%) less funding than last year.

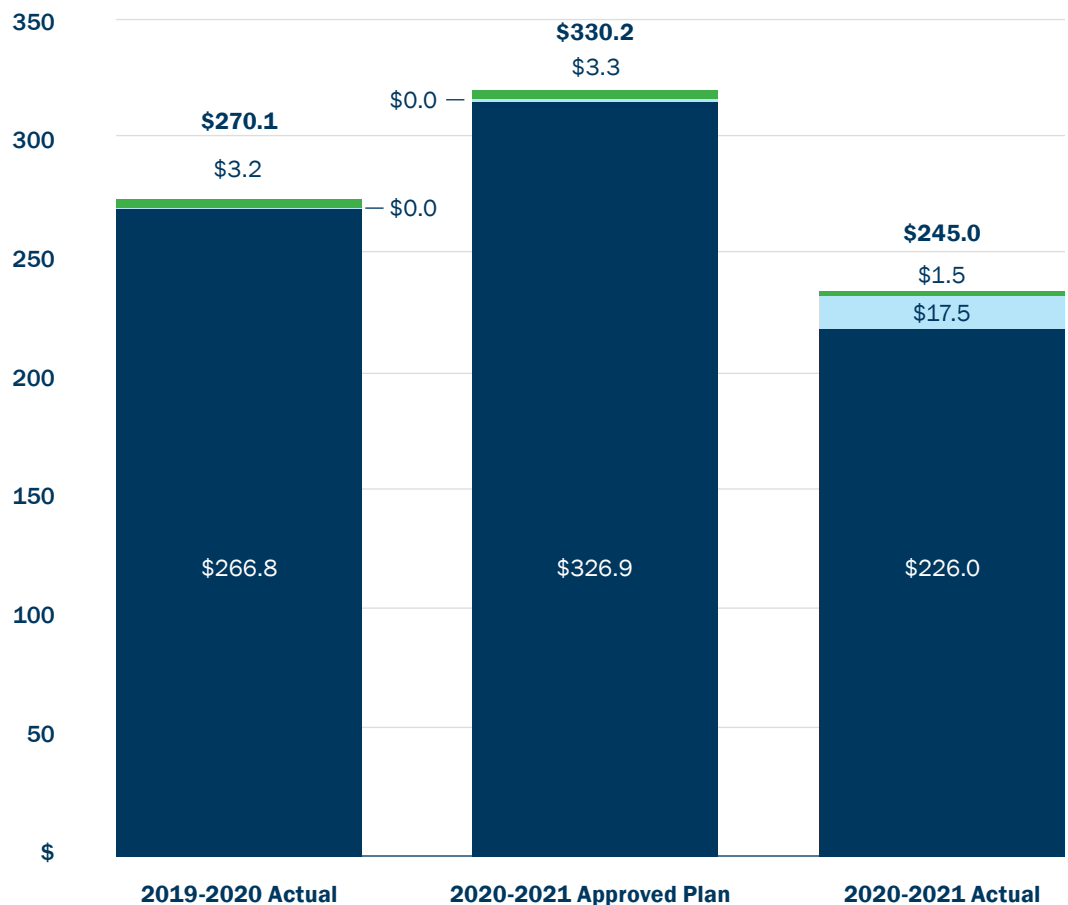
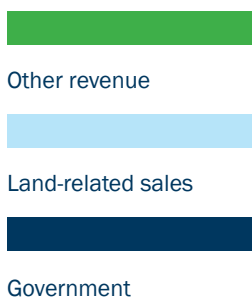
Our funding in 2020-2021 came largely (92%) from governments: \$103.4 million from Ontario, \$62.6 million from Toronto and \$60 million from Canada (total \$226 million). Except for \$24.3 million from Toronto, all of this funding related to the Port Lands Flood Protection Project, to which the three governments have collectively committed \$1.25 billion over seven years, beginning in fiscal year 2017-2018. Over the last four years, we have realized total government funding of approximately \$629.2 million, or 50% of the \$1.25 billion committed to this project.

We realized \$17.5 million in land sale revenues early this year, deferred from last year due to the COVID-19 pandemic.

Revenue from other sources was \$1.5 million (\$1.8 million lower than projected). This figure mainly comprised interest income, parking revenues and grant revenue. Revenues were lower than planned primarily due impacts of the global pandemic on interim parking revenues and public art contributions from developers (delays in above-ground construction starts).

Capital funding from all sources

Figures are in millions



More information about Waterfront Toronto's capital funding as reflected in our audited financial statements is available in Appendix 2. Our complete audited financial statements are available online at waterfronttoronto.ca.

C. Corporate operating cost

Our actual corporate operating costs for 2020-2021 of \$18.1 million were \$2.5 million (12%) lower than the approved operating budget of \$20.6 million and lower than last year by \$0.5 million (3%). This variance was largely driven by lower human resources costs (\$2 million) due to attrition, deferred hiring of some positions, a small reduction in overall staff numbers resulting from a realignment aimed at meeting the Corporation's future skill requirement, and austerity measures such as freezing compensation for senior employees. We also achieved \$0.5 million in cost savings as a result of staff working from home during the pandemic (see General and Office Administration in table below), and because we moved public meetings and consultations online in accordance with public health directives (see Public Engagement and Communication).

Corporate operating costs are reflected in Note 13 of Waterfront Toronto's March 31, 2021 audited financial statements (Expenses by Precinct and Function).

2020-2021	Approved Plan		Actual Cost		Variance \$*
Human Resources	\$	16.1	\$	14.1	\$ 2.0
General and Office Administration		1.7		1.4	0.3
Information and Technology		0.9		0.9	-
Public Engagement and Communication		0.5		0.3	0.2
Accountability and Governance		0.3		0.3	-
Innovation and Sustainability		0.2		0.2	-
Subtotal before Amortization	\$	19.7	\$	17.2	\$ 2.5
Amortization		0.9		0.9	-
Total Corporate Operation Budget	\$	20.6	\$	18.1	\$ 2.5

*Parentheses indicate spending in excess of budget

Figures are in millions

¹Note to readers reviewing this summary in conjunction with the audited financial statements: the table in this summary and the table in the audited statements both indicate actual spending totalling to be \$18.1 million. The audited statements are broken down into project management costs—salaries, fees, and benefits of \$12.3 million—as well as general expenses of \$5.8 million, for a total of \$18.1 million.

D. Corporate capital cost



Our corporate capital costs for 2020-2021 of \$0.1 million were \$0.3 million less than our approved budget of \$0.4 million. Certain planned investments, such as new laptops, together with enterprise resource planning (ERP) system and corporate website upgrades, while initiated, were not complete as anticipated in 2020-2021, partly due to vendor delays. We plan to follow through on these technology upgrades in 2021-2022.

Corporate capital costs are reflected in Note 7 of our March 31, 2021 audited financial statements (Capital Assets).

2020-2021	Approved Plan**		Actual Cost		Variance \$*	
Technology Infrastructure	\$	0.4	\$	0.1	\$	0.3
Facilities Improvement		-		-		-
Total Corporate Capital Budget	\$	0.4	\$	0.1	\$	0.3

*Parentheses indicate spending in excess of budget

Figures are in millions

Signature projects and fundraising



A few years ago, Waterfront Toronto identified four projects that would be compelling additions to the waterfront and that, although currently unfunded, are capable of attracting gift and sponsorship support. The projects are a Destination Playground, a Landmark Institution, a continuous Waterfront Walk and an enhanced Jack Layton Ferry Terminal. These Signature Projects were conceived based on our team's study of the key attributes of the world's most attractive and vibrant waterfronts.

Having identified these projects, we took steps toward bringing them to life by building internal capacity and establishing new partnerships with city-builders. In addition to realizing the waterfront's full potential, building our fundraising capabilities is helping to advance our strategic goal of becoming more financially self-sustaining.

2020-2021 UPDATE

Over the past year, we have:

- Recruited Iain McMullan, our new Executive Director of Philanthropy, to lead our fundraising work. Iain brings more than 30 years of experience crafting and implementing fundraising strategies and securing major gifts from corporations, foundations and individual donors. Since he joined us in January 2021, Iain has been working to advance our first Fundraising Action Plan, and will be delivering a comprehensive fundraising strategy and plan in June 2021
- Continued to advance preliminary design work on the Destination Playground, expected to be the first of the four Signature Projects to be realized. Current work includes an accessibility plan, a concession feasibility analysis and collaboration with MinoKamik, an indigenous placemaking collective (see page 28). Waterfront Toronto staff also meet bi-weekly with a Governance Working Group that includes City of Toronto Parks, Forestry and Recreation staff; the group's current focus is developing an operations and maintenance strategy for the playground.
- Working with the City of Toronto to develop a Memorandum of Understanding which establishes the basis for cooperation with respect to philanthropic fundraising and sponsorship. Waterfront Toronto has already obtained Qualified Donee status from the Canada Revenue Agency, which gives us the legal status to issue tax receipts for donations.

Performance measures



- Target substantially achieved / exceeded
- Target not achieved
- N/A – no target forecast this year
- * Board approved Dec 5, 2019

Success for Waterfront Toronto is:	Performance measures	Annual target 2020-2021*	Actual 2020-2021	Cumulative 2001-2021
1. Enhancing economic value <ul style="list-style-type: none"> • Waterfront Toronto will create new employment opportunities during the development of waterfront lands • Waterfront Toronto developments will lead to new business on the waterfront that will provide ongoing employment opportunities • The developments on the waterfront will lead to increased taxes for all three governments and contribute economic value for the Canadian economy 	1.1 Jobs: Full-time years of employment during construction	2,819	● 2,650	20,765
	Jobs: Full-time years of ongoing employment	N/A-5-year measure	N/A-5-year measure	5,000
	1.2 Taxes: New taxes to municipal, provincial and federal governments	\$97M	● \$109M	\$1,086M
	1.3 Total economic value added to the economy	\$287M	● \$309M	\$2,678M
2. Enhancing social and cultural value <ul style="list-style-type: none"> • Waterfront Toronto will be a world leader in design excellence and waterfront planning that will make Canadians proud of the Toronto waterfront • Waterfront Toronto will develop spaces that are accessible to all income levels 	2.1 Number of affordable housing units developed and ready for occupancy	-	● -	576
	2.2 Number of market housing units developed and ready for occupancy	187	● 345	3,220
	2.3 Number of design awards	5	● 2	106
	2.4 Number of new permanent public artworks installed	None planned	● None planned	9
3. Creating an accessible and active waterfront for living, working and recreation	3.1 Hectares of new parks and public spaces	-	● -	43.3
	3.2 Kilometres of new trails, hiking trails and promenades	-	● -	26.2
	3.3 Number of events on the waterfront	>10	● 14	94
4. Implementing a plan in a fiscally responsible manner <ul style="list-style-type: none"> • Waterfront Toronto will work within the funding provided and will search out new revenue sources to support the development of the waterfront • Waterfront Toronto will use thorough processes to set and manage the project budgets 	4.1 Percentage of competitive procurements by dollar value	>95%	● 98.53%	99.08% since 2019
	4.2 Percentage of projects over \$10 million completed within 5% of budget (in the last five years)	90%	● 86%	89%
	4.3 Percentage of projects over \$10 million completed within six months of original schedule (in last five years)	90%	● 100%	100% since 2019

Comments:

- 1.1** The methodology we used in setting the target resulted in an overestimate. We will refine this methodology for future years.
- 2.3** This shortfall was due to unforeseen circumstances, including impacts of COVID-19, which disrupted many activities in the building sector, including awards processes.
- 4.2** Over the past five years we completed seven projects over \$10 million, one of which was over budget by 6%. This low absolute number of projects means that one project going over budget has a disproportionate effect on our on-budget percent score, but we believe performance with respect to budget discipline remains strong.

Our Rolling Five-Year Strategic Plan (2020/21-2024/25) outlined our formal performance measurement framework, including 31 concrete measures across a range of dimensions. Responding to recent audit recommendations, Waterfront Toronto streamlined the number of reporting measures from 31 to 25. Of the 25 measures reported below, Waterfront Toronto met or exceeded our targets (where applicable) on 83% (15/18). All measures roll up into eight key performance indicators (KPIs) aligned to the policy priorities set out in our mandate. This framework helps our team, our government stakeholders and the broader public track our progress in delivering the results we've been tasked with achieving for the people of Toronto, Ontario and Canada.

Success for Waterfront Toronto is:	Performance measures	Annual target 2020-2021*	Actual 2020-2021	Cumulative 2001-2021
5. Implementing a plan in an environmentally responsible manner <ul style="list-style-type: none"> The developments on the waterfront will meet the needs of the present without compromising the ability of future generations to meet their own needs Waterfront Toronto will develop its plans for the waterfront with a focus on the resilience of the surrounding environment 	5.1 Number of new sustainable developments secured under Waterfront Toronto Minimum Green Building Requirements	N/A - New measure	● 0	30 buildings
	5.2 Number of new sustainable developments completed	N/A - New measure	● 2 buildings	15 buildings
	5.3 Square metres of aquatic habitat created	-	● 6,970	138,433
	5.4 Square metres of new permeable surfaces created	New measure	● 157	354,836
6. Financially self-sustaining designated waterfront area and promoting and encouraging involvement of the private sector <ul style="list-style-type: none"> Waterfront Toronto's enabling works (such as flood protection and infrastructure development) will make residential and commercial developments financially feasible for private developers, without government support Waterfront Toronto will seek to build its own financial sustainability by cultivating revenue sources outside of government funding support 	6.1 Number of People living, working and studying on the waterfront <i>Total population (residents, students, workers)</i>	299	● 552	11,086
	6.2 Private-sector dollars invested in waterfront developments (includes proposed, approved, under-construction and completed projects)	\$0.5B	● \$2.3B+*	\$15.5B+*
	6.3 Value of philanthropic, corporate sponsorship, non-government sourced contributions	\$1.5M	● \$18.6M	\$174.9M
7. Encouraging public input <ul style="list-style-type: none"> Waterfront Toronto will foster public trust in its current and planned activities Waterfront Toronto will build public awareness of its past, current and planned activities 	7.1 (a) Number of WT digital media engagements <i>Previous (original) KPI - 8.1 Number of digital media hits</i>	>500	● 262,476	395,636 since 2019
	7.1 (b) WT, Port Lands, Quayside and Corporate Blog website sessions		● 220,146	459,364 since 2019
	7.2 Number of public and / or stakeholder meetings held	>20	● 44	535 since 2006"
	7.3 Number of media (i.e. radio, tv, print, online) references to Waterfront Toronto and its initiatives	2,500	● 6,259	25,755 since 2017
	7.4 Percentage of people engaged through public outreach outside the designated waterfront area.	25%	● 45%	53.5% Since 2019

*Minimum value of the range \$2.3B to \$3.5B, PWC Economic Impact Assessment, May 2021

Sustainable Development Goals (SDGs)



In 2015, all United Nations member states adopted 17 Sustainable Development Goals (SDGs) as part of The 2030 Agenda for Sustainable Development. One premise of the SDGs is that governments alone cannot achieve them; firms, civil society and other organizations also have a role to play. The Global Reporting Initiative (GRI) (see pages 96-106) encourages organizations to consider where they might contribute to the SDGs. We believe Waterfront Toronto has the capacity to contribute in the following areas, and we're committed to reporting our contributions and seeking opportunities to enhance our impact in these areas over time.

7.3 By 2030, double the global rate of improvement in energy efficiency.

7.a By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology.

8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors.

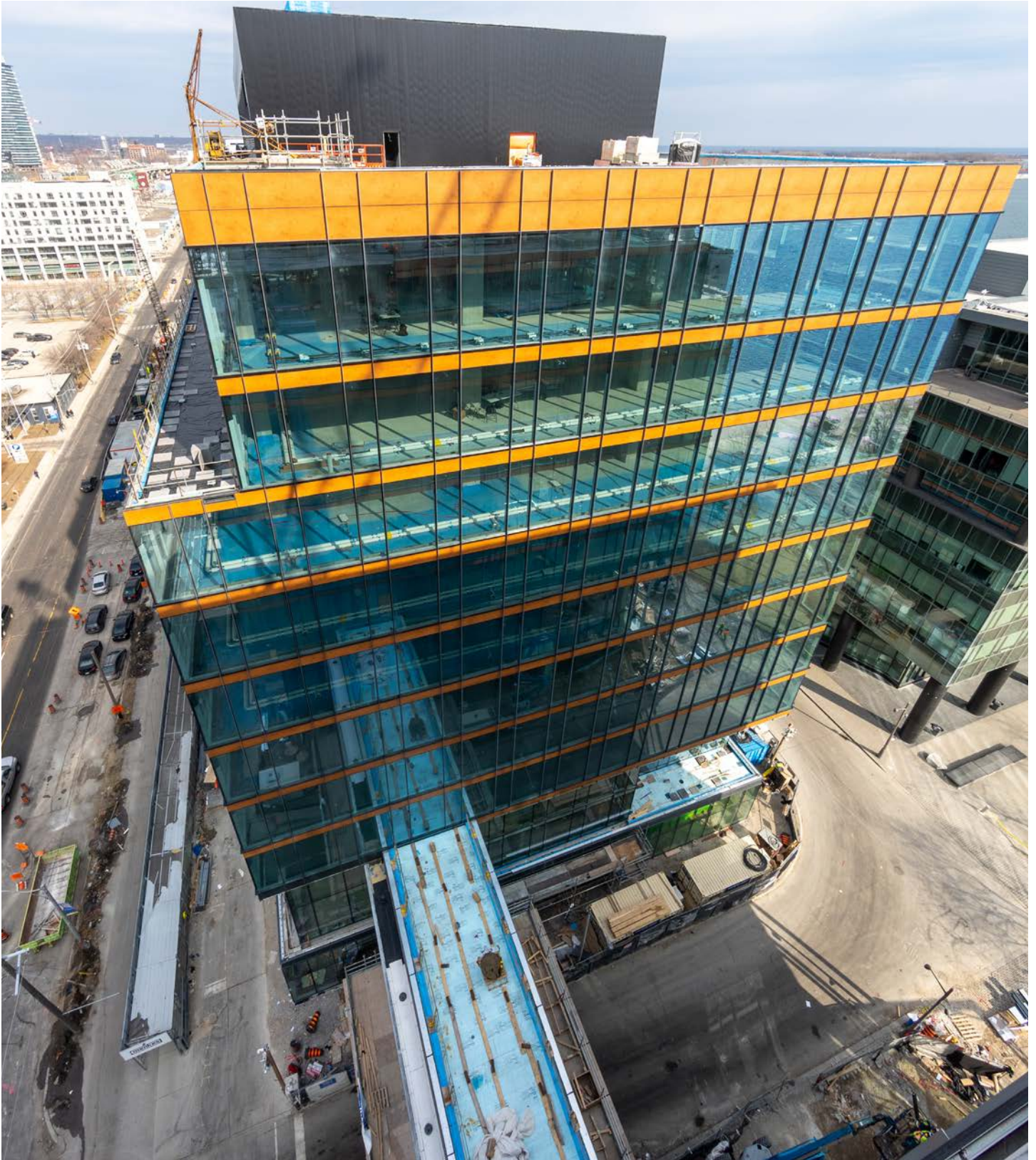
8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.

9.c Significantly increase access to information and communications technology and strive to provide universal and affordable access to the Internet in least developed countries by 2020.

11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.

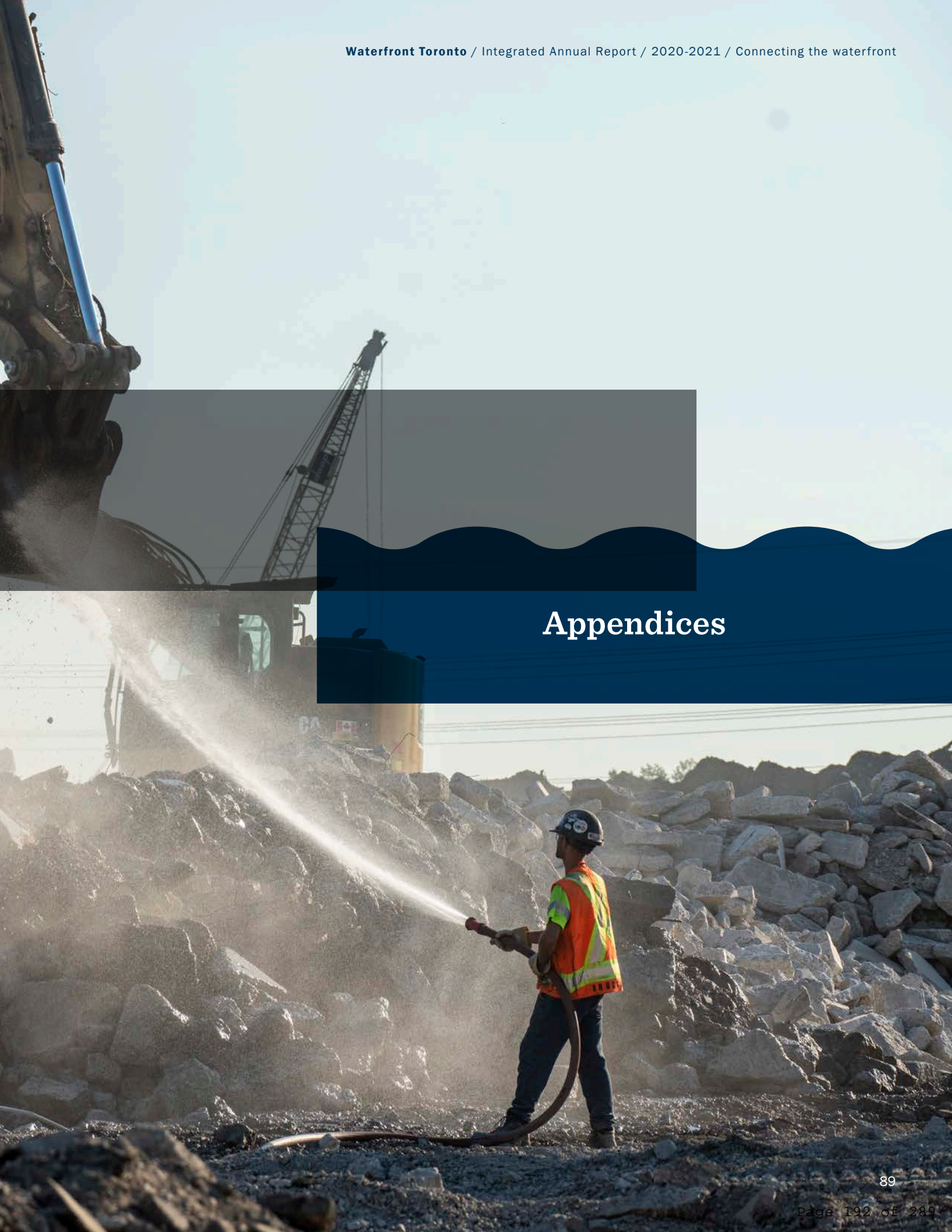
11.7 By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities.

13.2 Integrate climate change measures into national policies, strategies and planning.





Some structures in the Port Lands have been demolished in order to make way for excavation related to flood protection work. Here, as an excavator crushes the concrete remains of a demolished building into gravel, a crew members sprays water to reduce the dispersion of dust. Image by Vid Ingelevics and Ryan Walker.



Appendices

Appendix 1: 2020-2021 Key deliverables scorecard

The following scorecards outline the status of the 24 key deliverables we set out to achieve in our 2020-2021 Corporate Plan when it was approved in December 2019, together with 15 carried forward from prior years (total 39). As of March 31, 2021 Waterfront

● Achieved or substantially achieved on/before March 31, 2021

● Not achieved by March 31, 2021/deferred to a future year

* Board-approved December 5, 2019 as per 2020-2021 Corporate Plan within the Rolling Five Year Strategic Plan 2020-2021–2024-2025

Project	2020-2021 Deliverables*	Final status	Comments
Port Lands			
Port Lands Flood Protection and City-Serving Infrastructure Implementation	Substantial construction completion of Cherry Street north bridges.	●	Substantially achieved. Cherry Street north transit bridge delivered and installed November, 2020. Cherry Street north vehicular bridge is substantially complete and on schedule to be delivered and installed April, 2021.
	Complete Cherry Street south bridge abutments, piers, substructure and steel.	●	Achieved. Cherry South bridge foundation and sub-structure have been completed. Steel structure fabrication is on schedule for completion in October, 2021.
	Complete construction of the cut-off walls, dewatering excavation and installation of the Risk Management Measure barrier in the Central River Valley, Ice Management Area and Spillway.	●	Substantially achieved. Completed construction of cut-off walls in the Central River Valley, Ice Management Area and Spillway, as well as dewatering excavation work in the Central River Valley and Spillway (Ice Management Area underway). The Risk Management Measure barrier (protective liner) is complete in the Central River Valley and installation remains ongoing in the Spillway and Ice Management Area (completion scheduled 2021).
	Commence reconstruction of Lake Shore Bridge.	●	Reconstruction of a revised approach for the Lakeshore Bridge has been deferred to September 2021 while we engage with the City of Toronto to coordinate our work with other construction in the area, including rehabilitation work on the Gardiner Expressway. In December 2020, Toronto City Council approved a revised approach to reconstruction of the Lake Shore Bridge and Lake Shore Boulevard East to Carlaw Avenue.
Lake Shore Blvd East – Bridge and Public Realm	Finalize design and obtain approval from City of Toronto to proceed with Phase II, construction of the Lake Shore Boulevard East - Bridge and Public Realm.	●	Design substantially complete and, as noted above, Toronto City Council approval and funding to proceed to Phase II, approved December 2020.
Complete Communities			
Bayside	Complete transfer of C2 site in Bayside to Hines; review and approve Site Plan Applications and other municipal approvals as necessary.	●	Substantially achieved. Transfer of new Bayside commercial building site to developer completed in July 2020. Site Plan applications and municipal approvals under City of Toronto review with completion expected Spring 2021.
Stormwater and Sanitary Sewer Infrastructure	Complete Cherry Street Stormwater Water Facility.	●	Construction substantial completion achieved March 2021.
	Complete construction of in-water storm pipes connecting Dockside & Bayside.	●	Construction has begun and was delayed to allow time for redesign and value engineering required to reduce the overall project cost. Completion expected in 2022.

Toronto achieved 62% (24/39) of these key deliverables. Of those not fully realized, over 50% (7) related to external imperatives beyond our control, such as COVID-19 and/or schedule resequencing to accommodate a development partner, utility company schedule and/or government directive. The remaining seven deliverables were deferred for matters of budget mitigation, Corporate Plan reprioritization or weather conditions. Note that none of these deferrals places the Corporation at risk of noncompliance with key contracts nor pose an overall budget risk.

Project	2020-2021 Deliverables*	Final status	Comments
Public Places			
York & Rees Street Parks	Complete design for York Street Park.	●	Design for Love Park has been completed.
	Complete preliminary design for Rees Park interim use.	●	The key deliverable for Rees Street Park was refocused on the completion of a Consensus Plan to determine baseline design which meets the expected budget.
Public Art	Commission one permanent public artwork as per the public art strategy, as well as 2-3 temporary public art activations.	●	Achieved. Commissioned an artist shortlist for a permanent public art installation at Sherbourne Water's Edge and we implemented the following temporary projects: Framework for Contact Photography Festival, the Waterfront Artist Residency program and the Mare Liberum project (in partnership with Evergreen on the Don River).
Eastern Waterfront Transit And Queens Quay Revitalization			
Infrastructure	Complete preliminary design and engineering for Queens Quay East surface works to Cherry Street for Queens Quay East LRT infrastructure.	●	The schedule for the preliminary design and engineering for public realm surface works between Bay Street and Parliament as well as assess the infrastructure design requirements for rapid transit eastward along Queens Quay was deferred due to project starting later than anticipated due to a longer procurement process.
	Complete topographic survey and subsurface utility engineering investigation on Queens Quay East right-of-way.	●	Substantially complete. Topographic survey is complete and subsurface utility engineering investigation is substantially complete.
Other			
Other Initiatives	Update previous research on world's best urban waterfronts and prepare a summary report; reflect results in high-level scope (including costing) for the New Potential Projects.	●	Waterfront Vision Summary Report complete and presented to Board of Director's August 2020.
	Complete final recommendation report for Marine Use Strategy.	●	Marine Use Strategy Report complete and was released March, 2021.

● Achieved or substantially achieved on/before March 31, 2021

● Not achieved by March 31, 2021/deferred to a future year

* Board-approved December 5, 2019 as per 2020-2021 Corporate Plan within the Rolling Five Year Strategic Plan 2020-2021–2024-2025

Project	2020-2021 Deliverables*	Final status	Comments
Next Generation Sustainable Communities (Quayside)			
Quayside Implementation (Deliverables revised due to withdrawal of Sidewalk Labs in May, 2020)	Undertake formal market sounding process with potential proponents for an upcoming Developer Request for Proposals (RFP) for Quayside;	●	Completed December 2020.
	Issue Development Partner Request for Proposal for Quayside.	●	Completed – Request for Qualifications released March, 2021.
	Engage the public on the Developer RFP goals and objectives for Quayside prior to issuance of the RFP.	●	Completed February 2021.
Signature Projects			
Fundraising Action Plan	MOU with the City of Toronto on fundraising by Waterfront. Toronto for the Signature Projects.	●	MOU Term Sheet to be finalized and included in Tri-government Strategic Review report to Toronto City Council July 2021.
	Undertake grant scan and apply for available funding.	●	Grant scans are performed regularly and no major new applicable grant funding identified during fiscal year 2020-2021.
	Establish volunteer leadership for the Destination Playground Fundraising campaign.	●	Deliverable deferred to fiscal year 2021-2022 as efforts have been refocused towards prospect research and the development of the donor pipeline.
Destination Playground	Complete 30% design for Destination Playground project.	●	30% Schematic Design for the playground and pavilion is underway and expected to be completed by May 2021 (in draft).
Jack Layton Ferry Terminal	Complete implementation strategy and revised cost estimate for Jack Layton Ferry Terminal.	●	Funding and Implementation Strategy deferred pending the outcome of an adjacent City of Toronto development proposal.
Waterfront Walk	Complete Waterfront Walk concept design for gaps identified in the gap analysis undertaken in 2019-2020.	●	Substantially achieved. Concept design complete for Parliament Slip and draft concept complete for Redpath Sugar frontage (pending review with landowner).

2018-19 and 2019-2020 Carry forward key deliverables scorecard

● Achieved or substantially achieved on/before March 31, 2021

● Not achieved by March 31, 2021/deferred to a future year

* Board-approved December 7, 2017 as per 2018-2019 Corporate Plan

Project	2018-2019 Deliverables*	Final Status	Comments
Complete Communities			
Bayside Phase I	Complete construction of Phase 1 public realm for Bonnycastle Street.	●	Project completed.
Bayside Phase II	Complete construction and landscaping of Phase 2 local streets and public realm.	●	Project completed.
	Close land transaction with Hines/Tridel for Blocks A1/A2 in Bayside to enable the construction of a \$320 million, 420,000 square foot residential condominium building with a City-run community centre.	●	Land transaction completed.
Broadview & Eastern Avenue Flood Protection	Complete phase 1 of environmental assessment process.	●	Near completion. The final Environmental Study Report for the Broadview and Eastern Flood Protection Municipal Class Environmental Assessment was completed and adopted by Toronto City Council in April 2021. It is subject to a 30 day public review period, after which approval is anticipated by June 2021 by the Ontario Ministry of Environment, Conservation and Parks.
Queens Quay Bay to Spadina Revitalization	Transfer temporary overhead power connections to the new underground system and replace older hydro poles with Waterfront Toronto's signature light poles.	●	Waterfront Toronto continues to await Toronto Hydro's schedule forecast for Toronto Hydro's electrification of Queens Quay. When electrification is implemented, this scope will be executed.
West Don Lands Phase II	Achieve municipal approvals on Block 13, Canary Phase 5, a \$380 million, 550,000 square foot residential condominium building and Block 10, a \$200 million, 296,000 square foot mixed-use development with Anishnawbe Health Toronto which includes a community health centre, hotel and purpose-built market rental.	●	Due to COVID-19, site developer Dream Kilmer slowed work on Block 13 until there was greater market certainty. Municipal approvals expected in fiscal 2022-2023. An architect has been hired.
		●	Block 10 municipal approvals substantially achieved.

Project	2018-2019 Deliverables*	Final Status	Comments
Public Places			
Public Art	Complete public engagement, procurement, and design of "Destination" public art piece at Water's Edge Promenade in Bayside Phase 1.	●	Procurement of shortlisted artist proponents completed. Selection of final public art piece delayed to 2021-2022 due to travel restrictions on short-listed artists related to global pandemic.

Strategic Initiatives & Core Support Functions

Core Support Functions	Develop new employee performance management	●	Deferred. The development of a new employee management framework is deferred to 2021-2022.
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● Achieved or substantially achieved on/before March 31, 2021

● Not achieved by March 31, 2021/deferred to a future year

**Board-approved December 6, 2018 as per 2019-2020 Corporate Plan

Project	2019-2020 Deliverables**	Final Status	Comments
Complete Communities			
Bayside Phase II	Select non-profit operator for affordable housing site.	●	Deferred. The selection on the non-profit operator will be determined by the City in 2021-2022 once the developer partner is confirmed in 2021-2022 (either Hines who has right of first offer, or another developer chosen through an RFP).
Queens Quay East Revitalization	Negotiate acquisition of land related to road realignment and associated approvals.	●	Partially achieved. WT has executed an Agreement of Purchase and Sale for one property that is expected to close in 2021-2022. For the remaining property WT remains in active negotiation.
Stormwater and Sanitary Sewer Infrastructure	Complete concrete building shell and install treatment equipment for Stormwater Facility (SWF).	●	Project complete.
	Final commissioning of Sanitary Pumping Station (SPS) on permanent power.	●	Project complete.

Public Places

The Bentway	Substantial construction completion of the pedestrian and cycling bridge for The Bentway.	●	Deferred. This is due to the City of Toronto's change in priorities of completing the Gardiner Rehabilitation work prior to the construction of the Bentway Pedestrian and Cycling bridge. Design of the bridge is expected to be completed by July 2021.
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Strategic Initiatives & Core Support Functions

Strategic Initiatives & Other	Resiliency Assessment: Undertaking study to assess future climate risks and ongoing stresses.	●	Completed. Resiliency assessments are now required for all new buildings through WT's Green Building Requirements V3, released in February 2021.
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Appendix 2



Reconciliation to audited financial statements

In accordance with Canadian public-sector accounting standards for government non-profit organizations, the total capital investments of \$286.4 million (page 78) are reflected in the Corporation's March 31, 2021 audited financial statements as follows:

Capital investments	\$ millions
Statement of financial position/Note 6:	\$ 269.1
Additions to/increase in Assets Under Development	
Statement of changes in net assets/Note 6:	8.3
Transfer of assets to Government	
Statement of financial activities	9.1
Expenses	
Note 4: Deposits and prepaid expenses	(0.1)
Net change in prepaid expenses	
Total capital investments (see page 78)	\$ 286.4

Capital funding of \$245 million is reflected in the Corporation's March 31, 2021 audited financial statements as follows:

Capital funding	\$ millions
Statement of financial activities	
Revenue	\$ 227
Net other operating income	0.5
Land sale proceeds and other income	17.5
Total capital funding (see page 80)	\$ 245

Appendix 3


This appendix offers additional information on Waterfront Toronto's corporate social responsibility and sustainability performance, to support our adoption of GRI G4 reporting guidelines.

GRI 101: General disclosure

Organizational profile

Disclosure number	Disclosure title	Response
102-1	Name of organization	Section 1 > Our mandate > p. 13
102-2	Activities, brands, products and services	Section 1 > Our mandate > p. 13 Homepage > About us > Who we are Homepage > Projects
102-3	Location of headquarters	Homepage > Contact us
102-4	Location of operations	Section 1 > Our mandate > p. 13 <i>Waterfront Toronto operates in Toronto, Canada.</i>
102-5	Ownership and legal form	Homepage > About us > Who we are
102-6	Markets served	Section 1 > Our mandate > p. 13 Section 1 > Everybody's waterfront > p. 22
102-7	Scale of organization	Section 1 > Board and committees > p. 21 Section 1 > Building a diverse team > p. 23 Section 6 > Appendix 1 > pp. 90-94 Section 5 > A. Capital investment > pp. 78-79 Section 5 > B. Capital funding > p. 80 <i>Total number of employees: 92</i> <i>Total number of operations/projects: There were 13 active projects throughout the reporting period.</i> <i>Capital funding: \$246.7 million</i> <i>Capital investment: \$286.5 million</i> <i>Capital investment allocated mainly to four priority initiatives: the Port Lands, Complete Communities, Public Places and Next-Generation Sustainable Communities. Total capitalization broken down in terms of debt/equity not applicable.</i>
102-8	Information on employees and other workers	Section 1 > Our mandate > p. 13 Section 1 > Building a diverse team > p. 23 <i>Waterfront Toronto operates in one region.</i>
102-9	Supply chain	Section 1 > Fiscal responsibility > p. 24 Homepage > Procurement Homepage > Procurement > Awarded contracts



GRI 101: General disclosure**Organizational profile**

Disclosure number	Disclosure title	Response
102-10	Significant changes to the organization and its supply chain	 Homepage > Procurement > Awarded contracts Section 5 > B. Capital funding > p. 80 Section 6 > Appendix 1 > p. 90-94 <i>There were no significant changes to the organization's ownership during the reporting period.</i>
102-11	Precautionary principle or approach	Section 3 > Port Lands Flood Protection > p. 47
102-12	External initiatives	Section 1 > Reporting for impact > p. 16 Section 1 > Working locally, contributing globally > p. 19
102-13	Membership of associations	Section 1 > Our mandate > p. 13 <i>WT is a member of the below listed organizations:</i> <ol style="list-style-type: none"> 1. Canadian Green Building Council 2. C40 Cities Climate Leadership Group 3. Ontario Environment Industry Association 4. Intelligent Community Forum 5. Urban Land Institute 6. Passivehouse Canada 7. Toronto Region Board of Trade (TBOT) 8. Association of Corporate Council 9. National Executive Forum on Public Property (NEFPP) 10. HR Insider 11. Toronto Construction Association 12. Ontario Public Buyers Association

GRI 102: General disclosure**Strategy**


Disclosure number	Disclosure title	Response
102-14	Statement from senior decision-maker	Section 1 > From George > p. 11

Ethics and integrity


102-16	Values, principles, standards and norms of behaviours	Section 1 > From George > p. 11 Section 1 > Our mandate > p. 13 Section 1 > Fiscal responsibility > p. 24  Homepage > Our vision  Homepage > About us > Accountability > Policies
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GRI 101: Foundation 2016 / General disclosure

Governance

Disclosure number	Disclosure title	Response
102-18	Governance structure	<p>Section 1 > Board and committees > p. 21</p> <p>Section 1 > Governance, oversight and advisory groups > p. 20</p> <p> Homepage > About us > Accountability</p> <p><i>Decision making by the Board's three subcommittees; (1) Finance, Audit, and Risk Management Committee, (2) Human Resources, Governance and Stakeholder Relations Committee and (3) Investment, Real Estate and Quayside Committee consider Environmental, Social and Economic considerations as Waterfront Toronto is mandated to "improve the economic, social and cultural value of the land... in a fiscally and environmentally responsible manner."</i></p>





Stakeholder engagement

102-40	List of stakeholder groups	<p>Section 1 > Connecting with the public > p. 27</p> <p>Section 1 > Partnering with Treaty Holders > p. 28</p>
102-41	Collective bargaining agreements	<i>No Waterfront Toronto employees are covered by collective bargaining agreements.</i>
102-42	Identifying and selecting stakeholders	<p>Section 1 > Connecting with the public > p. 27</p> <p> Homepage > Get involved > Public consultation</p> <p>Section 1 > Everybody's waterfront > p. 22</p>
102-43	Approach to stakeholder engagement	 Waterfront Revitalization Corporation Public Consultation and Participation Strategy
102-44	Key topics and concerns raised	Section 1 > Making a difference that matters > p. 30

GRI 102: Foundation 2016 / General disclosure

Reporting practice



Disclosure number	Disclosure title	Response
102-45	Entities included in the consolidated financial statements	Section 6 > Appendix 2 > p. 95  Homepage > About us > Accountability > Annual reports and financial statements
102-46	Defining report content and topic boundaries	Section 1 > Making a difference that matters > p. 30
102-47	List of material topics	Section 1 > Making a difference that matters > p. 30
102-48	Restatements of information	<i>No restatements have occurred since the last report.</i>
102-49	Changes in reporting	<i>No significant changes in scope or boundaries have occurred since the last report.</i>
102-50	Reporting period	<i>April 1, 2020 – March 31, 2021</i>
102-51	Date of most recent report	<i>Integrated Annual Report released June 25, 2020</i>
102-52	Reporting cycle	<i>Annually</i>
102-53	Contact point for questions regarding the report	Waterfront Toronto 20 Bay Street, Suite 1310, Toronto, ON M5J 2N8 T. 416.214.1344 E. info@waterfronttoronto.ca  waterfronttoronto.ca
102-54	Claims of reporting in accordance with the GRI standards	<i>This report has been prepared in accordance with the GRI standards: Core option</i>
102-55	GRI content index	<i>This is the GRI content index. The report was prepared in accordance to the 2016 GRI standard: Core option.</i>
102-56	External assurance	<i>This report has not been externally assured.</i>

GRI 200: Economic topics		
103 Management Approach 2016		
Disclosure number	Disclosure title	Response
103-1	Explanation of the material topic and its boundary	 Homepage > Our vision > Economic growth
103-2	The management approach and its components	<p>Section 1 > Governance, oversight and advisory groups > p. 20</p> <p>Section 2 > Unlocking development potential > p. 34</p> <p>Section 6 > Performance measures > pp. 84-85</p> <p> Rolling Five Year Strategic Plan 2021/22 - 2025/26 > Funding Sources and investment plan > p. 68</p> <p> Rolling Five Year Strategic Plan 2021/22 - 2025/26 > Five-year investment plan > p. 71</p> <p> Rolling Five Year Strategic Plan 2021/22 - 2025/26 > Fiscal responsibility and accountability > p. 74</p>
103-3	Evaluation of the management approach	<p>Section 1 > Fiscal responsibility > p. 24</p> <p>Section 6 > Performance measures > pp. 84-85</p>
201 Economic performance		
201-1	Direct economic value generated and distributed	<p>Section 6 > B. Capital funding > p. 80</p> <p>Section 6 > C. Corporate operating cost > p. 81</p> <p>Direct economic value generated Capital funding: \$246.7 million</p> <p>Economic value distributed Operating costs (after amortization): \$18.1 million Capital investment: \$286.5 million</p> <p>Economic value retained \$0</p> <p><i>Waterfront Toronto does not have the power to borrow, hence there are no payments to providers of capital. Waterfront Toronto is exempt from income tax, hence does not have any payments to governments. All capital investments are considered community investments and all figures are presented on an accrual basis.</i></p>
201-2	Financial implications and other risks and opportunities due to climate change	

GRI 200: Economic topics**103 Management Approach 2016**

Disclosure number	Disclosure title	Response
103-1	Explanation of the material topic and its boundary	 Homepage > Our vision > Economic growth
103-2	The management approach and its components	Section 6 > Performance measures > pp. 84–85  Rolling Five Year Strategic Plan 2021/22 - 2025/26 > Funding Sources and investment plan > p. 68
103-3	Evaluation of the management approach	Section 1 > Fiscal responsibility > p. 24 Section 6 > Performance measures > pp. 84–85

203 Indirect Economic Impacts 2016

203-1	Infrastructure investments and services supported	Section 2 > Unlocking development potential > p. 34 Section 2 > Digital connections for prosperity and inclusion > p. 37 Section 2 > New transit connections > p. 43 Section 3 > Port Lands Flood Protection > pp. 48-49 Section 3 > Infrastructure to protect waterways > pp. 52-55 Section 3 > Green innovation on the waterfront > p. 58
203-2	Significant indirect economic impacts	 Homepage > Our vision > Economic growth > Return on investment Section 2 > Unlocking development potential > p. 34  Rolling Five Year Strategic Plan 2021/22 - 2025/26 > Port Lands economic impact > p. 47

GRI 300: Environmental topics

Energy

103 Management Approach 2016





Disclosure number	Disclosure title	Response
103-1	Explanation of the material topic and its boundary	Section 3 > Leading on green urbanism > pp. 56-57
103-2	The management approach and its components	Section 3 > Leading on green urbanism > pp. 56-57
103-3	Evaluation of the management approach	Section 3 > Leading on green urbanism > pp. 56-57

302 Energy 2016

302-4	Reduction of energy consumption	Section 3 > Leading on green urbanism > pp. 56-57
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Water and Effluents

103 Management Approach 2016

103-1	Explanation of the material topic and its boundary	Section 3 > Making progress safely during COVID-19 > p. 50  Resilience and Innovation Framework > p.5
103-2	The management approach and its components	Section 3 > Making progress safely during COVID-19 > p. 50  Homepage > Our vision > Environment and sustainability  Toronto Waterfront Aquatic Habitat Restoration Strategy
103-3	Evaluation of the management approach	Section 6 > Performance measures > pp. 84–85  Resilience and Innovation Framework Action Plan

303 Water and Effluents 2018

303-1	Interactions with water as a shared resource	Section 3 > Making progress safely during COVID-19 > p. 50 Section 1 > Partnering with Treaty Holders > pp. 28–29 Section 2 > Commercial activity on the lake > p. 44
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Biodiversity

103 Management Approach 2016

103-1	Explanation of the material topic and its boundary	Section 3 > Making progress safely during COVID-19 > p. 50  Resilience and Innovation Framework > p. 5
103-2	The management approach and its components	Section 3 > Making progress safely during COVID-19 > p. 50  Homepage > Our vision > Environment and sustainability  Toronto Waterfront Aquatic Habitat Restoration Strategy  2005 Sustainability Framework  Resilience and Innovation Framework
103-3	Evaluation of the management approach	Section 6 > Performance measures > pp. 84–85  Resilience and Innovation Framework Action Plan

GRI 300: Environmental topics

304 Biodiversity

Disclosure number	Disclosure title	Response
304-3	Habitats protected or restored	<p>WT's partnership with TRCA is formalized through a delivery agreement for TRCA to provide assistance with monitoring for fisheries, vegetation establishment & archaeology and tree, bird and bat surveys. It will be a while in the PLFP project before many of these habitats features will be constructed/monitored but there are two that have been constructed to date:</p> <p>CSLF Habitat Coves</p> <ul style="list-style-type: none"> • Construction was completed in October 2019 • TRCA is the third-party responsible for preparing monitoring reports (which WT then submits to DFO) • TRCA is also the third-party responsible for some interim maintenance (the coves are still under warranty, so TRCA is only performing special works) • So far, monitoring results are very positive, however the requirement to monitor lasts until October 2021 (2 full years) • We will not achieve "approval for the success of the restoration measure" until October 2021 – realistically it will be closer to December 2021 / January 2022 by the time DFO reviews + approves, however, DFO just authorized the release of 1/3 of the value for our Letter of Credit due to the overwhelming monitoring success demonstrated in 2020 for the habitat compensation constructed in CSLF <p>Polson Slip Revetment</p> <ul style="list-style-type: none"> • Construction was complete in October 2020 • There is no commitment to monitor functionality, however it does count towards the overall PLFP aquatic habitat area requirement • 6,970m² of revetment placed in Polson Slip greatly increases the overall structural habitat in this area

Emissions

103 Management Approach 2016


103-1	Explanation of the material topic and its boundary	
103-2	The management approach and its components	
103-3	Evaluation of the management approach	

305 Emissions 2016

305-1	Direct (Scope 1) GHG emissions	
305-2	Energy indirect (Scope 2) GHG emissions	
305-3	Other indirect (Scope 3) GHG emissions	

Environmental Compliance

103 Management Approach 2016

103-1	Explanation of the material topic and its boundary	All Waterfront Toronto projects follow best practices and appropriate environmental rules and regulations at the municipal, provincial and federal levels
103-2	The management approach and its components	 Environmental Management Plan
103-3	Evaluation of the management approach	<p>"1. All heavy construction projects follow the requirements laid out in the Waterfront Toronto Environmental Management Plan. These requirements apply to all contractors hired by Waterfront Toronto for a project and environmental management plans for each subcontractor are reviewed by the contractor.</p> <p>2. Waterfront Toronto tracks the reporting required through environmental permits. The organization prepares annual reports summarizing the outcomes that is shared with governments where appropriate.</p> <p>3. Environmental compliance is tracked through Waterfront Toronto's Corporate Risk Register"</p>

307 Environmental Compliance 2016

307-1	Non-compliance with environmental laws and regulations	Waterfront Toronto had no incidents of non-compliance with environmental laws and/or regulations in the reporting period
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GRI 400: Social topics**Diversity and Equal Opportunity****103 Management Approach 2016**

Disclosure number	Disclosure title	Response
103-1	Explanation of the material topic and its boundary	Section 1 > Everybody's waterfront > p. 22
103-2	The management approach and its components	
103-3	Evaluation of the management approach	

405 Diversity and Equal Opportunity 2016

405-1	Diversity of governance bodies and employees	Section 1 > Board and committees > p. 21 Section 1 > Building a diverse team > p. 23
405-2	Ratio of basic salary and remuneration of women to men	<p><i>As part of our commitment to ensure our compensation practices are fair and equitable for all employees, Waterfront Toronto has Pay Equity reviews conducted annually.</i></p> <p><i>Pay Equity compares female dominated job classes to male dominated job classes to ensure no gender biases with respect to how employees are paid.</i></p> <p><i>A significant amount of effort goes into developing the Pay Equity Plan, including writing job descriptions, training a job evaluation committee, evaluating all positions, developing a salary structure and implementing a pay for performance philosophy.</i></p> <p><i>The last Pay Equity review was last completed in May 2020 for the 2019 year and the process has confirmed that Waterfront Toronto has fair and equitable compensation practices and there were no Pay Equity adjustments required.</i></p> <p><i>The next Pay Equity review will be completed for the 2020 year within the upcoming month</i></p>

Non-discrimination**103 Management Approach 2016**

103-1	Explanation of the material topic and its boundary	<p><i>"Every employee of Waterfront Toronto has the right to a work environment that is inclusive, diverse and free of discrimination, harassment and violence. Waterfront Toronto has a series of policies in place that guide how the organization responds to any of these incidents:</i></p> <p><i>Guideline 19: Human Rights Discrimination / Harassment-free Workplace - This guideline serves to ensure ethical, fair service and equitable employment practices; fosters a work environment in which all employees are treated with respect and dignity and commits to provide a workplace that is free of discrimination and harassment.</i></p> <p><i>Guideline 19A: Workplace Harassment Guideline - This guideline describes Waterfront Toronto's commitment to providing a collegial working environment in which all individuals are treated with respect and dignity. Workplace harassment will not be tolerated within any Waterfront Toronto work environment, whether committed by an employee or another person. Workplace harassment means engaging in a course of vexatious comment or conduct in the workplace that is known or ought reasonably to be known to be unwelcome.</i></p> <p><i>Employees, regardless of position or seniority, found to have engaged in conduct constituting workplace harassment will face appropriate disciplinary action.</i></p> <p><i>Guideline 19B: Workplace Violence Program - This guideline describes Waterfront Toronto's commitment to providing a safe work environment that is secure and free from violence. Workplace violence is unacceptable conduct and will not be tolerated within Waterfront Toronto's work environments, whether committed by an employee or any other person in a work related situation. Any employee, regardless of position or seniority, found to have engaged in conduct constituting workplace violence will face appropriate disciplinary action.</i></p>
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GRI 400: Social topics**Non-discrimination (continued)****103 Management Approach 2016 (continued)**

Disclosure number	Disclosure title	Response
		<p><i>Guideline 19C: Human Rights and Health and Safety Harassment and Violence Complaint Procedure - This guideline sets out the procedures (formal and informal) utilized if a complaint or concern is raised under the Human Rights Policy, or pursuant to the Health and Safety Policy. These procedures have been established so that complaints of alleged discrimination and harassment can be resolved internally and are intended as an alternative dispute resolution process.</i></p> <p><i>The goal of this guideline and procedures is to prevent, correct and remedy situations of discrimination or harassment expeditiously and not to be punitive, although where appropriate, discipline may be applied. All persons involved with a complaint are expected to treat the matter as confidential."</i></p>
103-2	The management approach and its components	
103-3	Evaluation of the management approach	

406 Non-discrimination 2016

406-1	Incidents of discrimination and corrective actions taken	<p><i>"There was one incident reported during the reporting period.</i></p> <p><i>Status of Incident:</i></p> <ul style="list-style-type: none"> • <i>The incident was reported to HR, HR reviewed the incident and reported it to the CEO.</i> • <i>A remediation plan was implemented and the incident was resolved.</i> • <i>No further action is required."</i>
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Rights of Indigenous Peoples**103 Management Approach 2016**

103-1	Explanation of the material topic and its Boundary	<p><i>Waterfront Toronto has ongoing engagement with Indigenous communities with ties to the waterfront in various capacities including monitoring fish habitat and the health of the lake during construction activity as well as monitoring excavation activity for possible archaeological discoveries</i></p>
103-2	The management approach and its components	<p><i>"As Treaty Holders, the Mississaugas of the Credit First Nation and Waterfront Toronto have been working together closely since 2016 on the revitalization of the Toronto waterfront. This engagement was formalized through an MOU signed in 2020, which sets out key objectives, including economic development opportunities, as well as ensuring future waterfront revitalization acknowledges and celebrates Indigenous culture, history, and presence in the area.</i></p> <p><i>As part of this MOU, working groups have been initiated with senior representatives from both MCFN and Waterfront Toronto. These working groups meet regularly and serve as a forum for ongoing discussion and engagement to further the common objectives and opportunities of mutual interests related to waterfront revitalization.</i></p> <p><i>To support this important collaborative relationship and our work in general, Waterfront Toronto staff, members of the Board of Directors and advisory panels have also received Indigenous Cultural Sensitivity Training. Guided by MCFN, Waterfront Toronto has also recently appointed a new Indigenous Design Expert member to its Design Review Panel."</i></p>
103-3	Evaluation of the management approach	Section 1 > Partnering with Treaty Holders > pp. 28-29

411 Rights of Indigenous Peoples 2016

411-1	Incidents of violations involving rights of indigenous peoples	<p><i>There have been no incidents of violations involving the rights of indigenous peoples by Waterfront Toronto.</i></p>
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GRI 400: Social topics

Local Communities

103 Management Approach 2016

Disclosure number	Disclosure title	Response
103-1	Explanation of the material topic and its boundary	Homepage > About us
103-2	The management approach and its components	Homepage > Get involved > Public consultation
103-3	Evaluation of the management approach	Section 6 > Performance measures > pp. 84–85

413 Local Communities 2016

413-1	Operations with local community engagement, impact assessments, and development programs	Homepage > About us > Accountability Section 1 > Connecting with the public > p. 27 <i>“Over the past year, nearly all of WT’s active projects (11 of 13, or 85%) have included community engagement as part of their planning, design or implementation. For the two projects that have not included previous engagement: The fundraising action plan is still in early stages of development. To date, WT has conducted market soundings regarding attitudes about fundraising and corporate sponsorship. Regarding Public Art, WT typically does not conduct community engagement on individual installations, as they are selected through juried competitions. However, recently WT completed a consultation to inform an upcoming commission and may do more in the future.</i> <i>As a planning and development organization, much of Waterfront Toronto’s work is regulated under the municipal planning process. Waterfront Toronto goes well beyond the consultation that’s legally required for public projects, engaging stakeholders and members of the public early so there’s time to truly understand and incorporate their insights to improve the quality and relevance of projects.”</i>
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SECTION INSULATOR
THIS SIDE AND
POWER OFF

SECTION INSULATOR
THIS SIDE AND
POWER OFF

Executive team



George Zegarac

President and Chief Executive Officer

Meg Davis

Chief Development Officer

Chris Glaisek

Chief Planning and Design Officer

David Kusturin

Chief Project Officer

Lisa Taylor

Chief Financial Officer

Leslie Gash

Senior Vice President, Development

Julius Gombos

Senior Vice President, Project Delivery

Rose Desrochers

Vice President, Human Resources
and Administration

Cameron MacKay

Vice President, Strategic
Communications and Engagement

Pina Mallozzi

Vice President, Design

Kristina Verner

Vice President, Innovation,
Sustainability, and Prosperity

Ian Ness

General Counsel

Join us online



Waterfront Toronto

20 Bay Street, Suite 1310, Toronto, ON M5J 2N8

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Purpose	For Committee Approval
Areas of note/ Key issues	<p>The Corporation’s Delegations of Authority policy (Oct 10, 2019) requires Board approval for all capital project expenditures over \$5 million. This request is for \$14.2 million and relates to the 60% Design for Quayside Public Realm and Infrastructure. This work represents the next step in advancing this project forward. Details of the project and its scope are contained in the presentation attached as Appendix C to the board book.</p> <p>The approval request covers work planned for September 1, 2021 to August 31, 2022, 60% Design for Quayside Public Realm and Infrastructure which includes:</p> <ol style="list-style-type: none"> 1. Parliament Slip Dockwall and Fill 2. Small Street 3. South Lakeshore 4. East of Bonnycastle Street 5. The Water’s Edge Promenade 6. Street A and D 7. Parliament Wavedeck 8. Parliament Plaza 9. Queens Quay East Public Realm Right-of-Way 10. Queens Quay East Transitway 11. Silo Park <p>This work also includes retention of a construction manager who will be required to provide pre-construction services that include budget, schedule and constructability input.</p> <p>This project has been included in the Corporation’s Rolling Five Year Strategic Plan (2021/22 – 2025/26).</p>
Resolution and Next Steps	<p>The Committee will be required to pass the following resolution:</p> <p>ON MOTION duly made, seconded, and carried, be it RESOLVED that the Finance, Audit and Risk Management Committee recommends that the Board of Directors approve:</p> <ol style="list-style-type: none"> a) the capital expenditure of \$14.2 Million for Quayside Infrastructure and public realm design services; and b) the engagement of a construction manager for pre-construction services to be completed between September 2021 and August 2022 (the “Project”); and c) the Project be included in the Corporation’s Rolling Five Year Strategic Plan (2021/22 – 2025/26). <p>Request for capital approval will be presented for approval by the Board of Directors at its June 24, 2021, Meeting.</p>

Quayside Infrastructure & Public Realm 60% Design and Pre-Construction Services

Request for Capital Approval

Finance Audit and Risk Management Committee

May 27, 2021

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2. Background
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4. Summary of Expected Costs
5. Funding Sources
6. Risks
7. Timeline
8. Procurement Strategy
9. Capital Approval Request
10. Motion

Key Information and Expected Outcome

- The Corporation's *Delegations of Authority policy (Oct 10, 2019)* requires Board approval for all capital project expenditures over \$5 million
- Management is seeking Capital Approval in the amount of \$14.2M for Quayside Public Realm and Infrastructure design to 60% to validate scope and budget. Based on expected results, we will seek further Capital Approval for the completion of both design and construction.
- This work includes 60% design for a series of sub-projects within the Quayside work program (see Slide 6 for more details).
- This work also includes for the retention of a construction manager who will be required to provide pre-construction services that include budget, schedule and constructability input.

Background – Quayside Public Realm and Infrastructure

- **Quayside** is a 7.1-hectare parcel of land on Toronto’s waterfront, located at Queens Quay Boulevard East and Parliament Street.
- The site is intended to be developed as a mixed-use community, consistent with the Waterfront Toronto Mandate on providing forward looking communities. Waterfront Toronto’s broad project goals relate to building an “inclusive, resilient, and dynamic” neighbourhood
- Quayside infrastructure will enable the development of the precinct and the public realm will deliver an integrated Open Space armature for the precinct. Both of these tasks are defined as WT Lead in the RFQ/RFP for Quayside.



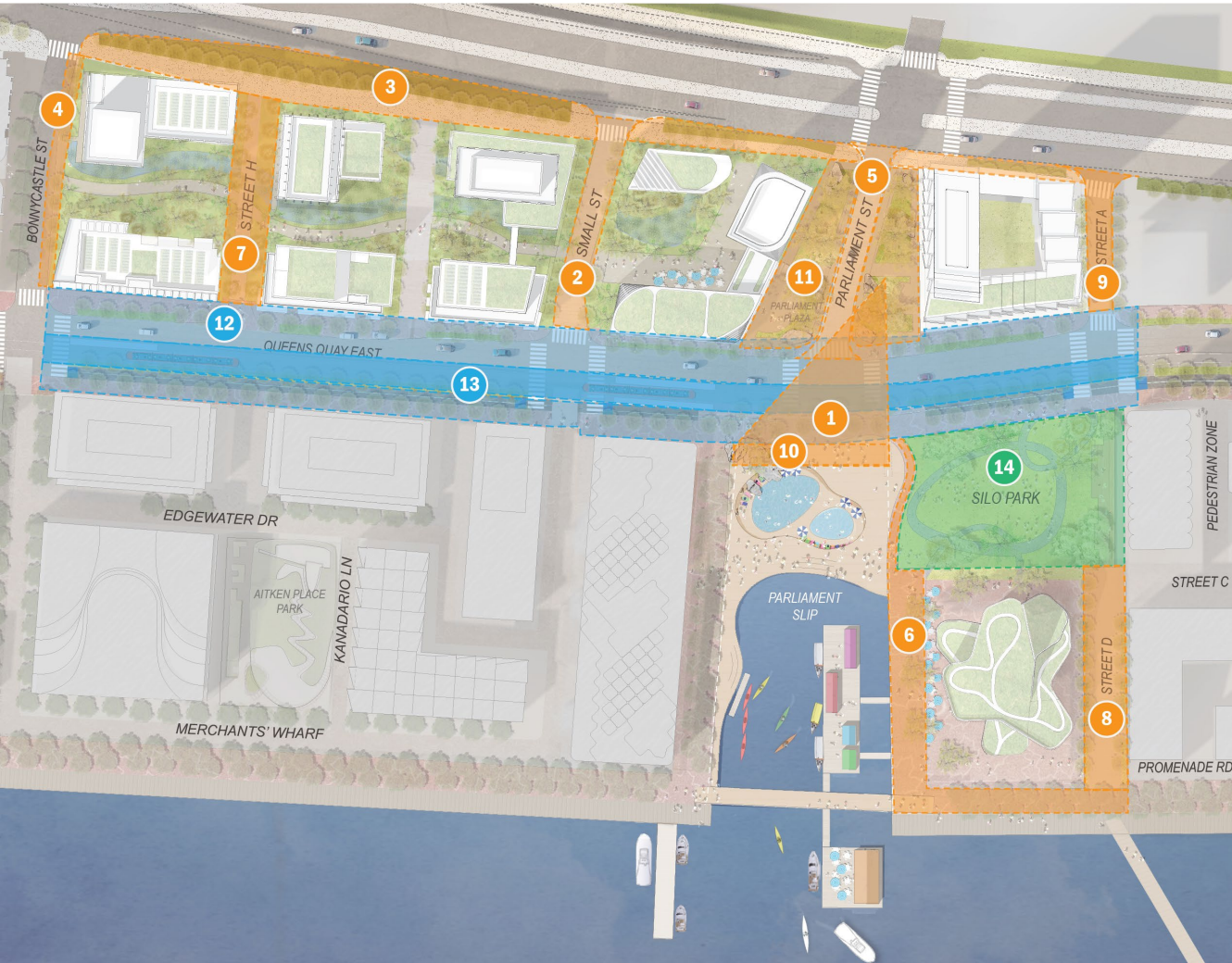
Scope - Area

Quayside Public Realm and Infrastructure Design



Scope - Project Components

Quayside Public Realm and Parliament Slip



QUAYSIDE PUBLIC REALM AND INFRASTRUCTURE

- 1 Parliament Slip Dockwall/Fill
- 2 Small Street
- 3 South Lakeshore
- 4 East of Bonnycastle
- 5 Parliament Street
- 6 Water's Edge Promenade -
- 7 Street H - POPS
- 8 Street D
- 9 Street A
- 10 Parliament Slip Wavedeck
- 11 Parliament Plaza

QUEENS QUAY

- 12 Bonnycastle to Silo - Public Realm/ROW
- 13 Bonnycastle to Silo - Transitway

SILO PARK

- 14 Silo Park

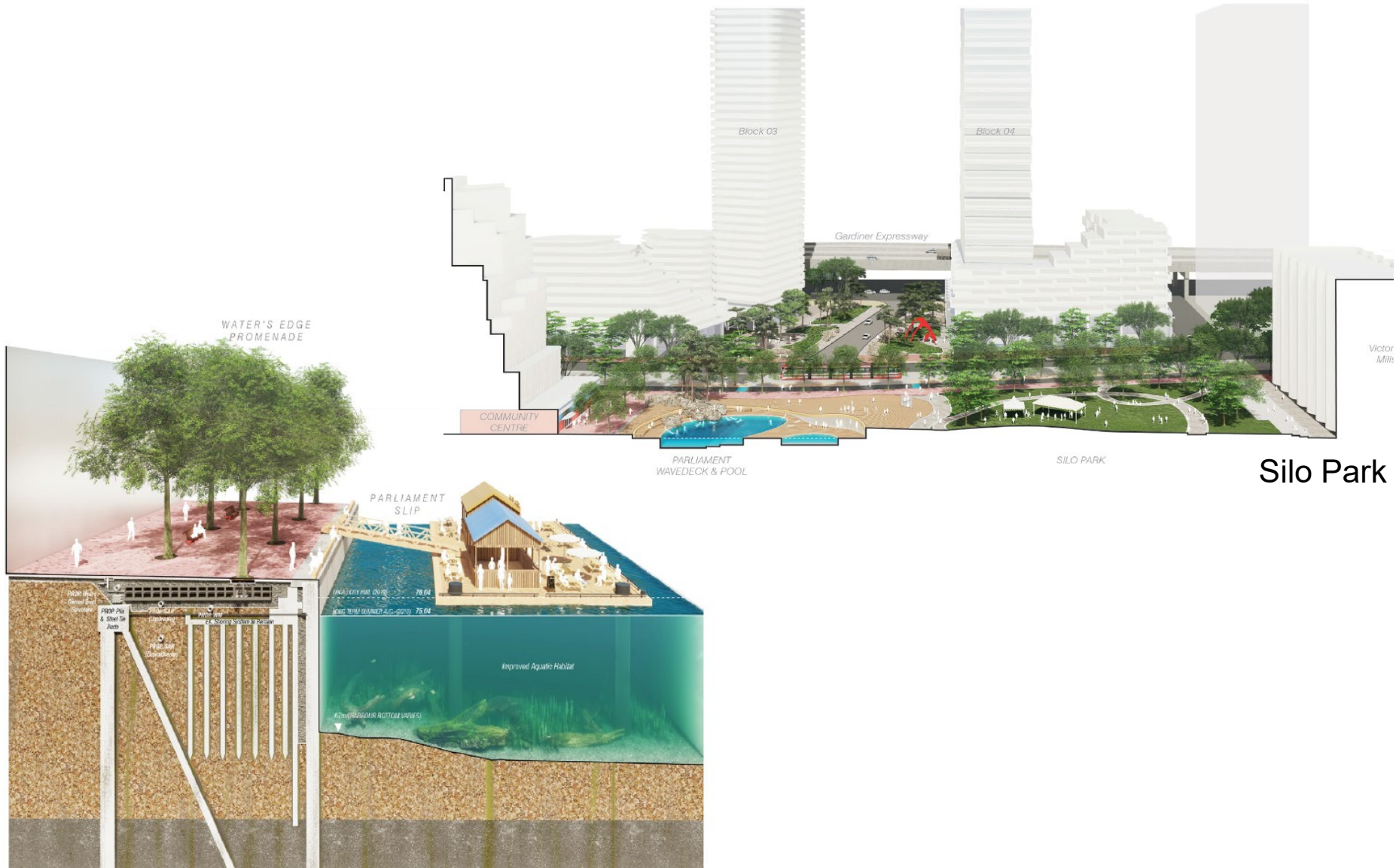
Scope - Project Components

Quayside Public Realm and Parliament Slip Conceptual Estimate



		Total Project Cost
Public Realm & Infrastructure		
1	Parliament Slip Dockwall/Fill	\$ 27,574,063.21
2	Small Street	\$ 7,717,506.97
3	South Lakeshore	\$ 7,647,093.65
4	East of Bonnycastle	\$ 4,484,707.19
5	Parliament Street	\$ 8,512,763.29
6	Water's edge promenade	\$ 29,205,995.45
7	Street H - POPS	\$ -
8	Street D	\$ 8,585,247.59
9	Street A	\$ 5,457,032.30
10	Parliament Slip Wavedeck	\$ 13,271,875.33
11	Parliament Plaza	\$ 10,558,891.53
		Subtotal \$ 123,015,176.51
Queens Quay		
12	1a QQE Public Realm/ROW	\$ 61,573,341.87
13	1b QQE Transitway	\$ 9,027,401.82
		Subtotal \$ 70,600,743.69
Silo Park		
14	Silo Park	\$ 16,174,353.80
		Subtotal \$ 16,174,353.80
		TOTAL \$ 209,790,274.00

Scope – Park Design Overview



Silo Park

Scope – Road Design Overview

Street A



Street D



Small Street



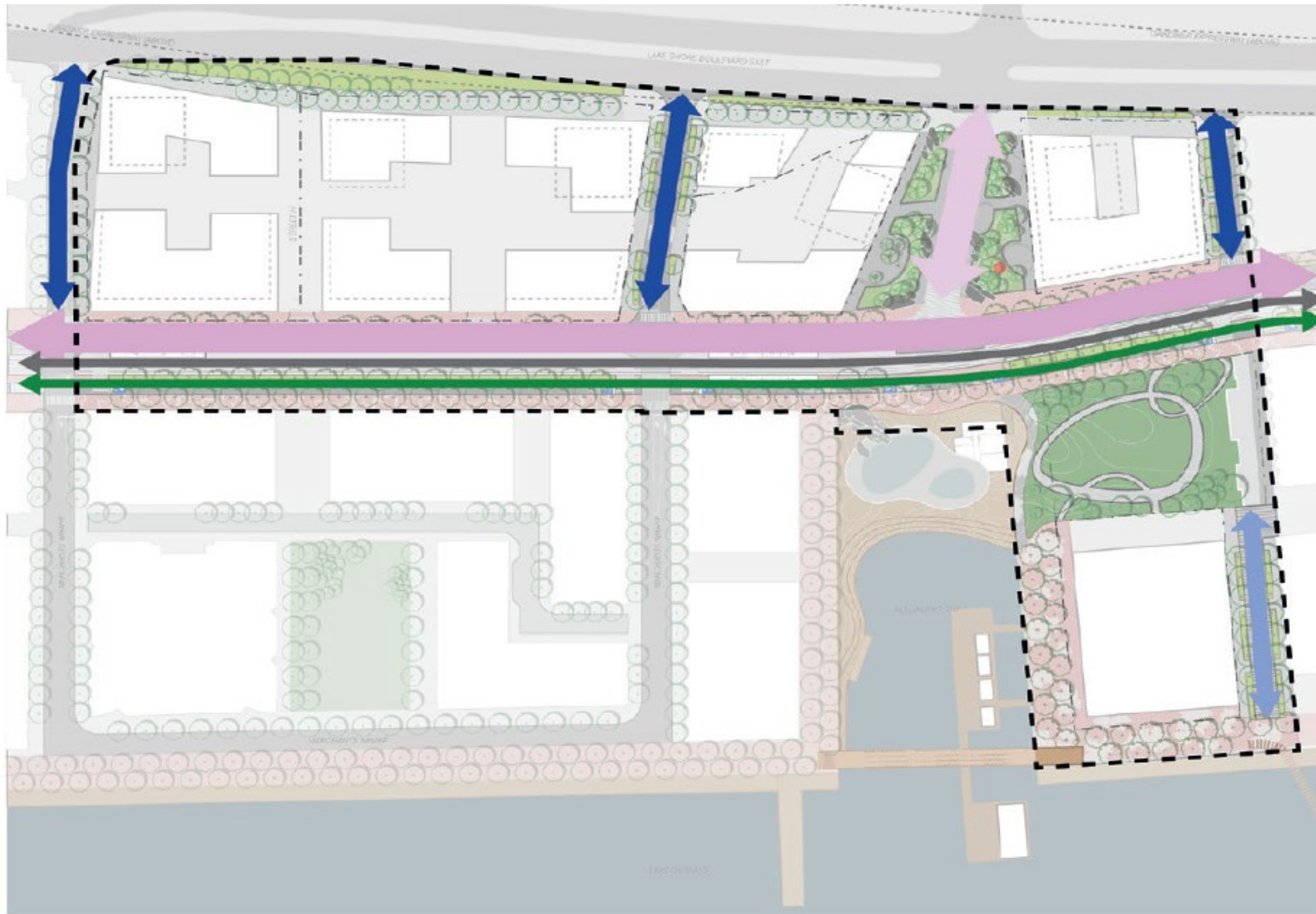
East side Bonnycastle Street



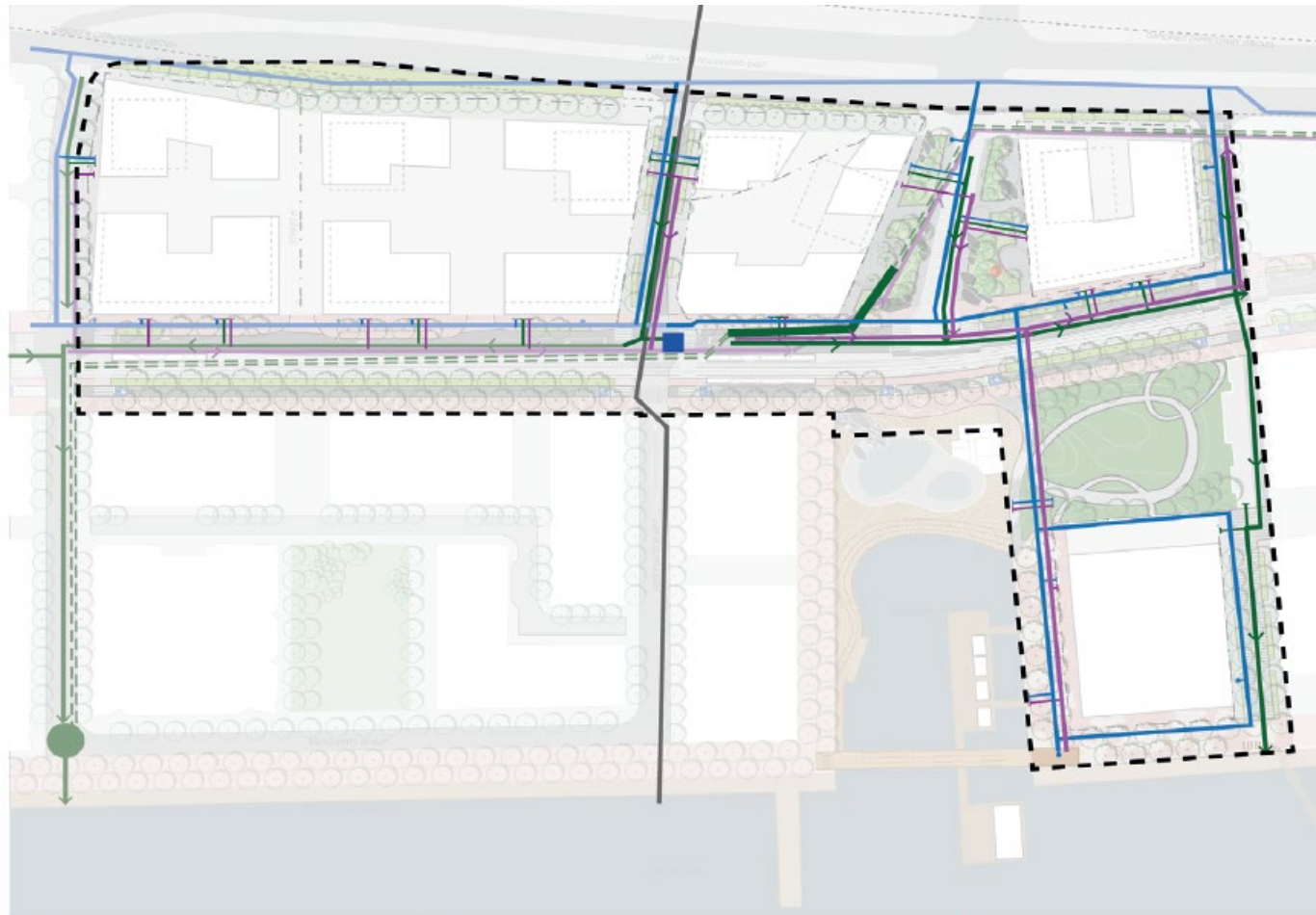
South Lakeshore Blvd



















Scope – Transit Overview



Scope – Infrastructure Overview



- | | | |
|--|---|--|
|  Existing Sanitary Sewer |  Existing Stormwater Management Facility |  Proposed Sanitary Sewer |
|  Existing Storm Sewer |  Existing Storm Forcemain |  Block Connection |
|  Existing Watermain | |  Proposed Storm Sewer |
|  Existing Hydrant | |  Block Connection |
|  Existing Combined Sewer Overflow (CSO) | |  Proposed Watermain |
| | |  Block Connection |
| | |  Proposed Hydrant |
| | |  Proposed Storm Forcemain |
| | |  Proposed Super Catch Basin |

Summary of Expected Costs

Quayside Public Realm and Infrastructure



	<u>30% design*</u>		<u>60% design</u>	
Total Design Costs	\$	3,200,000.00	\$	3,600,000.00
Pre-Construction Construction Management	\$	250,000.00	\$	250,000.00
Studies & Consulting	\$	2,100,000.00	\$	800,000.00
Public Engagement	\$	120,000.00	\$	110,000.00
Total Soft Costs	\$	5,700,000.00	\$	4,800,000.00
Project Management Costs	\$	2,000,000.00	\$	1,500,000.00
Tax 1.76% (PM costs not taxed)	\$	100,000.00	\$	100,000.00
Total Anticipated 60% Design Cost	\$	7,800,000.00	\$	6,400,000.00

Total Capital Approval: \$14,200,000

* Excludes 30% design fees for Queens Quay as these costs were previously approved by the Board of Directors as part of the QQE Capital Approval and are funded via a contribution agreement with the City of Toronto.

Funding Sources

Quayside Public Realm and Infrastructure Design



- Funding sources for 60% design scope amounting to \$14.2M will be from Quayside land sale revenues.
- As these land sale revenues are not anticipated to be realized until 2022, short-term, interim sources of financing will come from WTs existing cash reserves, including unspent project funds, Waterfront Toronto's retained earnings, and/or external line of credit (as required).
- Above design scope is included in the Rolling Five-Year Strategic Plan 2021/22 to 2025/26 (Board-approved December 2020).

Risks

Quayside Public Realm and Infrastructure

Risk Description	Potential Impact	Mitigation Strategy
Securing procurement for the 60% Design –through the BAFO process by September - 2021.	Project delays	Extending the 60% Design beyond Q2-2022
Securing the budget for the 60% design according to the expected Design Budget.	Schedule and Cost impacts	Monitoring Procurement and negotiating the best offer with Consultants through the BAFO process.
Securing the 60% Design within the set timelines.	Consultants' capacity to Deliver.	Coordinating City engagement and monitoring consultant's scope of work to be defined in detail.
Schedule of City engagement and approvals.	Design delays	Extending the 60% Design beyond Q2-2022
Securing Construction Schedules	Delays commencing Construction	Coordinate the regulatory approvals and defer start of construction due the extended design milestones.

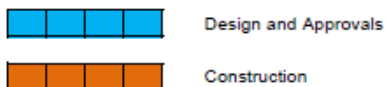
Timeline

Quayside Public Realm and Infrastructure Design



Quayside Schedule - Single Phase

TASK	2020				2021				2022				2023				2024				2025				2026				2027				2028			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
2020/21: TPAP - Environmental Approvals				■	■	■																														
Pre-Planning Consultation				■	■	■																														
Notice of Commencement					■	■																														
Publish Draft Environmental Project Report					■	■																														
Public and Stakeholder Consultation					■	■	■																													
Notice of Completion						■	■																													
Publish Environmental Project Report						■	■																													
30 Day Review/Objection Period						■	■																													
35 Day Minister's Review Period									■																											
2021 Draft Plan of Subdivision																																				
Draft Plan Approval										■	■	■	■																							
Registration																																				
Planning, design, and approval for Phase I & II Infrastructure projects:																																				
Queen's Quay extension Ph2 preparatory work – north dock wall, lakefill and associated pre-consolidation																																				
Queens Quay (existing followed by extension)																																				
Bonnycastle East Side (boulevard)																																				
South Side of Lake Shore Blvd. East																																				
Small Street Improvements																																				
Dock Wall Reinforcing on east side of Parliament slip																																				
Water's Edge Promenade																																				
Silo Park (including site remediation)																																				
Street A																																				
Street D																																				
Parliament Wave deck																																				
Construction Manager - Pre-Construction Services																																				
Mobilize and construct Infrastructure projects, complete in fiscal 2025/26																																				



Procurement Strategy

Quayside Public Realm and Infrastructure Design



Design

- New BAFO RFP process to procure a Design Team to be released upon receipt of Capital Approval.

Construction

- New BAFO RFP process to procure a Construction Manager to assist with pre-construction services.

Capital Approval Request: Summary of Work



This approval request covers costs for infrastructure and public realm design in support of the Quayside Development project. Related work is planned to take place between September 1, 2021, and August 31, 2022. Immediate related work will include:

- Procurement and completion of design services for Quayside public realm and infrastructure up to 60% as required to allow for validation of scope, cost and schedule. Subject to positive results, we will seek further approvals to complete design and proceed with construction.
- Procurement to secure preconstruction services through the engagement of a construction manager. The construction manager will be required to assist in the development of budgets, schedules and to assess and provide input on constructability matters. Subject to separate approvals, the construction manager will be authorized to move forward with the delivery of construction services.

- **ON MOTION** duly made, seconded and carried, be it **RESOLVED** that the Finance, Audit and Risk Management Committee recommends that the Board of Directors approve:
 - a) the capital expenditure of \$14.2 Million for Quayside Infrastructure and public realm design services; and
 - b) the engagement of a construction manager for pre-construction services to be completed between September 2021 and August 2022 (the “Project”); and
 - c) the Project be included in the Corporation’s Rolling Five Year Strategic Plan (2021/22 – 2025/26).

Join Us

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Finance, Audit & Risk Management Committee – May 27, 2021
Item 8 – Amendment to Rolling Five-Year Strategic Plan (2021/22 – 2025/26) for Parliament Slip
Pina Mallozzi

Purpose	For Committee Approval
Areas of note/ Key issues	<p>In March 2021, Waterfront Toronto announced a proposal to transform the Parliament Slip, an inlet on the inner harbour at the foot of Parliament Street, into a world-class public destination for all-season outdoor recreation and culinary experiences. The waterfront is the busiest it has ever been, and residents and visitors are seeking more outdoor spaces to enjoy.</p> <p>Parliament Slip, while not part of Waterfront Toronto’s current Rolling Five-Year Strategic Plan (2020/21 - 2025/26), is a critical element to activating the waterfront and our exciting vision for the Quayside precinct. At this time management is proposing to commence the advancement of design for the Parliament Slip.</p> <p>The Corporation’s Delegations of Authority policy (Oct 10, 2019) requires Board approval for all capital project expenditures less than \$5 million if not included in the Strategic Plan. This request is to add the Parliament Slip Project into the Rolling Five Year Strategic Plan (2021/22 – 2025/26) in the amount of \$4.67M to complete 60% design. Based on the results of this work, we will seek further Capital Approval for the completion of the remainder of design and construction. Details of the project and its scope are contained in the presentation attached as Appendix C to the board book.</p> <p>If approved, management will not exceed spending in the amount of \$2.86M to complete 30% Design, until such a time that the full project funding has been confirmed. By advancing 30% Design at this time, Parliament Slip can be developed in parallel to the Quayside Infrastructure and Public Realm project which would enable cost saving efficiencies.</p> <p>The planned work will be completed between June 2021 to May 2022 and includes Schematic Design (30% design) and Design Development (60% design) of:</p> <ul style="list-style-type: none"> • Slip Fill, Dockwall Improvements and Environmental • Wavedeck, Water Amphitheatre, Canoe/Kayak Launch • Transportation Finger Pier • Harbour Pools • Floating Dock with Concessions/Restaurant <p>The total project budget is \$95 million inclusive of the purchase of the slip and construction, design and soft costs, project management costs, contingencies, escalation and tax for all project components.</p>

Resolution and Next Steps	<p>The Committee will be required to pass the following resolution:</p> <p>ON MOTION duly made, seconded, and carried, be it RESOLVED that the Finance, Audit and Risk Management Committee recommends for approval by the Board of Directors:</p> <ul style="list-style-type: none"> a) the Parliament Slip Project (the “Project”) be added to the Corporation’s Rolling Five-Year Strategic Plan (2021/22 – 2025/26). b) a capital expenditure of \$4.67 Million for the Project to be completed between June 2021 and May 2022. c) spending not to exceed \$2.86M until the full Project funding has been secured. d) the engagement of a construction manager for pre-construction services once full Project funding has been secured.
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Parliament Slip

In-year Amendment to Rolling Five-Year Strategic Plan 2021/22 – 2025/26

Finance Audit and Risk Management Committee

May 27, 2021

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Key Information and Expected Outcome

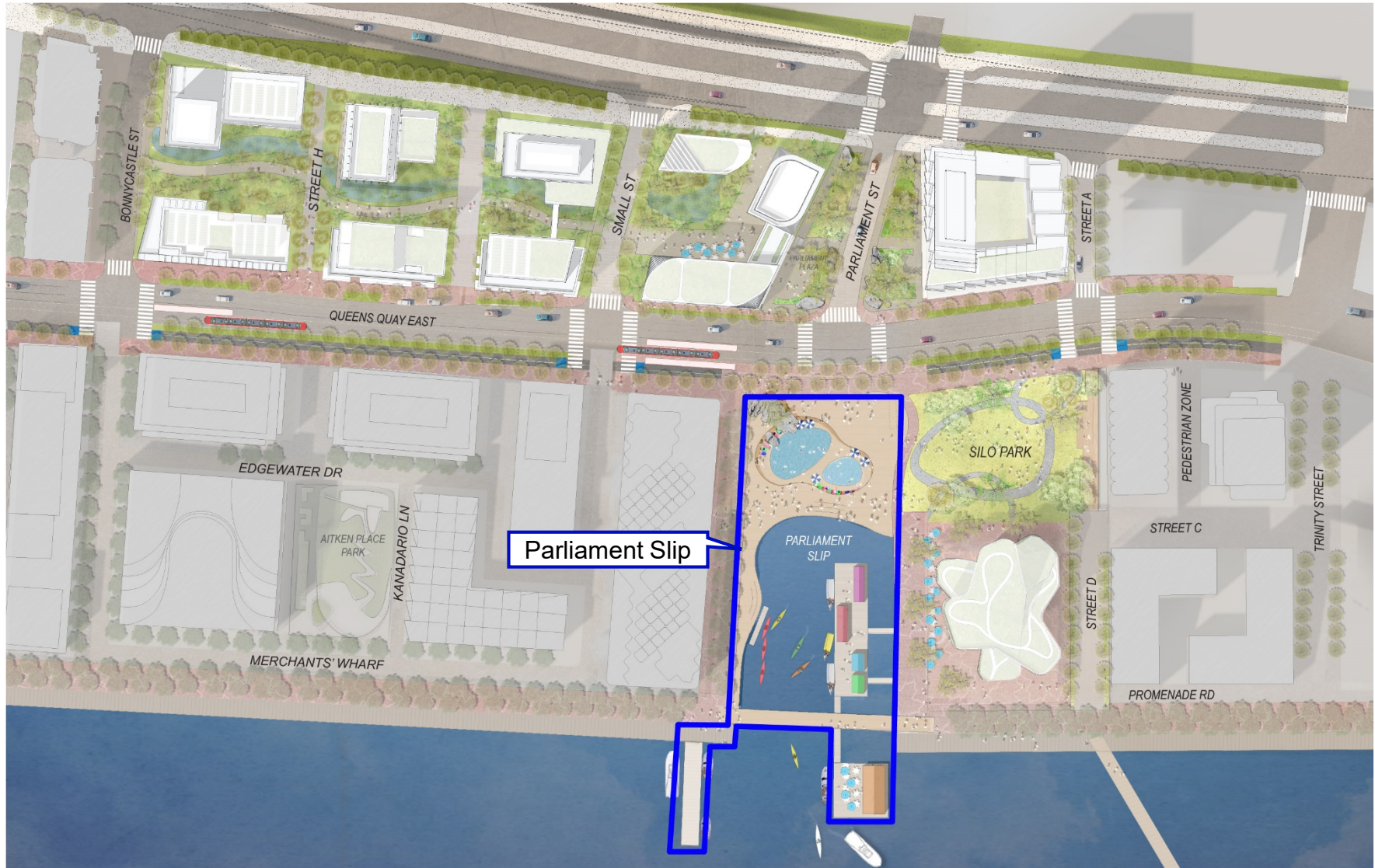
- As per the Corporation's *Delegations of Authority policy (Oct 10, 2019)*, projects valued at less than \$5 million are approved by the Board through the approval of the Rolling Five Year Strategic Plan.
- Management is seeking Board Approval to add the Parliament Slip Project into the Rolling Five Year Strategic Plan (2021/22 – 2025/26) in the amount of \$4.67M to complete 60% design.
- Based on the results of this work, we will seek a subsequent Capital Approval for the completion of the remainder of design and construction.
- If approved, management will not exceed spending in the amount of \$2.86M to complete 30% design, until such time that additional project funding requested from governments has been confirmed.
- If WT was not to advance the 30% design at this time, we would risk missing the opportunity to leverage work being completed to advance the Quayside Public Realm and Infrastructure project which results in cost-efficiencies in design and construction.

Background – Parliament Slip

- In March 2021, Waterfront Toronto announced a proposal to transform the Parliament Slip, an inlet on the inner harbour at the foot of Parliament Street, into a world-class public destination for all-season outdoor recreation and culinary experiences. The waterfront is the busiest it has ever been, and residents and visitors are seeking more outdoor spaces to enjoy.
- Parliament Slip will offer opportunities for year-round activation – with a new space for swimming, kayaking, canoeing, and a WaveDeck that would be the anchor for a water amphitheatre, floating restaurant, dock with concessions and space for public events. The slip will be a free public amenity that is physically accessible and available to all, prioritizing inclusivity.
- In April 2021, Waterfront Toronto submitted a funding request to the Provincial and Federal governments this included: a Feasibility Study and initial cost estimate, a Risk Assessment and an Economic Impact Assessment. This request is currently under review.
- Parliament Slip, while not part of Waterfront Toronto’s current Rolling Five-Year Strategic Plan (2021/22 - 2025/26), is seen as a critical element to activating the waterfront and our exciting vision for the Quayside precinct.
- Given the adjacency to the Quayside community, undertaking the design of Parliament Slip in parallel with the Quayside Public Realm and Infrastructure will enable efficiencies and cost-savings.

Scope Area – Parliament Slip

- The scope of this Board approval includes the area outlined below for Parliament Slip



Summary of Scope – Parliament Slip

1. Harbour Pools

- Parliament Slip Outdoor Pool
- One large pool
- Smaller wading pool or splash pad
- Serviced by a facility building built into the wavedeck

2. Wavedeck, amphitheatre, canoe/kayak launch

- Wavedeck will double as an amphitheatre with stepped seating
- Canoe and kayak launch will be connected to the wavedeck
- Easy entry/exit of small-scale boats from wavedecks

3. Transportation Finger Pier

- Fixed pier
- Proposed outside of the slip
- Can accommodate water taxis and potential future marine shuttle

4. Floating Dock

- 100-meter-long floating dock
- Connected by gangways to the WEP
- Small scale vendors such as pop-up restaurants, marine rentals, and a large restaurant on the outer portion of the pier

5. Parliament Slip Dockwall/Fill and Environmental



The total project budget is **\$95 million** inclusive of the purchase of the slip and construction, design and soft costs, project management costs, contingencies, escalation and tax for all project components.

Summary of Expected Costs Parliament Slip



	30% Design	60% Design
Design Fees	\$1,330,000	\$1,000,000
Studies & Consulting	\$730,000	\$220,000
Public Engagement	\$40,000	\$30,000
Total Soft Costs	\$2,100,000	\$1,250,000
Waterfront Toronto Project Management Costs	\$720,000	\$540,000
Tax 1.76% of A+B (PM costs not taxed)	\$40,000	\$20,000
Total Anticipated Project Cost	\$2,860,000¹	\$1,810,000

Total anticipated costs to 60% Design Stage Gate

\$4,670,000

Note 1: WT would commence 30% design stage with budget not to exceed \$2.86M, and only proceed with 60% design stage upon confirmation that additional government funding has been secured.

In-Year Amendment to Rolling Five-Year Strategic Plan

- Proposed in-year amendment to include Parliament Slip 60% design scope (\$4.7M) under Next Generation Sustainable Communities, to be carved out from the re-profiled “Parliament WaveDeck” scope. Overall capital investment plan and funding unchanged.
- Table below to replace relevant sections in Appendix 2 on Five-year financials of the Rolling Five-Year Strategic Plan 2021/22 to 2025/26 (page 85 of Strategic Plan).

Figures in \$ millions

	Budget		Forecast			Total Expenditures
	21/22	22/23	23/24	24/25	25/26	
Next Generation Sustainable Communities						
Infrastructure Implementation [UPDATED]	9.2	36.5	42.5	33.2	6.6	128.0
Planning and Development	17.7	4.2	3.8	3.2	3.1	32.0
Soil & Environmental Management	1.2	0.9	6.6	4.3	0.1	13.1
Parliament Slip [NEW]	4.7	-	-	-	-	4.7
Subtotal - Next Generation Sustainable Communities [AMENDMENT]	\$ 32.8	\$ 41.6	\$ 52.9	\$ 40.7	\$ 9.8	\$ 177.8
Subtotal - Next Generation Sustainable Communities [ORIGINAL]	\$ 28.6	\$ 45.8	\$ 52.9	\$ 40.7	\$ 9.8	\$ 177.8
Grand Total [AMENDMENT]	\$ 376.6	\$ 340.9	\$ 292.6	\$ 177.0	\$ 137.2	\$ 1,324.3
Grand Total [ORIGINAL]	\$ 372.4	\$ 345.1	\$ 292.6	\$ 177.0	\$ 137.2	\$ 1,324.3
Variance [AMENDMENT VS. ORIGINAL]	\$ 4.2	-\$ 4.2	\$ -	\$ -	\$ -	\$ -

Note. Capital investment plan for Parliament WaveDeck is being re-directed to “Parliament Slip” design scope (\$4.7M) previously reflected under the “Infrastructure Implementation” scope (+\$4.2M expenditure timing impact in 2021/22 with corresponding reduction in subsequent year).

Funding Sources

- Funding sources for 60% design scope amounting to \$4.67M will be from Quayside land sale revenues.
 - Funding being re-directed from what was originally allocated to the Parliament WaveDeck scope, thereby funding change neutral.
- As these land sale revenues are not anticipated to be realized until 2022, short-term, interim sources of financing will come from WTs existing cash reserves, including unspent project funds, Waterfront Toronto's retained earnings, and/or external line of credit (as required).
- In terms of project phasing, Waterfront Toronto to commence 30% design stage with budget not to exceed \$2.86M, and will further proceed with 60% design stage upon confirmation regarding funding request from governments.

Risks - Parliament Slip

A Risk Assessment was completed by HDR. The following risks related to the design phase of work results were identified:

RISK	MITIGATION
1 Site conditions related to wave action and flood waters from the Keating Channel result in a modification to the design.	Retain a water resource engineer as part of the design team to undertake hydrodynamic modelling along with wind and wave modelling.
2 Impacts of COVID-19 results in higher than expected inflation causing the project cost to exceed the budget.	Contingency and escalation allowances have been included in the construction cost estimate. If unforeseen escalation is realized the Project is scalable and can be modified while still achieving the vision.
3 Other risks in addition to HDR Risk Assessment. <ul style="list-style-type: none">• Funding Realization Risk	Commence 30% design stage with budget not to exceed \$2.86M, and only proceed with 60% design stage upon confirmation of additional Project funding from governments.

Estimated Timeline - Parliament Slip



EXPECTED TASKS	TIMING
DUE DILIGENCE (DESIGN AND COST ESTIMATE)	January - April 2021
PRELIMINARY DESIGN AND ENGINEERING (30% DESIGN)	June 2021 – October 2021
DESIGN DEVELOPMENT (60% DESIGN)	Nov 2021 – April 2022
WT BOARD OF DIRECTORS 60% STAGE GATE/ CAPITAL APPROVAL	May 2022
CONSTRUCTION DOCUMENTS (WITH PACKAGES RELEASED IN A PHASED MANNER)	June 2022 – November 2023
CONSTRUCTION COMMENCES	September 2022
CONSTRUCTION COMPLETED	Summer 2025

Design

- The Parliament Slip scope will be added to an existing contract with West 8 + DTAH which includes the design of the Waters Edge Promenade, WaveDecks and Finger Piers.

Construction

- Given the possible adjustments in project scope, and in consideration of the complexity of the combined Quayside and Parliament Slip programs, significant benefits can be achieved by engaging a **construction manager** early in the design process to assist with project planning, constructability reviews, cost estimating, schedule development, health and safety responsibility and site logistics.
- In order to achieve the benefits of coordination between the Quayside and Parliament Slip programs it is proposed that the same construction manager be engaged for both work programs.
- The construction manager will be retained through a competitive process managed by Waterfront Toronto for the Quayside project and Parliament Slip will be included as a provisional item. If approved, the construction manager will be retained to support the design phase.

Approval Request Summary of Work



- Approval request to include Parliament Slip in the Rolling Five Year Strategic Plan (2021/22 – 2025/26) to complete work planned from June 2021 to May 2022 for Schematic Design (30% design) and Design Development (60% design) of:
 - Slip Fill, Dockwall Improvements and Environmental
 - Wavedeck, Water Amphitheatre, Canoe/Kayak Launch
 - Transportation Finger Pier
 - Harbour Pools
 - Floating Dock with Concessions/Restaurant
- If approved, management will not proceed beyond 30% design, until such time that full project funding has been confirmed.
- Anticipated project management costs for Waterfront Toronto are included in the approval request.

ON MOTION duly made, seconded, and carried, be it **RESOLVED** that the Finance, Audit and Risk Management Committee recommends for approval by the Board of Directors:

- a) the Parliament Slip Project (the “Project”) be added to the Corporation’s Rolling Five-Year Strategic Plan (2021/22 – 2025/26).
- b) budget expenditures of \$4.67 Million for the Project to be completed between June 2021 and May 2022.
- c) spending not to exceed \$2.86M until the full Project funding has been secured.
- d) the engagement of a construction manager for pre-construction services once full Project funding has been secured.

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Finance, Audit & Risk Management Committee – May 27, 2021
Item 9a – Port Lands Flood Protection (PLFP)
Q1/2021 Construction Cost Forecast, Risk Update and Quantification
David Kusturin

Purpose	For Committee Information
Areas of note/ Key issues	<p>The Q1/2021 Construction Cost Forecast, Risk Update and Quantification report is a key component of the Corporation’s project risk management and governance framework. The purpose of this report is to provide a status update on the budget and schedule for the PLFP Project as at Q1/2021.</p> <p>The budget for the PLFP Project remains unchanged at \$1.185B.</p> <p>The project remains on schedule for substantial completion in March 2024.</p> <p>There have been no scope changes made to the project to date.</p> <p>The construction cost estimate has increased by \$14.8M while the construction cost risk has increased by \$19.4M since the 90% Stage Gate. These increases are due primarily to revised soil treatment and disposal estimates and current market conditions which reflect substantial cost escalation and volatility in construction commodities and labour.</p> <p>Waterfront Toronto is currently forecasting that the likelihood of delivering the Port Lands Flood Protection Program on budget is 63% based on a forecast contingency is \$34.0M. Additional contingency in the amount of \$5.9M would increase the probability to 75%.</p> <p>Actual contingency remaining to be allocated as at March 31, 2021 equals \$45.9M.</p> <p>The Semi-Annual Construction Cost Forecast, Risk Update and Quantification process allows Waterfront Toronto to complete the design process and regularly reassess 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.</p>
Resolution/Next Steps	<p>The FARM Committee is requested to receive the Construction Cost Forecast, Risk Update and Quantification report for information.</p> <p>The Construction Cost Forecast, Risk Update and Quantification report will next be presented to the Board of Directors on June 24, 2021 for information.</p>

Port Lands Flood Protection Update Q1/2021 Construction Cost Forecast, Risk Update and Quantification

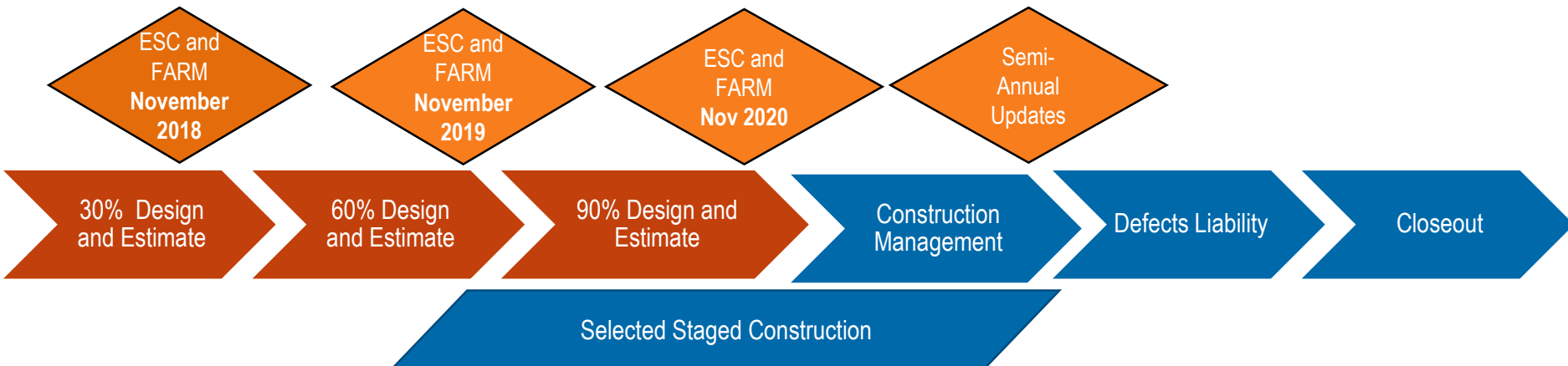
**Presentation to the Finance, Audit and Risk Management Committee
May 27, 2021**

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. Next Steps
7. 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 on November 12, 2019. Executive Steering Committee approved of the 60% Stage Gate Estimate at Completion.
- 90% Stage Gate finalized, presented and approved at the Executive Steering Committee (December 9, 2020), Finance and Risk Management Committee (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 (Q4 2020/21, Q2 2021/22, etc.)



Current Status

Earthworks, Marine and Parks

Design

- **River Valley**
 - Advance Don Roadway Flood Protection Landform to 90%
 - Complete technical review of soil treatment process and develop refinements
- **Marine**
 - Issue 90% IFT drawings for SDMA
 - Issue 100% design for Cousins Quay dock wall
- **Parks & River Valley Finishes**
 - Issue 90% design for River Parks North and South and Promontory Park

Construction

- **River Valley**
 - Complete placement of reactive treatment layer in Central River Valley
 - Complete construction of West Plug Wall
- **Marine**
 - Award construction package for Cousins Quay Dock Wall
- **Parks**
 - Complete rigid inclusions and ground improvements at Fire Hall 30 relocation site

Procurement (March 31, 2021)

- Awarded: 71.5% = \$361.5 M
- In progress: 12.4% = \$ 62.6 M
- Not started: 16.1% = \$ 81.4 M

Current Status

Bridges

Design

- Issue 90% IFT design for Lake Shore Blvd traffic controls, Gardiner Expressway interim conditions, Logan Ramp demolition traffic staging and Lower Don Trail detours
- Issue IFT design and coordinate procurement for Gardiner / Jarvis offramp modifications
- Finalize Due Diligence Report and Project Charter for Phase II of the LSBE BPR
- Close Procurement for Logan Ramp demolition

Construction

- Complete piers for Cherry Street South bridge
- Complete west substructure for Commissioners Street bridge
- Continue with steel fabrication of bridge superstructures for delivery to site beginning with the west half of the Commissioners Bridge in early May 2021

Procurement (March 31, 2021)

- | | | |
|----------------|-------|------------|
| • Awarded: | 69.2% | = \$80.3 M |
| • In progress: | 28.6% | = \$33.2 M |
| • Not started: | 2.2% | = \$2.6 M |

Current Status

Roads and Services

Design

- Advance design of Don Roadway / Lake Shore Blvd east to accommodate public realm
- Issue 60% design for future LRT right of way interim on Cherry and Commissioners
- Finalize design and obtain easements and approvals for THESL Don Roadway feeder relocation

Construction

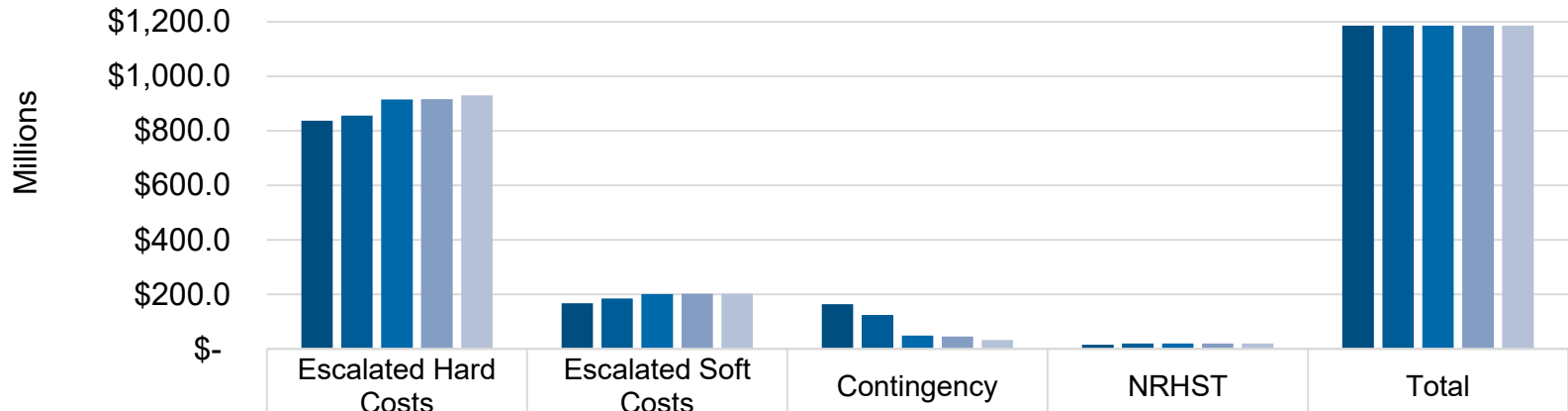
- Complete removal of surcharge on Cherry Street, north of Keating Channel
- Continue with ground improvements, surcharge and rigid inclusions on Commissioners Street
- Initiate wet utility installation on Cherry Street north of Keating Channel
- Micro tunneling at Cherry / Lake Shore ongoing
- Complete THESL temporary relocations from Commissioners to Villers
- Construction of Don Roadway Feeder ongoing

Procurement (September 30th, 2020)

- | | | |
|----------------|-------|------------|
| • Awarded: | 63.1% | = \$93.5 M |
| • In progress: | 26.5% | = \$39.0 M |
| • Not started: | 10.4% | = \$15.5 M |

PLFP – Q1/2021 EAC Forecast

Port Lands Flood Protection Q1/2021 Estimate at Completion (EAC) Forecast



	Escalated Hard Costs	Escalated Soft Costs	Contingency	NRHST	Total
■ Due Diligence	\$837.2 M	\$167.8 M	\$164.0 M	\$16.0 M	\$1,185.0 M
■ 30% Design / Approved Budget	\$855.4 M	\$184.6 M	\$124.5 M	\$20.5 M	\$1,185.0 M
■ 90% Stage Gate	\$914.6 M	\$201.7 M	\$48.9 M	\$19.8 M	\$1,185.0 M
■ Q1/2021 EAC Current Status	\$916.4 M	\$202.9 M	\$45.9 M	\$19.8 M	\$1,185.0 M
■ Q1/2021 EAC Forecast	\$929.4 M	\$202.9 M	\$32.9 M	\$19.8 M	\$1,185.0 M

- **The Forecast EAC remains unchanged at \$1.185B.**
- 90% Stage Gate EAC reflected above has been amended to include \$3.5M of WT direct costs that were not included in the \$911.1M construction cost estimate carried in the 90% Stage Gate Report.
- Construction cost estimate has increased \$14.8M from the 90% Stage Gate
- increase in EAC from 90% Stage Gate is primarily related to:
 - adjustments in utility cost sharing (slide 9) and
 - increased costs for soil handling, treatment and disposal (see Slide 10).

Q1/2021 Construction Cost Estimate Variance



The overall increase in the Construction Cost Estimate (Hard Costs) is **\$14.8 M (1.6%)** over the 90% Stage Gate EAC (December 2020).

Variance is driven by:

- Realization of both costs and opportunities for cost sharing with Toronto Hydro (THESL) detailed below on slide 9
- Material changes to work packages detailed below on slide 10

Program Segment	Due Diligence	Program Budget 30% Stage Gate	90% Stage Gate	Q1/2021 EAC Current Status	Q1/2021 EAC Forecast	Variance: Q1/2021 EAC Forecast to 90%	
						\$	%
Roads and Services	\$ 188.0 M	\$ 136.0 M	\$ 173.2 M	\$174.9 M	\$ 175.3 M	\$ 2.1 M	1.2%
Earthworks, Marine and Parks	\$ 604.3 M	\$ 577.3 M	\$ 599.6 M	\$ 603.8 M	\$ 617.4 M	\$ 17.8 M	3.0%
Bridges	\$ 114.9 M	\$ 142.1 M	\$ 141.8 M	\$ 137.7 M	\$ 136.7 M	-\$ 5.1 M	-3.6%
Escalated Construction Cost Estimate	\$ 837.2 M	\$ 855.4 M	\$ 914.6 M*	\$ 916.4 M	\$ 929.4 M	\$ 14.8 M	1.6%

Q1/2021 Construction Cost Estimate Variance

THESL Cost Sharing

Cost sharing commitment from THESL to pay for “enhancements”.

Enhancements carried at cost in 90% SG, realized opportunity at March 31 EAC.

THESL costs for “current demand” (**\$12.3M**) carried at 90% and March 31 EAC with recovery under the Public Service Works in Highways Act as opportunity in Risk Register (10% probability).

At 90% Lake Shore and Don Roadway Feeder costs to be recovered under agreement with Create TO. Subsequently Don Roadway not covered and added back to EAC.

	90% Stage Gate	Q1/2021 EAC	Variance	Comments
Roads & Services				
Don Roadway Feeder Main	\$ 0.0 M	\$ 4.7 M	\$ 4.7 M	CreateTO Agreement (Reversed)
Permanent Works	\$ 3.2 M	\$ 0.0 M	-\$ 3.2 M	Enhancements (Opportunity Realized)
Don Roadway Feeder Enhancements	\$ 0.2 M	\$ 0.0 M	-\$ 0.2 M	Enhancements (Opportunity Realized)
Subtotal	\$ 3.4 M	\$ 4.7 M	\$ 1.2 M	
Bridges				
Lake Shore Bridge Feeder	\$ 0.0 M	\$0.0 M	\$ 0.0 M	CreateTO Agreement
Cherry St Bridge Ducts	\$ 2.2 M	\$0.0 M	\$ 2.2 M	Enhancements (Opportunity Realized)
Commissioners St Bridge Ducts	\$ 2.2 M	\$0.0 M	-\$ 2.2 M	Enhancements (Opportunity Realized)
Subtotal	\$ 4.4 M	\$0.0 M	-\$ 4.4 M	
Total THESL	\$ 7.8 M	\$4.7 M	-\$ 3.1 M	

Q1/2021 Construction Cost Estimate Variance



	90% Stage Gate	Q1/2021 EAC Forecast	Variance
Roads			
THESL Cost Sharing ¹	\$ 3.4 M	\$ 4.7 M	\$ 1.2 M
TNPI Removals	\$ 0.3 M	\$ 0.8 M	\$ 0.5 M
Cherry North PCB Remediation	\$ 0.5 M	\$ 0.9 M	\$ 0.3 M
Subtotal Roads and Services			\$ 2.1 M
Earthworks, Marine and Parks			
Dewatering, Excavation, Soil Treatment, etc.	\$ 108.0 M	\$ 117.7 M	\$ 9.7 M
Water Treatment	\$ 21.6 M	\$ 23.9 M	\$ 2.4 M
Supply of Planting Soil	\$ 0.0 M	\$ 1.7 M	\$ 1.7 M
Caisson Wall Cut Down	\$ 0.0 M	\$ 1.0 M	\$ 1.0 M
Lightweight Fill	\$ 0.0 M	\$ 1.0 M	\$ 1.0 M
Design Updates Parks	\$ 0.0 M	\$ 0.8 M	\$ 0.8 M
Cut Off Walls West Plug	\$ 18.8 M	\$ 19.4 M	\$ 0.6 M
Cut Off Walls Work Package 3	\$ 74.1 M	\$ 74.9 M	\$ 0.7 M
Subtotal Earthworks, Marine and Parks			\$ 17.8 M
Bridges			
THESL Cost Sharing ¹	\$ 4.4 M	\$ 0.0 M	-\$ 4.4 M
Bridge Foundations	\$ 15.3 M	\$ 14.8 M	-\$ 0.6 M
Bridges Electrical	\$ 2.8 M	\$ 2.6 M	-\$ 0.2 M
Subtotal Bridges			-\$ 5.2 M
Total PLFP			\$ 14.8 M

1. Refer to previous slide for THESL cost sharing details

Q1/2021 Soft Cost Estimate Variance

Soft cost estimate at completion is \$1.2M (0.6%) above the estimated cost established at the 90% stage gate excluding contingency.

Program Segment	Due Diligence	Program Budget 30% Stage Gate	90% Stage Gate	Q1/2021 EAC Forecast	Variance 90% to Q1/2021 EAC Forecast	
					\$	%
Roads and Services	\$ 23.9 M	\$ 22.0 M	\$ 23.5 M	\$ 25.8 M	\$ 2.3 M	9.8%
Earthworks, Marine and Parks	\$ 120.4 M	\$ 131.3 M	\$ 148.5 M	\$ 147.4 M	-\$ 1.1 M	-0.7%
Bridges	\$ 23.5 M	\$ 31.0 M	\$ 29.7 M	\$ 29.7 M	\$ 0.0 M	0%
Escalated Soft Cost Estimate	\$ 167.8 M	\$ 184.6 M	\$ 201.7 M	\$202.9	\$ 1.2 M	0.6%

Contingency Drawdown – Previously Approved



	Hard Cost	Soft Cost	Contingency Balance
Approved 30% Budget (Mar 2019)	\$ 855,445,331	\$ 184,565,460	\$ 124,493,923
30% Budget to 60% Stage Gate - Cost Variance	\$ 18,744,724	\$ 3,831,089	\$101,918,110
60% Estimate (Pre-Approval) (Oct 2019)	\$ 874,190,055	\$ 188,396,549	\$ 101,918,110
TPLC Studio Accommodation	\$ 5,000,000		\$ 96,918,110
SDMA Interim Design	\$ 13,108,717		\$ 83,809,110
Geotechnical / Environmental Investigations	\$ 6,000,000		\$ 77,809,110
Environmental Pilot Projects	\$ 1,928,967		\$ 75,880,426
Park Washrooms	\$ 300,000		\$ 75,580,426
Third Party Pipeline Decommissioning	\$ 400,000		\$ 75,180,426
Lafarge Polson Slip Requirements	\$ 380,000		\$ 74,800,426
Utilities on Bridges	\$ 1,591,848		\$ 73,208,578
Utility Disconnections	\$ 100,000		\$ 73,108,578
CIMCO Servicing	\$ 440,000		\$ 72,668,578
Ports Toronto PLFP Access Licenses		\$ 1,000,000	\$ 71,668,578
TRCA Long-Term Monitoring		\$ 1,000,000	\$ 70,668,578
Fire Hall 30 Acquisition		\$ 3,400,000	\$ 67,268,578
ESC 60% Stage Gate Report (Nov 2019)	\$ 903,439,587	\$ 193,796,549	\$ 67,268,578

Contingency Drawdown – Previously Approved



	Hard Cost	Soft Cost	Contingency Balance
ESC 60% Stage Gate Report (Nov 2019)	\$ 903,439,587	\$ 193,796,549	\$ 67,268,578
Alternative Transit Right-of-Way Finishes	-\$ 3,000,000		\$ 70,268,578
TP 33.2 Savings - Soil Mgmt	-\$ 11,346,427		\$ 81,615,005
Keating Channel Dredging	\$ 250,000		\$ 81,365,005
Eastern Avenue Flood Protection	\$ 396,514		\$ 80,968,491
60% Soft Cost Reconciliation		\$3,158,215	\$ 77,810,276
60% Stage Gate Reporting Total (Jan 2020)	\$ 889,739,674	\$ 196,954,764	\$ 77,810,276
Disposal of York Environmental Contaminated Soil	\$ 1,209,476		\$ 76,600,800
Reallocation of Cherry North Bridge Abutments	-\$ 4,240,000		\$ 80,840,800
Pedestrian Lighting Rough-In	\$ 700,000		\$ 80,140,800
(NRHST Correction) – Does Not Affect Hard/Soft Estimate	-\$ 674,077		\$ 80,814,877
Pre-90% Stage Gate (Jun 2020)	\$ 887,409,150	\$ 196,954,764	\$ 80,814,877
90% Soft Cost Reconciliation (Aug 11, 2020)		\$4,782,406	\$ 76,032,471
90% Hard Cost Reconciliation (Aug 11, 2020)	\$ 1,816,290		\$ 74,216,181
90% Stage Gate (Prior to Utility Cost Sharing)	\$ 889,225,440	\$ 201,737,170	\$ 74,216,181
Utility Cost Sharing – Roads	\$ 18,170,472		\$ 56,045,709
Utility Cost Sharing – Bridges	\$ 4,521,777		\$ 51,523,932
90% Stage Gate EAC (Oct 2021 ESC Report)	\$ 911,917,689	\$ 201,737,170	\$ 51,523,932
Adjustment for WT Direct Costs Omitted in ESC Report	\$ 2,668,057		\$ 48,855,875
90% Stage Gate EAC (Final)	\$ 914,585,746	\$ 201,737,170	\$ 48,855,875

Contingency Drawdown – Post-90% Stage Gate



	Hard Cost	Soft Cost	Contingency Balance
90% Stage Gate EAC (Official)	\$ 914,585,746	\$ 201,737,170	\$ 48,855,875
November/December 2020 Adjustments	\$ 7,284,364	\$ 342,184	\$ 41,229,327
January 2021 Adjustments	\$ 4,354,180	\$ 96,075	\$ 36,779,327
February 2021 Adjustments	-\$ 10,312,428	\$ 671,989	\$ 46,419,511
March 2021 Adjustments	\$ 520,973	\$ 22,441	\$ 45,876,097
March 2021 Current Status	\$ 916,432,835	\$ 202,869,859	\$ 45,876,097

Changes to the Risk Register

Compared to the 90% SG update, there is approximately **\$19.4 million** increased cost risk and **30.2 months** of reduced schedule risk, after implementing risk mitigation strategies.

Key increases stemming from suitability of soils requiring increased soil disposal and import costs as well market conditions.

Methodology made more explicit to incorporate ED information on potential risk items, specifically regarding change orders in dispute and more detailed calculations on potential forecasted changes.

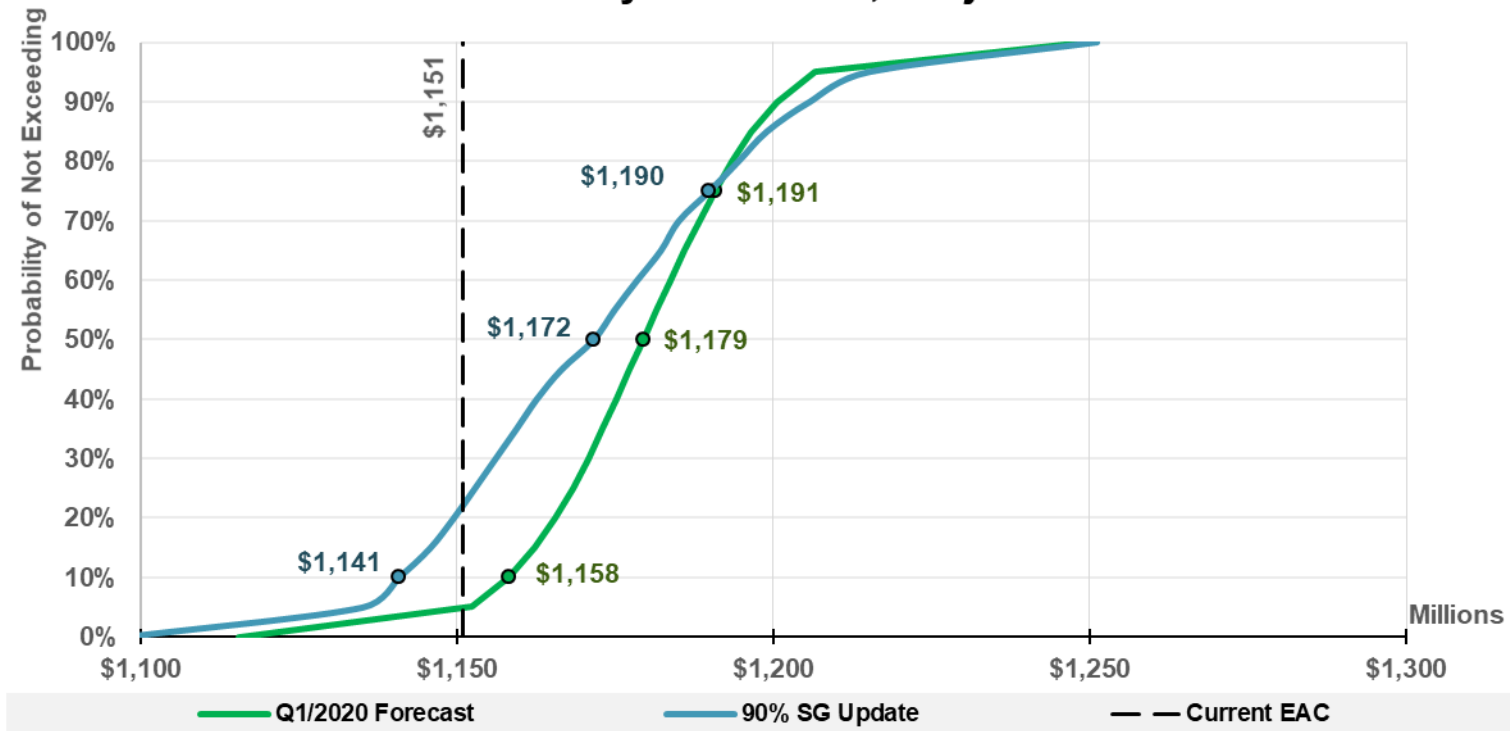
Stage Gate	Cost Impacts		Schedule Impacts	
	Pre-Mitigated	Mitigated	Pre-Mitigated	Mitigated
90% Stage Gate*	\$25.4 M	\$20.4 M	88.9 mo	49.9 mo
Q1/2020 Forecast	\$44.3 M	\$39.8 M	26.5 mo	19.7 mo
Variance	+ \$18.9 M	+ \$19.4 M	- 62.4 mo	- 30.2 mo

Values reflect probability-adjusted high estimates from the risk register.
 *Including utility cost sharing items previously reported separately.

Cost Risk Analysis

- Since the previous ESC update, the P75 cost estimate has decreased by **\$1.0 million**
- The probability of achieving the \$1,185M budget has **decreased from 70% to 63%**.
- With over 70% of the project procured, the S-curve is steeper and more sensitive to changes in the EAC and risk profile (i.e. small changes in cost will result in larger changes to probability).

Risk Analysis Results, Project Cost



Risk Analysis Results

Base costs increased by \$14.8M compared to 90% Stage Gate, with more risks being carried in the risk register

Probability of completing the project at or below \$1,185.M based on the Q1/2021 EAC Forecast is 63% as compared to 70% at the 90% Stage Gate.

Additional contingency of \$5.9M would increase the probability of completing the program on or below \$1,185M to 75% confidence level.

	Due Diligence	Program Budget 30% Stage Gate	90% Stage Gate Estimate	Q1/2021 EAC Forecast	Variance 90% to Q1/2021 EAC Forecast
Hard Costs	\$ 837 M	\$ 855 M	\$ 915 M	\$ 929 M	\$ 14.8 M
Soft Costs	\$ 167 M	\$ 184 M	\$ 202 M	\$ 202 M	\$ 0.0 M
NRHST	\$ 16.0 M	\$ 20.5 M	\$ 19.8 M	\$ 19.8 M	\$ 0.0 M
Total Base Costs	\$ 1,021 M	\$ 1,061 M	\$ 1,136 M	\$ 1,151 M	\$ 14.8 M
Carried Contingency	\$ 164.0 M	\$ 124.5 M	\$ 48.9 M	\$ 34.0 M	-\$ 14.8 M
Total Budget	\$ 1,185 M				
P75 Cost Risk Estimate	\$ 1,197 M	\$ 1,189 M	\$ 1,190 M	\$ 1,191 M	-\$ 1.0 M
Target Budget	\$ 1,185 M				
Probability of Achieving Target with Current Contingency	90%	73%	70%	63%	-7%
Additional Contingency Needed Achieve Target with 75% Confidence	\$11.9 M	\$ 3.9 M	\$ 4.9 M	\$ 5.9 M	\$1.0 M

Risk Analysis Results

Comparison (Schedule Results)

Schedule risk was reduced since the 90% Stage Gate update resulting in a decreased delay of **18.1 months**. The current expected delay is **3.1 months** with an estimated project completion date of March 2024 with 90% confidence.

Schedule risk results do not account for the ability to continuously adjust the schedule by accelerating and re-sequencing work.

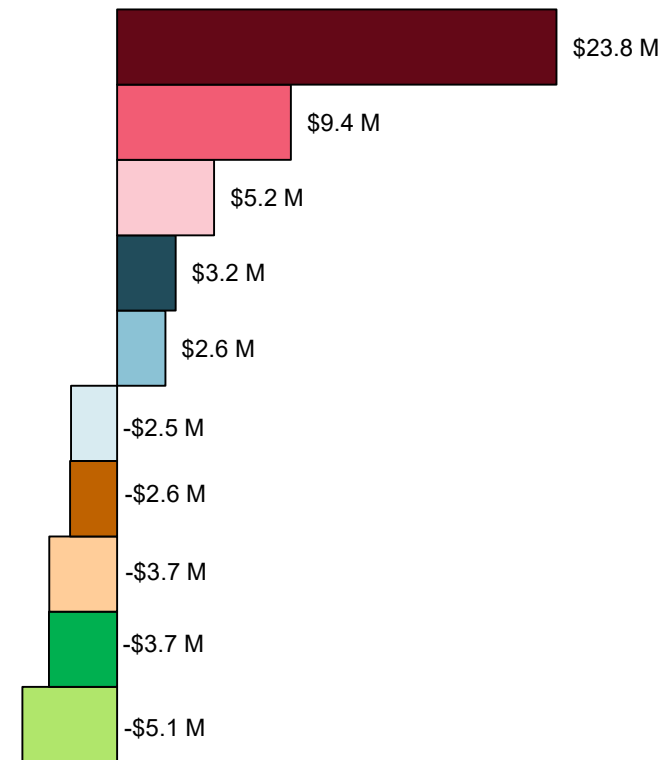
Variable	Due Diligence	30% SG	90% SG	Q1/2020 Forecast	Variance 90% SG to Q1/2020 Forecast
Scheduled Project Completion Date	9/29/2023	11/29/2023	12/28/2023	12/28/2023	+0.0 mo
P75 Schedule Risk Estimate	11/23/2023	4/5/2024	10/1/2025	3/30/2024	-18.1 mo
Months of Expected Delay to Completion	1.8 mo	4.2 mo	21.1 mo	3.1 mo	-18.1 mo
Probability of Meeting Target Completion Date	50%	25%	0%	5%	+5%

Top 10 Cost Risks and Opportunities

- The top project risks account for nearly \$44M in expected potential cost impacts after implementing mitigation strategies.
- These risks are accounted for in the Risk Contingency which includes known risks at this stage of the project.
- This does not include any cost risk provision for Enbridge NPS 20" Relocation.

Risk	Probability	Low	High	Estimated High Impact*
External Market Forces In Excess of Cost Escalation	95%	\$ 7.5 M	\$25.0 M	\$ 23.8 M
Excavation Materials not Meeting Model Requirement	90%	\$ 9.6 M	\$10.4 M	\$ 9.4 M
Additional Offsite Disposal of Soils	90%	\$ 0.2 M	\$ 5.8 M	\$ 5.2 M
Promontory Park South Soil Suitability	90%	\$ 2.3 M	\$ 3.5 M	\$ 3.2 M
Costs in Excess of Estimate (River Valley Scope)	20%	\$ 0.0 M	\$ 13.0 M	\$ 2.6 M
Opp: Load, Dispose Less Than Required Contaminated Spoils from Cut-Off Walls	90%	-\$ 4.8 M	-\$ 2.8 M	-\$ 2.5 M
Opp: SDMA Dredging and Dockwall Stone Reuse	50%	-\$5.1 M	-\$5.1 M	-\$ 2.6 M
Opp: Lake Shore Rail Bridge Removal	75%	-\$ 4.9 M	-\$4.9 M	-\$ 3.7 M
Opp: THES Soft Cost Recovery for Enhancements	100%	-\$ 3.7 M	-\$ 3.7 M	-\$ 3.7 M
Opp: Dockwall Reinforcement under Gardiner WB Ramps	90%	-\$ 5.7 M	-\$ 5.7 M	-\$ 5.1 M

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

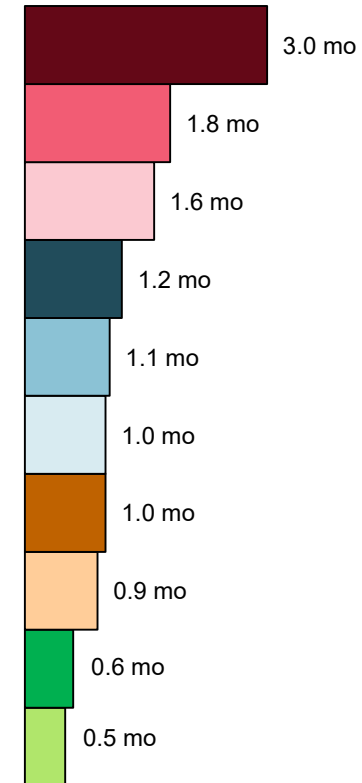


Top 10 Schedule Risks

- Program schedule substantial completion date of March 2024 has been maintained.
- Realized schedule risks have been successfully mitigated to date through resequencing of work packages and program critical path.

Risk	Probability	Low	High	Estimated High Impact*
		Months		
Permanent Enbridge Gas Line Timeline	50%	1.0	6.0	3.0
Enbridge Gas Main – Removal of Timber Piles at Polson Slip	60%	1.0	3.0	1.8
Substantial Failure to Establish Plantings (Wetland Section)	20%	4.0	8.0	1.6
Enbridge 20" Relocation Schedule	20%	0.0	6.0	1.2
Construction of ISPS and Associated Risks	35%	0.0	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
HDD Under the Keating Channel (Obstructions)	30%	0.3	3.0	0.9
Bell Splicing – Commissioners St/Don Roadway	30%	0.5	2.0	0.6
Fisheries Window Issues	25%	1.0	2.0	0.5

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



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

Next Steps

1. Finalize report for presentation to ESC and Board of Directors.
2. Continue proactive management of risk issues – particularly utilities cost sharing resolution and Enbridge 20” NPS gas line relocation.
3. Continue to explore design optimizations to develop cost savings to ease pressure on remaining contingency.

Appendices



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Q1/2021 EAC Forecast Cost Optimizations



Description	Estimated Cost Savings	Notes
Earthworks, Marine & Parks		
Reduce RMM at Wetland	\$1.8 M	Data collection underway to determine feasibility, deemed low probability of achieving optimization
Clay Berm Optimization	TBD	Reduce overbuild based on further geotechnical evaluation
Delete remaining habitat shoals in Keating Channel	\$0.6 M	Deletion of shoals would mean no aquatic habitat improvements in Keating Channel and would require consultation with TRCA and an EA amendment
Change wet excavation assumption from 76.0 to 75.5 in Polson Slip	\$0.5 M	This work is scheduled to take place in June, which would likely mean it cannot be realized
Opportunity to reduce 1.5m Contact Barrier Layer RMM on Mainland Beaches in Polson Slip	\$0.1 - 0.3 M	This design requirement is being explored by Design Consultant
Place fill/subgrade material at Promontory Park North	TBD	More information needed; discussions with PT continue
River Park North Ground Improvement Reduction (Badlands Geofoam Removal)	TBD	Design Consultant has been told the pipe installation requires the use of geofoam
Reduced Settlement Criteria for Parks	TBD	Presents substantial risk for settlement issues across the parkland area in the future (and will require maintenance on a shorter timeline)
Destination Playground and Promontory Park South RMM	\$1.0 M	To be confirmed after the pricing of the 90% IFT set
Water Treatment Savings	\$2.0 M	Under review
Reused Imported Fill for Table 3 Soil	\$0.2 M	Under review
SDMA Dredging Material Reuse	\$5.0 M	Awaiting borehole investigation results
SDMA 1 Metre Over-Dredging	\$1.9 M	Awaiting borehole investigation results
SDMA Dockwall	\$5.7 M	Provisional item in RFP; will be removed from the EAC in the following reconciliation and added to the risk register

Q1/2021 EAC Forecast Cost Optimizations



Description	Cost Estimate	Notes
Bridges		
Removal of Rail Bridge at Lake Shore Bridge	\$4.5 M	Requires City approval
Foundations Site Conditions Resolution	\$0.1 M	Currently subcontractor is claiming \$475,000 against the standby cost and \$475,000 for working platform
Superstructure	\$0.3 M	Alternative fabrication approach for Hydro enclosures. – To be assessed by Design Consultant
Bridge Lighting	\$0.1 M	Explore option of running the conduits in the deck slab, this requires City's approval
Bridges LED Lighting	\$0.7 M	Under review
Old Cherry St Demo	\$1.0 M	Under review
Cherry St North LRT Eliminate Deck Paving and Expansion Joint	TBD	Under review
Roads & Services		
Substitute Don Roadway Rigid Inclusions with Surcharge	\$4.1 M	Further assessment is needed as it might not be possible to achieve ground improvement criteria with surcharge
Delete MH13A by installing longer microtunnel	\$0.5 M	Further assessment is needed as deletion of this manhole would require a much longer microtunnel
Spillway Crossing - Reduce the number of micropiles/H-piles for ductbank	\$0.3 M	The design is not yet complete; therefore, design efficiencies might be identified
Delete Horizontal Direction Drill (HDD) at Keating Channel by installing Watermain Pipe under the Cherry St Bridge	\$0.3 M	Implementation of this change will require approvals by the City, which might impact construction schedule
Savings from design efficiencies for Storm Water Treatment Facility (SWTF)	TBD	Design Consultant is currently preparing design drawings; CM to review and provide cost saving estimate

Items to be Included 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

Thank you / Questions

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<p>Purpose</p>	<p>For information: to support Committee oversight of the Port Lands Flood Protection (PLFP) Capital Project on technical matters related to the budget, scope and schedule.</p>
<p>Areas of note/ Key issues</p>	<p>The Independent Capital Project Monitoring & Assurance Services Consultants' Quarterly Report #11 (Q1 2021/22), key findings:</p> <ul style="list-style-type: none"> • Budget: <ul style="list-style-type: none"> ○ The Approved Budget is \$1,185,000,000. ○ The 'Estimate at Completion' (including current commitments) is \$1,185,000,000. ○ The cost management process is robust and consistent with industry best practices. • Schedule: <ul style="list-style-type: none"> ○ A re-baseline Schedule Rev. 2.7 has been developed by the Construction Manager and WT CPMO for the 'PLFP Project and Enabling Infrastructure'. ○ The PLFP Project works are forecast to be complete by December 28, 2023 and in accordance with the agreed Substantial Completion Date ("SC") of March 31, 2024. ○ The Schedule Rev.2.7 includes LSB modifications works, which are forecast to be completed in December 2024. The LSB modifications are not part of the PLFP scope. ○ BTY have provided comment on the revised baseline Schedule Rev.2.7 during a number of workshops and desktop reviews. We have found the revised schedule and the schedule management process implemented by WT CPMO to be in line with industry best practices. • Scope: No changes, no Project Charter revisions were executed. • Risk: <ul style="list-style-type: none"> ○ Risk rating remains 'amber' based on Enbridge 20" gas main relocation works and potential impact to the PLFP Project schedule and/or budget due to potential schedule mitigation. ○ COVID-19, escalation and market response impacts are being monitored by WT CPMO. ○ The PLFP Risk Management process implemented by WT is in line with industry best practices. • The general technical aspects presently known have been assessed against experience of large-scale, complex infrastructure projects, the processes are found to be robust and in accordance with industry best practices.
<p>Next Steps</p>	<p>BTY will provide our Independent Capital Project Monitor and Assurance Services Report #12 at the September 14, 2021 FARM Committee meeting.</p>



**INDEPENDENT CAPITAL PROJECT MONITORING & ASSURANCE
SERVICES CONSULTANT**

WT Port Lands Flood Protection Project

REPORT 11.0 (FOR PERIOD ENDING MARCH 31, 2021)

MAY 20, 2021

PREPARED FOR:

Waterfront Toronto (FARM) Committee

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Prepared By	Reviewed By	Date
Paul Margerrison Joanne Henson Luis Castillo	Joanne Henson	May 19, 2021



1.0 Independent CPMAS Consultants' Project Dashboard

1.1 Dashboard

Site Visit	Details	Comments
Date of Visit	April 9, 2021.	Our next inspection will be on or after June 30, 2021
WT PLFP Project Fundamentals	Details	Independent CPMAS Consultant Comments & Risk
Objective:		Our Quarterly Report No.11 provides an assurance review for Q4 2020/21 (period January 1, 2021 to March 31, 2021), based on our discussions with the FARM Committee, as follows: <ol style="list-style-type: none"> 1. Budget 2. Schedule 3. Risk Management 4. Scope
Project Artefacts		Please refer to Section 2.6 in Appendix 1 of this Report for the list of Project Artefacts received by BTY this period.
Budget:	Approved Budget	Approved Budget: WT CPMO report the Approved Budget at \$1.185Bn per the 30% Stage Gate Estimate. Our expectation based on discussions with WT CPMO is that the Approved Budget will remain unchanged throughout the project.
	90% Stage Gate	<ol style="list-style-type: none"> i. The 90% Stage Gate was approved by the Executive Steering Committee on October 19, 2020 in the amount of \$1.185Bn. ii. The cost management process, up to and including the 90% Stage Gate were prepared in accordance with the stated process, which we consider to be in accordance with best practices. The Stage Gate process is now concluded. iii. The 90% Stage Gate of PLFP project included Flood Protection and Parks/Public Realms scope of work that had progressed to 60% Cost Estimate only. The 90% Cost Estimates for are pending finalisation in Summer 2021. The EAC for this scope of work is forecast to be \$794M. We expect that any resultant impact to the individual project costs will be identified in the estimate at completion ("EAC") at that time.
	EAC & Post-SG Cost Management Process	<ol style="list-style-type: none"> i. The Project Artefacts, such as the Monthly Dashboard or Project Status Reports, show the EAC based on the 90% Stage Gate budget plus a monthly reforecast for new commitments, change orders and realised risks. The EAC is reported at \$1.185Bn, which remains consistent with the Approved Budget. ii. WT CPMO is tracking commitments against the EAC on a monthly basis; however, an additional 6-month review will also be undertaken for the project as a whole. The next 6-month review will coincide with the next reporting period, Q1 2021/22. iii. As noted in '90% SG' costs estimates are pending for the 90% design on the Flood Protection and Parks/Public Realm works. This is expected to be finalised in Q1 2021. iv. We have noted that the 'Total Commitments' for Hard or Soft Costs have reduced in the current quarter compared to the previous Q3 2020/21 on twelve (12) projects including: ID# 15A, 15C, 7A for Hard Costs and #21, 19, 16, 14C, 14D, 11, 8, 3/4, 2 for Soft Costs. There was further reductions between the beginning and end of the quarter noted, also. This trend is not consistent with our expectations, as commitments will normally increase. WT CPMO indicate (though BTY has not substantiated) this to be because of a re-distribution of the commitments across all parts of the PLFP project. We note that works are tendered for the whole project not sub-projects. Overall, the Total Commitments have increased \$33.31M this quarter.
	Cost Optimisation	No cost optimisation was identified to be incorporated in the EAC or approved in the current reporting period.
	Contingency	The unused Contingency has increased by +/- \$4.6M to \$45.9M at the end of the reporting period, as a result of lowered hard and soft cost EAC forecasts. The unused Contingency is equal to 3.87% of the total EAC and 6.3% of the estimated cost-to-complete ("CTC") calculated by the EAC less Costs Incurred to Date. This should be adequate in normal circumstances.

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Independent CPMAS Consultants' Project Dashboard (continued)

WT PLFP Project Fundamentals	Details	Independent CPMAS Consultant Comments & Risk
Budget:	Total Commitments & Procurement	The Current Commitments (tender packages awarded, change orders and realised risk) have increased to 69.4% of the Approved Budget. The Procurement List (March 2021) is generally consistent with WT CPMO reporting of 'Commitments' (+/- 2%).
	Budget Changes QTR-On-QTR	Budget Risk Impact: Of the 22 Work Packages (projects), 4 are identified by WT CPMO to have a medium impact to budget and 4 are identified to have a high impact. Overall, one (1) project previously identified as medium risk has been downgraded to green (low) risk. There are no other changes.
	Risks to Budget	Utility Cost-Sharing: The 90% Stage Gate included the estimated Toronto Hydro (THESL) utility relocation costs; however, in the current quarter the project reports indicate a further \$6.5M has been forecast and off-set by the assigned Contingency in PFP03-07 SWM and/or off-set by anticipated savings related to THESL costs on the Don Valley Roadway (PFP03-05).
		Heated Market: Though Hard Cost increases were not identified in the current quarter EAC, we are aware that WT CPMO are tracking the impact of market response on tenders.
		Escalation: Though Hard Cost increases were not identified in the current quarter EAC, we are aware that WT CPMO are tracking escalating lumber and steel costs. Escalation allowances are carried within the EAC; however, the market escalation on lumber/steel has been extraordinary and likely to exceed the allowances.
	COVID-19 claims realised to-date are included in the EAC; whilst the pandemic is ongoing the restrictions and protocols remain in place that have the potential to impact project costs and productivity.	
Project Status	The 'Costs Incurred to Date' indicates that the PLFP Project is 38.6% complete.	
Schedule:	Substantial Completion	The Project Artefacts this quarter report Substantial Completion to be unchanged on March 31, 2024 for the PLFP Project scope of works.
	Re-Baseline Project Schedule	<ul style="list-style-type: none"> i. Between November 2020 and March 2021, the Construction Manager has been developing, in consultation with WT CPMO, a new baseline schedule with a data date set at February 28, 2021. It was agreed that this was appropriate timing as design has significantly advanced, actual construction has significantly changed from planned sequencing (initial baseline schedule) on this complex project, and incorporation of the Lake Shore Boulevard East will impact reporting. We understand that this re-baseline schedule has been finalised and agreed for use as of March 2021 and is referred to as Baseline Rev. 2.7. ii. BTY were provided with the 2021 Baseline Rev 2.7 dated February 28, 2021. We undertook a detailed review of the new baseline schedule Rev. 2.7 (in addition to earlier versions 2.1-2.6). Our comments and observations have been shared directly with the CM and WT CPMO in a series of meetings over Q3 and Q4 2020/21 and prior to finalisation of Rev.2.7. Refer to Appendix 3.0. iii. We note that design engineering (Issued for Construction stage) has been significantly reforecast across the majority of the PLFP Project by durations of up to 24-months (delayed). The reason is unclear; however, the delays have generally been incorporated into the re-baseline rev. 2.7 and align with permit and construction timelines without impact on the project completion dates. iv. Based on this revision, the new baseline schedule indicates that Substantial Performance date is December 2023; and there is no change to the previously agreed Substantial Completion Date.
	Progress: Planned v Actual Activities (Monthly Update Schedule)	<ul style="list-style-type: none"> i. The updated schedule for March 2021, using the revised baseline schedule Rev. 2.7, indicates that actual progress is generally consistent with planned activities. We note that two (2) projects are currently reporting delays to the revised baseline of less than 6-months (amber risk), which impact the individual project completion date, though not the overall PLFP Substantial Completion Date. A further six (6) individual projects are indicating current delays, but no forecast impact to the

Independent CPMAS Consultants' Project Dashboard (continued)

WT PLFP Project Fundamentals	Details	Independent CPMAS Consultant Comments & Risk
Schedule	Progress: (Monthly Update Schedule)	<p>individual project completion or overall PLFP project Substantial Completion.</p> <ol style="list-style-type: none"> The PLFP Project remains open and operational; and WT and EllisDon are following all necessary health and safety regulations and guidelines. Based upon our review of the Project Artefacts and our site inspection, the project is generally proceeding in accordance with the revised baseline schedule. Refer to Appendix 3 and Appendix 6.
Scope	Project Charters	WT CPMO have confirmed that there were no revisions issued to the Project Charters during quarter ending March 31, 2021.
Risk:	Overall Risk Status	<ol style="list-style-type: none"> The Project Dashboard indicates an 'amber' risk level, which means a medium likelihood of risks occurring and/or to impact the schedule/budget. The main reason for an overall amber risk rating is the utilities relocation issues. Risk Impact: Of the 22 Work Packages (projects), 4 are identified by WT CPMO to have a medium risk: #15A, 15C, 13 and 5.
	Utilities & Earthworks	As previously reported by WT CPMO, the Enbridge 20" gas main utility relocation works has the potential to impact the project. This risk is being actively managed by WT CPMO. WT is working with Enbridge to assess options for the permanent relocation or accommodation of the NPS 20" gas main to minimize disruption to the PLFP Project. The ruling by Ontario Energy Board means this is a schedule and schedule mitigation cost risk, currently.
	Market Risks	Market risks: Number of tendering parties and escalation are discussed in Budget. Any realised impact is anticipated to be off-set against unused Contingency.
	COVID-19	Whilst the realised impacts are currently being managed and/or mitigated within the PLFP Project EAC and / or scheduled completion date, the potential for further claims remains open.
	Reporting on Risk	The risk management process is robust, and risks are identified, quantified and reported within the Project Artefacts.

Independent CPMAS Consultants' Conclusion & Recommendations

- **Exclusions:** BTY has not undertaken a review of the Project Artefacts for Project ID PFP08-01 Lake Shore Boulevard East Bridge & Public Realm ("LSBE"). Whilst this is included in some of the PLFP Project Artefacts, this is outside of the scope of the PLFP Project.
- **Best Practice Review:** The general technical aspects presently known have been assessed against experience of large-scale, complex infrastructure projects. The processes are found to be robust and in accordance with standard industry practices.

Next Steps for the Independent CPMAS Consultant

- Our next report will monitor and evaluate the technical aspects of the PLFP Project based on the Project Artefacts for the period Q1 2021/22: April 1, 2021 – June 30, 2021. This will specifically include:
 - 90% Stage Gate Estimate for the Flood Protection and Parks/Public Realms works (currently 60% cost estimates only).
 - The on-going quantification of known risks to the budget and schedule including:
 - COVID-19
 - THESL utilities cost sharing
 - Enbridge utilities relocation of the 20" gas main relocation
 - Earthworks (HDD works)
 - Escalation on materials translating into increased tender prices on the uncommitted portion of the PLFP Project (30.1% of the AP is uncommitted).



Independent CPMAS Consultants' Project Dashboard (continued)

1.2 PLFP Project Summary: QTR-on-QTR Comparison of Budget-Schedule-Risk

The following table indicates WT CPMO's assessment/comment of the risk status for budget-schedule-risk management based upon the likelihood of impact to the overall project budget / schedule against the original baseline schedule, as follows:

Project	Project ID	WT CPMO Status Summary (source: Monthly Status Reports - Dec 2020)			WT CPMO Status Summary (source: Monthly Status Reports - March 2021)			BTY Comment
		Budget	Schedule	Risks	Budget	Schedule	Risks	
PFP03-01 Commissioners Str W to New Cherry St.	15A	Yellow	Red	Yellow	Yellow	Green	Yellow	Engineering & Design delay
PFP03-02 Commissioners Str E to Saulter St.	15C	Yellow	Red	Yellow	Yellow	Green	Yellow	Engineering & Design delay
PFP03-03 Cherry Street Re-Alignment	14A	Green	Red	Green	Green	Yellow	Green	
PFP03-05 Don Roadway North	7A	Green	Green	Green	Green	Green	Green	
PFP03-06 Hydro One Integration	18	Green	Green	Green	Green	Green	Green	
PFP03-07 Site Wide Municipal Infrastructure	5	Red	Green	Yellow	Red	Green	Yellow	
PFP04-01 Cherry Street North Bridge	14B	Green	Red	Green	Green	Green	Green	
PFP04-02 Cherry Street South Bridge	14C	Yellow	Red	Green	Yellow	Green	Green	
PFP04-03 Commissioner Street Bridge	15B	Green	Red	Green	Green	Green	Green	
PFP04-04 Lakeshore Road & Rail Bridge Mods.	13	Green	Red	Yellow	Green	Green	Yellow	Engineering & Design & Construction delay
PFP04-05 Old Cherry St Bridge Demo	14D	Green	Red	Green	Green	Green	Green	Engineering & design delay
PFP05-03 River Valley System	3	Yellow	Green	Green	Green	Green	Green	
PFP05-04 Don Greenway & Spillway	4	Yellow	Green	Green	Green	Green	Green	
PFP05-05 Keating Channel Modifications	16	Green	Red	Green	Green	Green	Green	
PFP05-06 Polson Slip Naturalisation	2	Green	Green	Green	Green	Green	Green	
PFP05-07 Don Roadway Valley Wall Feature	8	Green	Green	Green	Green	Green	Green	
PFP05-08 Eastern Avenue Flood Protection	12	Green	Red	Green	Green	Yellow	Green	Project Artefacts inconsistent
PFP05-10 Flow Control Weirs	11	Green	Red	Green	Green	Green	Green	
PFP05-11 Sediment & Debris Management Area	10	Red	Yellow	Green	Red	Green	Green	
PFP05-12 Villiers Island Grading	19	Green	Yellow	Green	Green	Green	Green	Engineering & design delay
PFP06-01 River Valley Park North	20	Red	Red	Green	Red	Green	Green	
PFP06-02 River Valley Park South	21	Red	Red	Green	Red	Green	Green	
PFP06-03 Promontory Park South	17B	Green	Yellow	Green	Green	Green	Yellow	Construction delay
WT CPMO Overall Project		Green	Green	Yellow	Green	Green	Yellow	
BTY Summary (based on WT CPMO 'Risk Criteria')		Green	Yellow	Yellow	Green	Green	Yellow	. Refer to section 1.2.1

Budget	Schedule	Risk Management
+10% over Approved Budget	Over 6-months behind	High likelihood &/or impact to budget /schedule
Up to 10% over Approved Budget	Up to 6-months behind	Medium likelihood &/or impact to budget / schedule
Within Approved Budget	On Schedule	Low likelihood &/or resolution without impact to budget/schedule



Independent CPMAS Consultants' Project Dashboard (continued)

1.2.1 INDEPENDENT CPMAS CONSULTANT OPINION ON THE QUARTERLY STATUS

Based on the Project Artefacts received in Q4 2020/21, we concur with WT CPMO that:

1. Budget: A 'low risk' status for the Budget, likely to be within the Approved Budget based on the current project artefacts. This assumes that all parties agree that any cost impact related to mitigation of any realised impact to the PLFP schedule, as a result of the Enbridge utility relocation, is outside of the PLFP Project baseline scope of work.
2. Schedule: It is BTY's opinion that the latest update of the baseline schedule BL2.7 is acceptable. The re-baseline is now being used as the baseline to monitor the progress of the works up to the Substantial Performance Completion date of 28th December 2023 for flood protection, and to the 24th of December 2024 for the LSBE modifications (refer to Appendix 3.0). The schedule risk is downgraded to 'low risk' in the current reporting period.
3. Risk: WT has assigned a 'medium risk' because of elevated risk due to utility relocation issues. We also note that risks related to COVID-19 are identified to be minimal at this time. This is being actively monitored by WT CPMO. Extraordinary escalation on materials including lumber and steel have been observed, the impact of escalation on tenders is being monitored by WT CPMO and Ellis Don, though no impact on the PLFP project is reported in the currently quarter.



Finance, Audit and Risk Management Committee – May 27, 2021
Item 10 - Waterfront Toronto Insurance Program Overview
Lisa Taylor/ Ian Ness

Purpose	<p>For Committee Information.</p> <p>To complete the annual review of the Corporation’s insurance program, which is part of Waterfront Toronto’s Enterprise Risk Management framework.</p>
Areas of note/ Key issues	<ul style="list-style-type: none"> • The Corporation uses a competitively procured insurance broker, HUB International HKMB Limited (HUB), to secure all insurance coverage. • HUB assisted Waterfront Toronto in completing its annual insurance renewal program for the 2021/22 year. • HUB noted an increased “hard” insurance market this year largely due to persistent low interest rates, increased claims/ insurance losses and the ongoing pandemic, which have resulted in an increase in premiums and reduced limits of coverage in the marketplace. • Overall, while Waterfront Toronto was able to maintain existing coverages, the harder insurance market this year has led to an overall increase in premiums of approx. 37% (\$60K or from \$160K to \$220K), largely as a result of Commercial General Liability (up 60%), Directors & Officers (up 29%) and Cyber coverages (up 49%). • In addition, the harder market has resulted in WT’s incumbent D&O insurer, AIG, reducing their capacity by \$5 million to \$10 million. To ensure that Waterfront Toronto still had the same limit of liability (\$15 million), an excess \$5 million policy was obtained from Great American Insurance Group (GAIG). <p>The attached Waterfront Toronto Insurance Summary lists the potential risk exposures and the insurance coverage that mitigates that risk.</p>
Next Steps	<p>The FARM Committee will update the Board regarding Waterfront Toronto’s insurance program at the June 24, 2021 meeting.</p> <p>The next insurance program review will be completed by the FARM Committee in May 2022.</p>

Waterfront Toronto Insurance Summary Updated as of April 30, 2021

The summary below identifies potential enterprise and project-specific risk exposures and the insurance coverage that mitigates that risk. In addition, Waterfront Toronto utilizes indemnification language in contracts and requires contractors to provide performance bonds and insurance certificates to mitigate risk.

A. Enterprise-wide risk exposures (no change in coverage limits)

Potential Loss Exposure	Insurance Policy	Coverage Limit FY 2020/21	Coverage Limit FY 2021/22
Management Liability Loss Exposures (including litigation) <i>(Directors' & Officers' Liability (D&O))</i>	<ul style="list-style-type: none"> • D&O Insurance (Not for Profit) <i>(Including Employment Practices Liability)</i> <i>Insurer - AIG</i> 	\$15.0M	\$10.0M ¹
	<ul style="list-style-type: none"> • Excess D&O Insurance (Not for Profit) <i>(Including Employment Practices Liability)</i> <i>Insurer – Great American Insurance Group (GAIG)</i> 	-	\$5.0M ¹
	<ul style="list-style-type: none"> • Excess D&O Insurance (Not for Profit) <i>(Only covers individuals)</i> <i>Insurer - Chubb</i> 	\$5.0M	\$5.0M
Property Loss Exposures <i>(Losses caused to damage to WT's office and portfolio of properties including sudden and accidental breakdown of all boilers, pressure vessels, mechanical and electrical machinery and apparatus)</i>	<ul style="list-style-type: none"> • Property Insurance <i>(Includes coverage for rental income loss)</i> <i>Insurer – Royal and Sun Alliance</i> 	\$15.9M	\$15.9M
	<ul style="list-style-type: none"> • Boiler & Machinery Insurance <i>Insurer - The Boiler Inspection and Insurance Company</i> 	\$10.0M	\$10.0M
Liability Loss Exposures Premises & Operations Liability <i>(Losses where organization is held liable because of bodily injury or property damage caused by either accident occurring on the premises or accident occurring away from premises if it is organization's ongoing operations)</i>	<ul style="list-style-type: none"> • Commercial General Liability ("CGL") Insurance <i>Insurer – Markel</i> 	\$2.0M	\$2.0M
	<ul style="list-style-type: none"> • Umbrella Liability Insurance <i>(Aggregate follow form underlying CGL policy)</i> <i>Insurer – Markel</i> 	\$8.0M	\$8.0M
Fraud & Cyber Crime Loss Exposures <i>(Losses caused by employees by way of theft, forgery, frauds, property damage and cyber crimes)</i>	<ul style="list-style-type: none"> • Crime Insurance 	Note 2	Note 2
	<ul style="list-style-type: none"> • Cyber Insurance 	Note 2	Note 2

Note:

1. Due to harder insurance market, primary coverage limit for D&O policy was reduced from \$15M to \$10M (\$5M reduction) resulting in WT obtaining excess insurance coverage for \$5M from another insurer to maintain 2020/21 insurance limit of \$15M).
2. Refer to Closed Session agenda Item 11 for Crime and Cyber Insurance coverages.

B. Property/ Project specific exposures (overall same limit)

Potential Loss Exposure	Insurance	Coverage Limit FY 2020/21	Coverage Limit FY 2021/22
Environmental or Pollution Liability	<ul style="list-style-type: none"> 7 Queens Quay East <i>(Losses caused by environmental damages such as pollution or biodiversity)</i> 	\$10.0M	\$10.0M
	<ul style="list-style-type: none"> 54 Commissioners St. <i>(Losses arising from bodily injury, property damage and other remediation costs from pollution incidents at, on, or emanating from the covered location)</i> 	\$10.0M	\$10.0M
	<ul style="list-style-type: none"> Contractors Pollution Liability Insurance <i>(Losses caused as a result of pollution conditions (sudden/accidental or gradual) arising from contracting operations performed by the contractor)</i> 	\$10.0M	\$10.0M
	<ul style="list-style-type: none"> East Bayfront Pollution and Remediation Liability <i>(Losses resulting from any pollution condition on, at the covered location including any remediation expenses)</i> 	\$25.0M	\$25.0M
Builders Risk <i>(All Risks or Direct Physical Loss or Damage including but not limited to Flood, Earthquake, Windstorm, Boiler & Machinery but excluding maintenance cover and Delayed Start Up)</i>	<ul style="list-style-type: none"> Bayside Phase 2 	\$0.3M	- (Note 1)
	<ul style="list-style-type: none"> The Port Lands Flood Protection 	\$876.3M	\$876.3M
Wrap Up Liability <i>(Losses arising from all liability exposures typically associated with the construction projects including bodily and property damage)</i>	<ul style="list-style-type: none"> Wrap Up Liability Insurance - Port Lands project 	\$50.0M	\$50.0M
	<ul style="list-style-type: none"> Excess Wrap Up Liability – Port Lands project 	\$50.0M	\$50.0M
Professional Liability <i>(Losses arising from any claim or claims made for any error, omission or negligent act committed in the conduct of the business)</i>	<ul style="list-style-type: none"> Primary Professional Liability Insurance - The Portlands Toronto 	\$10.0M	\$10.0M
	<ul style="list-style-type: none"> 1st XS Professional Liability Insurance - The Portlands Toronto 	\$5.0M	\$5.0M
	<ul style="list-style-type: none"> 2nd XS Professional Liability Insurance - The Portlands Toronto 	\$2.5M	\$2.5M
	<ul style="list-style-type: none"> 3rd XS Professional Liability Insurance- The Portlands Toronto 	\$2.5M	\$2.5M

Note:

- Builders Risk Insurance is not required for Bayside Phase 2 project due to construction completion in June 2020.



Finance, Audit and Risk Committee (FARM) Committee
May 27, 2021
Item 18 – Draft Resolutions Arising from the Closed Session
FARM Committee Members

ON MOTION duly made by [●] and seconded by [●] and carried, it was **RESOLVED** that the Minutes of the Closed Session of the Finance, Audit and Risk Management Committee held on February 25, 2021 be approved as tabled.