

# Project: Under Gardiner

## Presentation to Waterfront Toronto Board of Directors

December 15, 2015

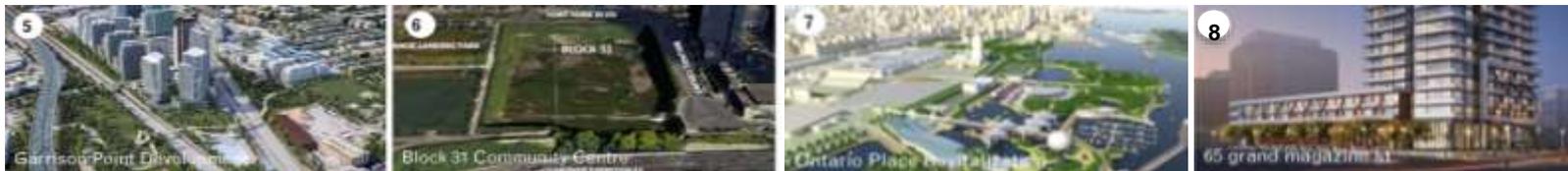
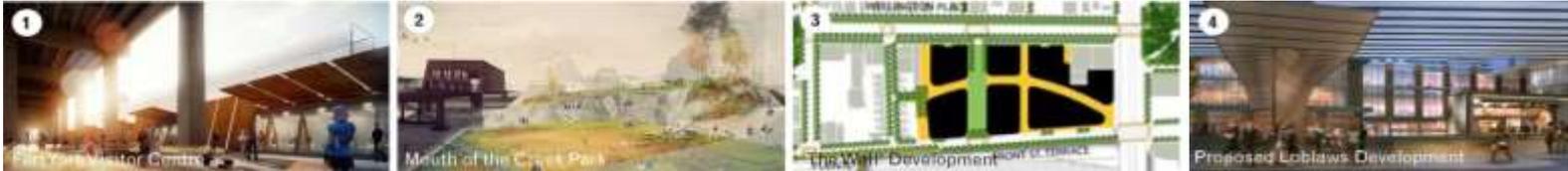


# Project Description



- A generous philanthropic gift from Wil and Judy Matthews will fund Project: Under Gardiner.
- Project: Under Gardiner will reclaim underutilized land beneath the Gardiner Expressway.
- Project: Under Gardiner will transform this area into vibrant community spaces that will play host to a range of cultural, heritage and arts programming – creating a new outdoor living room for local residents and visitors to the amenities and attractions nearby.
- These spaces will be stitched together by a continuous trail from Strachan Ave to Spadina Ave with a pedestrian and cyclist bridge over Fort York Blvd and a grand staircase at Strachan Ave.
- Gardiner Expressway Rehabilitation currently occupies the Project site and is forecast to be completed in October, 2016.
- Waterfront Toronto has been requested to manage the design, public consultation and construction of the project.

# Project Site and Current Initiatives



# Precedents



Oslo, Norway



Zaanstad, the Netherlands



Buffalo Bayou Promenade, Houston



Hackney-Wick London, UK



Underpass Park, Toronto



Mission Bay, San Francisco

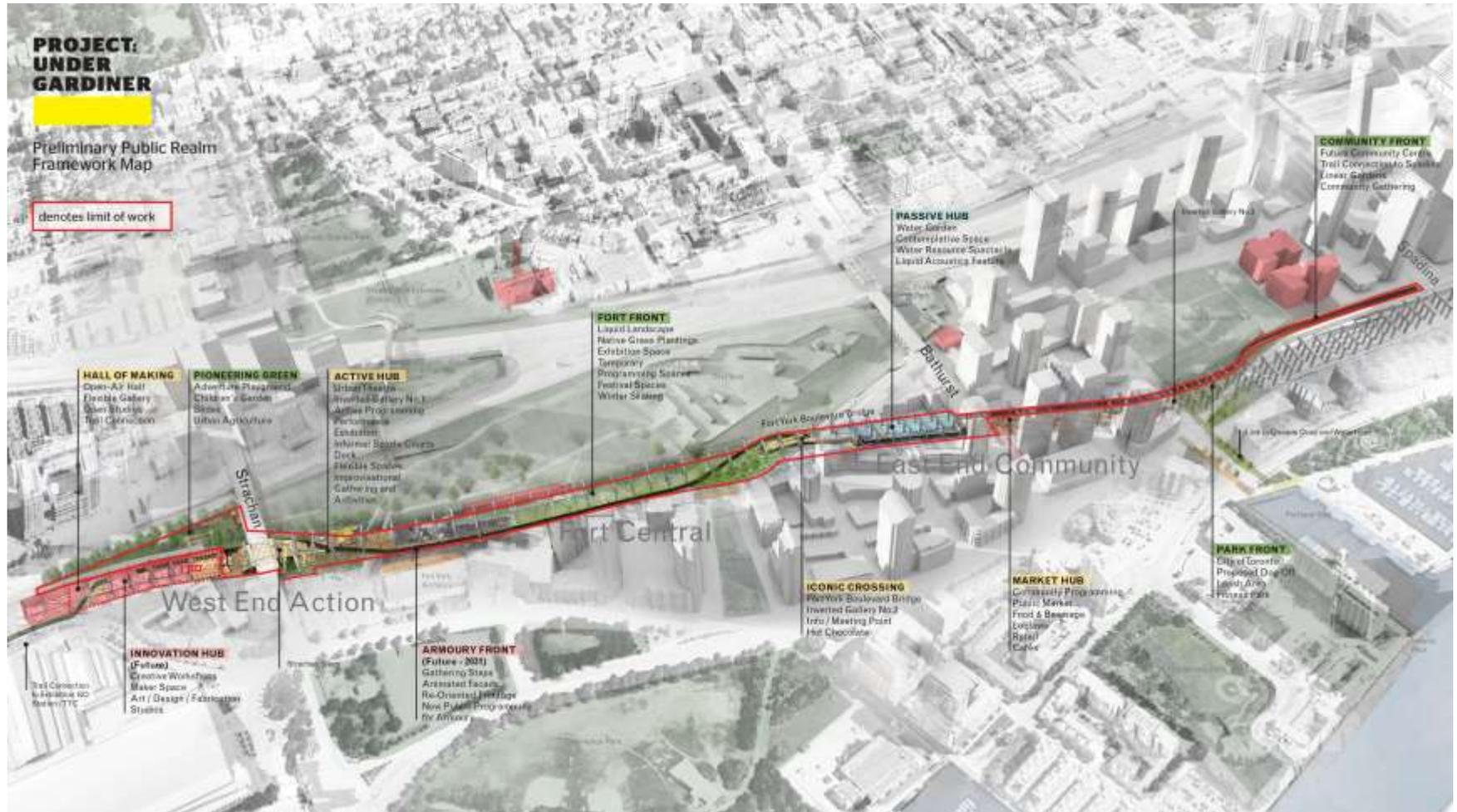
# Project Site



From west to east (just east of Strachan Avenue to east of Bathurst Street)



# Public Realm Framework Plan



# Artists Rendering



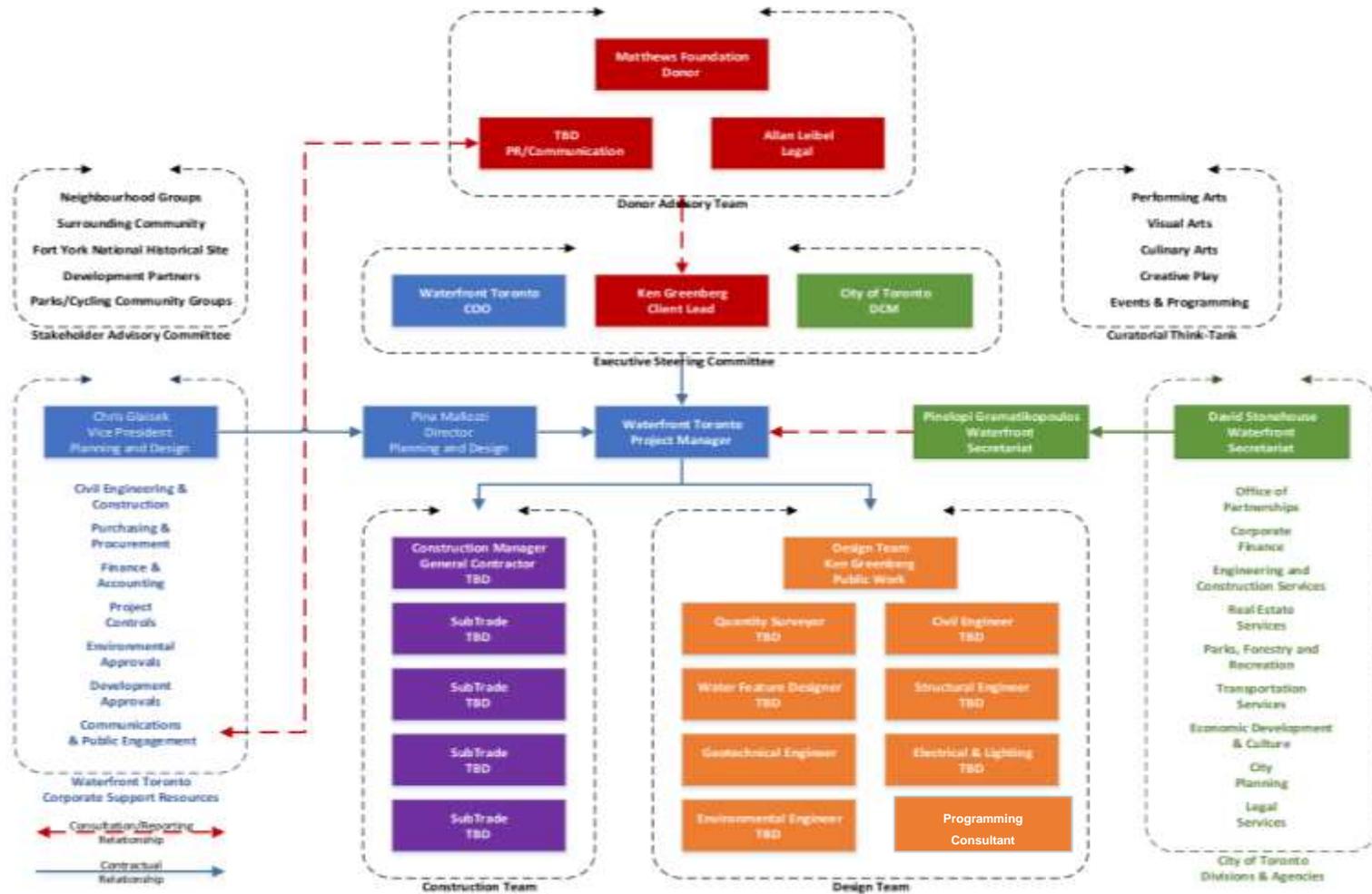
# Artists Rendering



# Artists Rendering



# Project Organization



# Roles and Responsibilities



## Steering Committee

- Equal representation (City, Matthews Foundation, Waterfront Toronto - Chair)
- Review of budgets, design, proposals, tender packages

## Matthews Foundation

- Charitable Donation to City to be received by City as “Reserve Fund”

## City of Toronto

- Approval Authority & Site Owner
- Charitable Recipient
- Design & permit approvals

## Waterfront Toronto

- Project manager (design & construction)
- Design Review Panel - Design excellence
- Environmental due diligence
- Procurement and contract lead
- Project reporting (budget & schedule)
- Consultation and public engagement

# Term Sheet Summary



- Parties to sign MOU (Matthews Foundation, City and WT) and Delivery Agreement (City and WT) and be equally represented on Steering Committee
- WT to retain Donor's selected designers (Ken Greenberg and Public Work) and sub-consultants on a sole source basis
- Project to be constructed in phases with the first phase (comprising the area between Strachan and Bathurst) to be completed by July 1, 2017
- \$3 million of Donation to flow from Foundation to City to WT immediately for design and approvals. Balance of Donation conditional upon agreed plan for programming, operations and maintenance being developed by July 1, 2016
- WT to be compensated for 1 FTE project manager at 1.75X base salary to offset benefits and overheads
- WT is not required to enter into any commitments related to the Project that in aggregate would exceed the Donation amount

# Project Budget



**\$25,000,000 donation from Matthews Foundation**

## Includes:

- Soft Costs
  - consultants/permits/approvals/legal/insurance/inspection & testing, public consultation costs, HST (Non-recoverable)
- Waterfront Toronto project manager reimbursement (WT reimbursable costs are being limited to one staff + overhead to encourage philanthropic relationships)
- Hard Construction Costs
  - general conditions/fees/traffic management/direct sub-trade costs
- Contingency and Hold Back reserve to protect against over-runs
- Operations and Maintenance for a six-month period after substantial performance.

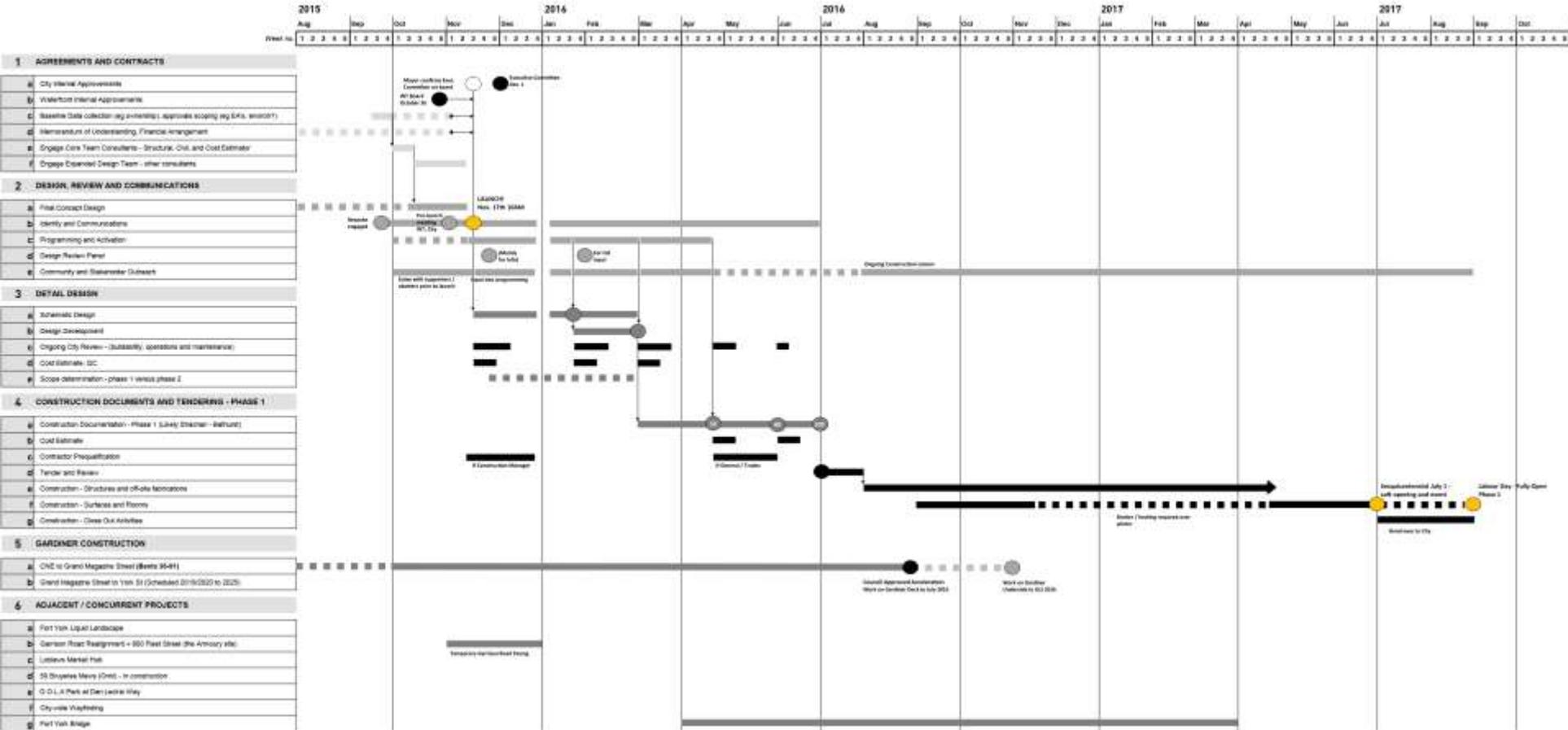
## Excludes:

- Operations and Maintenance Costs (after six-month period)
- Programming costs

# Draft Project Schedule



GARDINER ACTIVATION PROJECT  
PROJECT SCHEDULE



# Procurement Model



## Waterfront Toronto will retain:

- Design and Engineering Consultants
- Environmental Assessment Consultants
- Environmental Site Assessment and Environmental Approvals Consultants
- Site Surveying Consultants
- Programming, Operations and Maintenance Governance Consultants
- Cost Estimating Consultants
- Schedule and Cost Risk Consultants
- General Contracting Services (during construction phase)

# Benefits/Opportunities



- **Linkages & Infrastructure**

- Significant active transportation infrastructure providing important linkages between seven neighbourhoods including Fort York neighborhood and the Central Waterfront/Downtown attractions

- **Philanthropy & Stewardship**

- New model for future potential waterfront philanthropy and stewardship

- **Project Programming**

- Opportunity to encourage donations for future project programming

- **Operations and Maintenance – Pilot**

- Pilot project to review alternative Operations and Maintenance Funding Model for Waterfront Parks.

# Risks and Mitigation Strategies



Risk Description	Potential Impact	Mitigation Strategy
<p><b>Capital Cost Overruns</b> The donation is fixed however there is a risk that uncertain project costs may result in capital cost overruns.</p>	<ul style="list-style-type: none"> <li>• Incomplete project.</li> <li>• Additional funding required.</li> </ul>	<ul style="list-style-type: none"> <li>• Phase project.</li> <li>• Provide alternative options at tender.</li> <li>• Project team/steering committee review all decisions.</li> <li>• Undertake Schedule and Cost Risk Process.</li> <li>• Require lead design consultant to retain design sub-consultants.</li> </ul>
<p><b>Funding Risks</b> Risk that Donor's pledge schedule does not match project schedule and funds do not flow to WT quickly enough.</p>	<ul style="list-style-type: none"> <li>• Project is delayed due to inability to commit.</li> <li>• Project could be terminated.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure funding is in place before procurements commence.</li> <li>• Prepare cash flow projections to provide advance notice to the donor of funding needs.</li> </ul>
<p><b>Timing Risks</b> Risk that WT is unable to deliver for July 1, 2017 completion date due to unknowns (ie Environmental conditions/Approvals or Gardiner Rehabilitation delay)</p>	<ul style="list-style-type: none"> <li>• Total project is not complete by July 1, 2017.</li> </ul>	<ul style="list-style-type: none"> <li>• Phase project to identify reasonable deliverables for July 2017.</li> <li>• Conduct risk analysis and maintain contingencies to account for site condition and any necessary changes.</li> <li>• Do not schedule work to commence prior to Gardiner Rehabilitation work completion.</li> </ul>

# Management Recommendations



- Negotiate and execute *Memorandum of Understanding and Delivery Agreement*
- Hire WT Project Manager (recoverable at 1.75x salary)
- Implement Communications and Consultation Strategy
- Retain Ken Greenberg and Public Work Consultants on a sole source basis:
  - Designer was selected by the Donor
  - Transfer risk of design costs
  - Transfer risk of sub-consultant over-sight and coordination
  - Reduce internal overhead costs (non-recoverable)
- Commence detailed design
- Complete procurement for other consultants (subject to funding)

# Board Motion



On **MOTION** duly made, seconded and carried, be it **RESOLVED** that the Board of Directors hereby approves that Management proceed as the Project Delivery Agent for Project: Under Gardiner on behalf of the Matthews Family and City of Toronto.

Be it further approved that Project: Under Gardiner be a standing agenda item at the Finance, Audit and Risk Management Committee.