

West Don Lands (“WDL”)

Staff continues to meet weekly with Infrastructure Ontario (“IO”), Ministry of Energy and Infrastructure (“MEI”), Ontario Realty Corporation (“ORC”) and the City to work through the WDL Phase 2 plan of subdivision (“POS”) which will contain all of the Pan Am Games blocks. It is anticipated that the POS and associated conditions will receive Draft Approval from City Council in August, 2010. Due to the timing of the fall municipal election, there will be no Council meetings between September and January, 2011 so meeting the August Council date for Draft Approval is key in meeting the Pan Am Games schedule.

Toronto Community Housing Corporation (“TCHC”) has advised that a Record of Site Condition (“RSC”) which is needed for building construction has been filed with the Ministry of the Environment (“MOE”). It is anticipated that an RSC will be approved in late June/early July, 2010. TCHC has also applied to the City to lift the Holding (“H”) on the property’s zoning and hope to have a full building permit by the Fall and building occupancy in early 2012.

CH2M Hill has commenced on-site testing needed to support the additional Risk Assessment Risk Management (“RA/RM”) work for WDL and the Pan AM Games. ORC is to advise on timing for an RSC for Urban Capital by June 21st. A verbal update will be provided at the June 30th Board meeting. Waterfront Toronto (“WT”) has transferred funds to ORC to test and remove soil stockpiles in WDL to enable the environmental testing. The MOE and City have been very helpful and have indicated their willingness to work closely with all parties to move approvals forward expeditiously.

Urban Capital’s sales office opened with great success on February 27, 2010. The project is approximately 80% sold. Urban Capital will likely start construction early in 2011 once an RSC is filed for the site.

Tendering of Don River Park and Mill Street Public Realm are complete and contracts have been awarded. WT is coordinating with ORC and IO to ensure appropriate access and construction site management is in place. Underpass Park design is progressing through approvals with the City. The Stormwater Management Facility will commence design shortly as the Environmental Assessment Addendum has been approved by the MOE.

WT continues to work closely with IO on delivering the Pan Am Games Athlete’s Village on time, on budget and with the community legacy anticipated in the WDL Precinct Plan. The “market sounding” with industry leaders has yielded critical information regarding the most appropriate models for procuring the Village while ensuring delivery of the legacy for the WDL community. WT will be an integral part of all significant procurements for the Village and in particular the ultimate developer. IO and WT are working closely with Toronto 2015 (Hostco) to solidify the programmatic needs and the most efficient development plan for the Village.

East Bayfront (“EBF”)

As reported to the Board on May 5, 2010, construction continues to advance on all aspects of the first phase of EBF, including Dockside servicing and public realm, Sherbourne Park, Sugar Beach, the first segment of the waterfront promenade and George Brown College (“GBC”).

We have also introduced temporary clean up measures including a temporary sidewalk along Queens Quay, clean-up and seeding of the boulevard, the temporary Corus parking lot on the Canpar site and a sod capping of Block1, a future development block. In the future we will be introducing additional temporary parking on Block 2 to accommodate Corus visitors, once the construction trailers are removed.

Sugar Beach and the waterfront promenade will be substantially complete by the end of June, while work continues on Sherbourne Park. As previously reported, certain elements of Sherbourne Park, primarily the pavilion and the deep services along the water's edge, were not anticipated to be completed by the end of the month. Unfortunately, we have recently been informed by Toronto Hydro that due to issues related to the G20 Summit, we are going to be further delayed because of their inability to provide permanent power to Dockside. Toronto Hydro anticipates that the delay will be approximately one month.

Management and our consultants have reviewed the implications of this and have been able to mitigate the impact to a degree through the creation of temporary hydro feeds from the Aecon construction trailer. The good news is that all of Sugar Beach, the waterfront promenade and the public streets, with the exception of the splash pad in Sugar Beach, will be fully functional and therefore can be safely open to the public. Unfortunately, because of the location of Sherbourne Park and the nature of construction, the lack of power will have much greater impact, including the inability to run the water feature, the splash pad or even the park lighting system. Therefore the opening of Sherbourne Park will be delayed until July 15, 2010. Staff has developed a plan that will allow for the opening of a portion of the park during the day commencing July 15, 2010, thereby giving the public access through finished sections of the park from Queens Quay to the waterfront promenade. The park will be closed and secured each night until power is available, with nighttime public access to the waterfront promenade by way of the Corus laneway. A plan showing the areas of the park and the projected timing for bringing them on stream is attached to this report.

Management also continues to work with Toronto Health to confirm that the treatment process that will allow lake water to be cleaned as part of the UV stormwater treatment process is acceptable. Public Health is asking for criteria that are among the most stringent in the world; however testing over the past year has suggested that this criteria can be met. Another unfortunate effect of the hydro delay is that the UV system cannot be turned on and tested until later in July. Based on the projected timing by Toronto Hydro and the testing results to date, it is anticipated that the water treatment process will be fully functional by the date of the official park opening in August.

Approximately one-third of the 1,200 Corus employees have relocated to their new building with the balance, including the relocation of the various television and radio stations, coming throughout the summer.

GBC is nearing completion of the excavation of their underground parking garage and anticipates being in position to require their foundation building permit in early July. With regard to this permit all parties continue to co-operate with GBC in the processing of their Site Plan application, with recent achievements including satisfying Redpath under the terms of their settlement agreement, satisfying the MOE in terms of their site-specific risk assessment, and achieving Notice of Approval Conditions under the City's Site Plan process. GBC remains on schedule to open their doors in the fall of 2012.

City Council recently approved applications to stop up and close a portion of Lower Sherbourne Street, thereby allowing for the completion of Sherbourne Park North by the end of 2010. They also approved a report supporting the expropriation of certain privately-held lands in support of the realignment of Lower Sherbourne Street, if necessary.

Management continues to negotiate with the land owner; however as the road needs to be constructed in 2011 it was deemed necessary to have this option.

We expect to be in a position to award the external sanitary sewer contract on July 23, 2010. This work includes connections along Queens Quay, Jarvis Street and The Esplanade, thereby linking the East Bayfront to the Scott Street pumping station. Work is anticipated to start in August and be completed by the end of Summer, 2011.

Designated Waterfront Area

Union Station Second Platform – The TTC has issued the tender for the construction of the Union Station Second Platform. The tender close has been delayed by TTC and is now anticipated to be awarded in July. Award is subject to confirmation that the tendered price is within budget and subject also to Government approval of the amended Contribution Agreement which increases the project budget.

Soil Management Facility – In order to achieve both economic and environmental sustainability goals, WT has adopted a soil management strategy in carrying out revitalization of the waterfront. Accordingly, instead of using the conventional ‘dig and dump’ approach of sending excavated soil from construction projects to landfill sites and then importing clean soil for other projects, the feasibility of a soil recycling facility is being explored, which can treat the large volumes of contaminated excavated soil from projects in East Bayfront and West Don Lands, and reuse the treated soils for grading, flood protection and park construction purposes in the proposed Lower Don Lands, Lake Ontario Park and other Port Lands projects. With full cooperation of Toronto Port Lands Leasing Company (“TPLC”) staff, the site chosen for this facility is 294 to 400 Unwin Ave, a 20 acre tract of vacant, unserviced and contaminated land south of the Ship Channel.

Prior to committing to a long term soil recycling facility, it was deemed prudent to conduct a pilot demonstration project on the site to evaluate potential soil treatment technologies and costs. As these technologies are much more advanced outside Canada, a worldwide RFP was called for one or more soil treatment operators to run the pilot project this summer. We have now selected two of the best soil treatment operators in the world, both of whom have partnered with local Canadian firms for this project.

One firm, a Belgian company has just completed the London Olympics soil remediation operations and intends to ship their equipment from England. The other, a Dutch company, will send their soil washing equipment from Miami. We have now received all the required MOE approvals to allow for the receipt and storage of soils on the site, and the two operators will obtain their own MOE approvals for their specific treatment processes. Site preparation is currently underway in accordance with the MOE conditions of approval, to ensure proper grading, drainage and storm water ponds are in place on site. The soils to be treated are excess soils from the FPL project which are stockpiled on the WDL site. Following site preparation and the delivery of the soils to the treatment site, the pilot operators will set up their equipment and start their operations by midsummer.

Three public meetings have been held to date and a Stakeholders Advisory Committee will be formed from members of the general public, Port Lands Action Committee, Pinewood Studios, sailing clubs and Lake Ontario Waterkeepers, a water advocacy group. It is intended to continuously monitor and share the results of the soil recycling processes as well as dust control measures. At the end of the six month pilot project, if the results demonstrate that the operations are favorable from technological, environmental and economic perspectives, it is expected to plan for a long term soil recycling facility on this site by selecting one of the operators to treat and recycle soils for all future waterfront projects.

Program Management

Health and Safety – There have been no reportable Health and Safety incidents on any WT job site since the last report.

Labour Relations – All collective bargaining agreements for Ontario construction trades expire on April 30, 2010. Plumbers, rodmen, labourers and operating engineers have joined the carpenters, electricians and ironworkers in concluding negotiations and settling new bargaining agreements. Based on the agreements reached with all major trades, the risk of labour disruptions affecting WT projects is now very low. All remaining trades continue to negotiate and at this time no strike votes have been taken nor deadlines established for conclusion of ongoing negotiations.

Central Waterfront, Gardiner and Portlands

York Quay Revitalization, Phase II - The conceptual design for the York Quay Revitalization project, Phase II (Underground Parking Garage, Urban Plaza and Canada Square), received unanimous support from the Waterfront Toronto Design Review Panel on June 9, 2010. This will allow the team to submit the Site Plan Application to the City of Toronto.

Lower Don Lands - The work on the Lower Don Lands and Don Mouth Naturalization took a major step forward this month. On Monday, June 14, 2010 the Executive Committee of Toronto City Council unanimously endorsed:

- The Lower Don Lands Framework Plan
- The Keating Channel Precinct Plan
- The submission to the Ministry of the Environment of the:
 - Don Mouth EA
 - Lower Don Lands Class EA for Infrastructure and Keating Channel Environmental Study Report.

Congratulations to the Lower Don Lands team for achieving this significant milestone.

Government Relations

MEI Deputy Minister Shuffle

Effective June 7, 2010 the Province announced a mini deputy's shuffle which saw David Lindsay replace Fareed Amin as the Deputy Minister of the Ministry of Energy and Infrastructure.

David Lindsay is the former President and CEO of the Ontario SuperBuild Corporation (which was the precursor to both The Ministry of Public Infrastructure Renewal which then morphed into the Energy and Infrastructure Ministry). This is good news for WT as David was part of the early days of the waterfront revitalization initiative and has an understanding of the issues.

We have already been in contact with his office and have an introductory meeting scheduled for June 28, 2010. We are also in the process of scheduling a more detailed briefing and tour of the waterfront for early July.

Communications and Marketing

Sherbourne Common has been selected as the new name for Sherbourne Park following a city-wide naming contest launched by WT and online news website Torontoist (with support from the City's Parks Department and Councillor Pam McConnell). The new name was formally approved by Toronto and East York Community Council at its session on June 22, 2010 and the contest winner will be invited to participate at the park's official opening on August 9, 2010. The contest, designed to promote the park and waterfront revitalization was well-received by the public. More than 500 names were submitted and more than 3,500 people voted online during the month and a half long contest. The contest also received local and national media coverage and has also been well featured on popular social media sites such as Twitter.

Foreign Affairs and International Trade Canada continue to feature WT and its work as a regular feature of its foreign journalists media tour. In May we provided 18 international journalists with an overview and tour of waterfront revitalization projects.

On June 9, 2010, WT opened the Port Union Waterfront Park Gateway in Pickering with the City of Toronto, Pickering and Toronto and Regional Conservation Authority officials.

On May 18, 2010, WT was part of a special Future of Toronto section in the 500,000 circulation Metro newspaper. The eight-page section featured a two-page spread on waterfront revitalization as well as features on Metrolinx and Downsview Park.

Awards — regular outreach with Conde Nast Traveller, a leading international travel magazine, resulted in a 2010 Innovation and Design Award nomination for the Simcoe and Rees WaveDecks. WT also issued a news release to promote the 2010 National Urban Design Awards in which the Spadina WaveDeck earned a Certificate of Merit.

WT has established a committee with communications colleagues from IO, ORC, Hostco and the Province to manage and coordinate communications activities around the Pan Am Games Athlete's Village. The group has established a communications protocol and key messaging, and is working on a joint communications plan and process for the development of the portion of the WDL that will be home to the Village for the Games. WT has worked to ensure that our ability to undertake marketing and communications efforts around the broader WDL is not restricted.

More than 200 people attended WT's first in a series of new community update meetings designed to provide information about all projects underway in the central waterfront.

Sustainability

Meetings with IO and Hostco regarding potential implementation of the Clinton Climate Initiative Climate Positive Program have gone well and we are continuing to determine parameters on how this program can apply to the Pan Am Games Athlete's Village.

Regional Sports Complex

In response to comments from the Design Review Panel, the City has directed its consultants to study a more compact, "stacked" option for the Regional Sports Complex on the currently proposed site. This study will include operational as well as capital cost considerations. Public consultation on the alternatives will begin in July and the City has agreed to bring the design back to the Design Review Panel prior to Council review and approval.