



**WATERFRONT**Toronto

# Board of Directors Meeting

## Agenda and Meeting Book

THURSDAY, OCTOBER 13, 2022 FROM 8:30 AM TO 11:30 AM

MICROSOFT TEAMS MEETING



Meeting Book - Board of Directors Meeting

Agenda - Thursday, October 13, 2022

8:30 a.m.	1. Land Acknowledgement	Information	S. Diamond
8:35 a.m.	2. Motion to Approve Meeting Agenda	Approval	S. Diamond
8:35 a.m.	3. Declaration of Conflicts of Interest	Declaration	All
8:40 a.m.	4. Chair's Opening Remarks	Information	S. Diamond
8:45 a.m.	5. Consent Agenda		
	a) Highlights of Key Messages - 4	Information	All
	b) Draft Minutes of the Open Session June 23, 2022 and September 8, 2022 Meetings	Approval	All
	DRAFT Minutes of the Open Session of the June 23, 2022 Board Meeting - 6		
	DRAFT Minutes of the Open Session of the September 8, 2022 Board Meeting - 13		
	c) CEO Report - 16	Information	G. Zegarac
	d) 2023 Board and Committee Meeting Schedule	Information	I. Ness
	Coversheet - 27		
	2023 Board and Committee Meeting Calendar - 28		
	e) HRGSR Committee Chair's Report - September 15, 2022 Meeting - 30	Information	W. Cartwright
	f) FARM Committee Chair's Report - September 22, 2022 Meeting - 32	Information	K. Sullivan
	g) IREC Committee Chair's Open Session Report - July 20, 2022, August 30, 2022 and September 29, 2022 Meetings - 35	Information	J. Winberg
9:10 a.m.	6. Supplementary Capital Approval - East Bayfront Precinct In-Water Pipes & Infrastructure	Approval	N. Tolkunow / I. Coito
	Coversheet - 36		
	Presentation - 37		
9:20 a.m.	7. Motion to go into Closed Session	Approval	All

**Closed Session Agenda**

The Board will discuss items 8(a), (b), (c) & (d), 9 through 12 being consideration of the draft Minutes of the Closed Session June 23, 2022 and September 8, 2022 Board meetings, the HRGSR Committee Chair's Closed Session Report, the FARM Committee Chair's Closed Session Report, the IREC Chair's Closed Session Reports, Line of Credit Strategy

& Liquidity Review, Port Lands Flood Protection (PLFP) Interim Cost Estimate Update, Quayside Update, and Directors Only In-Camera Session respectively, in Closed Session, as permitted by By-Law No.2 of the Corporation. The exceptions relied for the discussion of item 8(a) in Closed Session is contained in the minutes of the Board Meetings held June 23, 2022 and September 8, 2022 as provided in item 5(b) of this agenda, for items 8(b) and 9 is Section 6.1.1(k), for items 8(c), 8(d) and 10 is Section 6.1.1(l), for item 11 is Section 6.1.1(c), and for item 12 is Section 6.1.1(b) of By-Law No. 2. The Board will continue in Open Session at the end of the Closed Session to discuss and vote on any resolution(s) pertaining to the Closed Session.

Closed Session - 57

11:20 a.m.	13. Motion to go into Open Session	Approval	All
	Open Session Agenda		
11:20 a.m.	14. Resolution(s) Arising from the Closed Session	Approval	All
	Form - 58		
11:25 a.m.	15. Chair's Closing Remarks	Information	S. Diamond
11:30 a.m.	16. Motion to Terminate the Meeting	Approval	All
FYI	Next Meeting: Thursday, December 8, 2022	Information	All
	Upcoming Board and Committee Meeting Schedule - 59		

Agenda Item	Key Message
<b>5 (c) CEO Report</b>	The quarterly CEO Report presents an overview of the Board meeting and of the work of the Corporation, highlighting key issues and matters of importance from the perspective of the CEO. The report includes updates on key corporate issues such as the office lease and relocation, our DE&I strategy and our major projects. In addition, the report elaborates on the success of Smorgasburg Toronto and the Corporation’s public engagement efforts this summer through a series of 18 pop-ups. The report also highlights the efforts undertaken by the Corporation to recognize the National Day for Truth and Reconciliation on September 30 <sup>th</sup> . A dashboard attached to the CEO Report illustrates the status of corporate, administrative and project matters and compares it to the preceding quarter.
<b>5 (d) 2023 Board and Committee Meeting Schedule</b>	A proposed Board and Committee Meeting Schedule for 2023 is included with the materials. Directors are requested to inform the Board Administrator of any known conflicts. A request has been made to move the Board meetings from Thursday mornings- either later that day or on another day of the week. This will be noted at the meeting.
<b>5 (e) HRGSR Chair Report-Open Session</b>	The Chair of the HRGSR Committee will present her report on matters arising at the meeting held on September 15, 2022. The Committee received an update from Rose Desrochers on HR matters, including recruitment, organizational effectiveness, Learning and Development, Performance Management and Diversity, Equity and Inclusion across the organization. The committee also received an update on ESG matters and approved a committee work plan, received a proposed board and committee meeting schedule for 2023 and established a process to review the key governance documents of the corporation.
<b>5 (f) FARM Chair Report-Open Session</b>	The Chair of the FARM Committee will present his report on matters arising from the meeting of the Committee held on September 22,2022. In addition to the regular risk, audit and financial quarterly reporting, the Committee considered a supplementary Capital Approval for the East Bayfront Precinct In-Water Pipes, received an update on (i) the Port Lands Flood Protection project and (ii) the Internal Audit Plan, and received a report on an independent insurance program review.
<b>5 (g) IREC Chair Report-Open Session</b>	The Chair of the IREC Committee will present his report on matters arising from the meeting of June 2, 2022. The Committee received the Corporation’s new ESG update report and a project overview of the West Don Lands, block 13, and reviewed the quarterly development dashboard.
<b>6. Supplementary Capital Approval-East Bayfront Precinct In-Water Pipes &amp; Infrastructure</b>	The Board will be asked to consider, <b>for approval</b> , a supplementary capital approval request for the East Bayfront Precinct In Water Pipes. The FARM committee reviewed, and recommended for approval, the request at their meeting of September 22, 2022.
<b>8 (b) HRGSR Chair Report-Closed Session</b>	The Chair of the HRGSR Committee will present her report on matters arising at the Closed Session of the committee meeting held on September 15, 2022.
<b>8 (c) FARM Chair Report-Closed Session</b>	The Chair of the FARM Committee will present a report on matters arising from the Closed Session of the committee meeting of September 22, 2022 including a PLFP cost update, a report on the Cyber Security Risk Profile of the Corporation, fundraising strategy 12-month interim report, and a proposed Line of Credit Strategy.



**Board of Directors – October 13, 2022**  
**Item 5a - Meeting Materials - Highlights of Key Messages**

<b>8 (d) IREC Chair Report-Closed Session</b>	The Chair of the IREC Committee will present a report on matters arising from the Closed Session of the committee meetings of July 20, 2022, August 30, 2022 and September 29, 2022.
<b>9. Line of Credit Facility</b>	The board will be asked to consider, <b>for approval</b> , a proposed line of credit facility.
<b>10. PLFP Interim Cost Estimate Update</b>	The Chief Project Officer and SVP Project Delivery will present the PLFP cost update in the Closed Session.
<b>11. Quayside Update</b>	The Chief Development Officer will provide an update on the Quayside Project.

**MINUTES of the Open Session Meeting of the Board of Directors of the  
Toronto Waterfront Revitalization Corporation  
Via Microsoft Teams Teleconference  
Thursday, June 23, 2022 at 8:30 a.m. local time**

**PRESENT:** Stephen Diamond (Chair)  
Rahul Bhardwaj  
Wende Cartwright  
Drew Fagan  
Paul Khawaja  
Andrew MacLeod  
Councillor Joe Mihevc  
Laurie Payne  
Jeanhy Shim  
Kevin Sullivan  
Alysha Valenti  
Jack Winberg  
Leslie Woo

**REGRETS:**

**ATTENDANCE: WATERFRONT TORONTO**  
George Zegarac (CEO, Waterfront Toronto)  
Meg Davis (Chief Development Officer)  
Christopher Glaisek (Chief Planning and Design Officer)  
David Kusturin (Chief Project Officer)  
Lisa Taylor (Chief Financial Officer)  
Julius Gombos (SVP, Project Delivery)  
Rose Desrochers (VP, Human Resources and Administration)  
Cameron MacKay (VP, Strategic Communications and Engagement)  
Pina Mallozzi (VP, Design)  
Ian Ness (General Counsel)  
Catherine Murray (Senior Legal Counsel)  
Liv Bautista (Legal Counsel)  
Iain McMullan (Executive Director, Philanthropy)  
Ed Chalupka (Director, Government Relations)  
Ken Dion (Project Director, Port Lands Integration)  
Sampada Chandane (Director, Financial Management)  
Charmaine Miller (Executive Assistant to the CEO & Board Admin)

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

- Glenn Campbell, Assistant Deputy Minister, Anne-Marie Rozon, Principal Analyst, Iswariya Tirunagaru, Analyst, Sarah Khan, Analyst, Investment, Partnerships and Innovation, Infrastructure Canada
- Andre James, A/Manager, Jonathon Vita, Manager(A), Louis Bitonti, Senior Policy Advisor, Cory MacDonald, Senior Policy Advisor, Hannah Verrips, Policy Advisor, Nathan Barnett, Research Analyst, Agency Governance and Accountability Unit, Ministry of Infrastructure
- Tom Davidson, Director, Waterfront Initiatives, Office of Councillor Joe Mihevc

The Chair, Stephen Diamond, appointed Ian Ness to act as secretary of the meeting.

With notice of the meeting having been sent to all Directors in accordance with the Corporation's By-laws and a quorum of Directors being present, the Chair called the meeting to order at 8:31 a.m. and declared that the meeting was duly constituted for the transaction of business.

**1. Land Acknowledgement**

Stephen Diamond acknowledged Indigenous Peoples' presence and connections to lands under revitalization by Waterfront Toronto.

**2. Motion to Approve Meeting Agenda**

**ON MOTION** duly made by Jack Winberg, seconded by Paul Khawaja and carried, it was **RESOLVED** that the Agenda for the June 23, 2022 meeting be approved, as presented.

**3. Declaration of Conflicts of Interest**

Stephen Diamond declared a potential conflict of interest with respect to Update on Quayside Matters (item 15) on the agenda. Further to his previous declarations that his company had development partnerships with several Quayside RFP proponents, and although the agreements do not relate in any way to Quayside or any other Waterfront Toronto project.

Mr. Diamond stated, "I have been advised that my development partnerships do not create a legal conflict and from a procurement perspective I can now fully participate in the process. However, to avoid the perception of any possible conflict, until the corporation enters into a project agreement with a proponent, I will not be participating in any board or committee discussions concerning the Quayside project, nor will I be voting on any related matter that might come before the board. As Board Chair, I will be advised of developments relating to the overall status of the project such as whether the project remains on time, but I will not be involved in any dealings with the proponent directly or indirectly."

Mr. Diamond did not participate in the meeting during the discussion of Quayside (item 15). He also did not receive nor had access to any materials distributed to the committee regarding Quayside.

Jack Winberg, Investment and Real Estate (IREC) Committee Chair acted as chair of the board meeting while Mr. Diamond was absent.

Alysha Valenti declared a conflict of interest with respect to Office Space Lease (items 5i & 12e) on the agenda, given that she is currently employed by the Landlord of the lease, and despite not having any insight at the company into the negotiations.

Ms. Valenti did not participate in the meeting during the discussion of items 5i & 12e. She also did not receive nor had access to any materials distributed to the committee regarding the Office Space Lease update.

#### 4. Chair's Opening Remarks

Stephen Diamond welcomed and thanked everyone for joining the meeting, especially the government partners for their participation and their ongoing support of Waterfront Toronto. Mr. Diamond explained that meetings continue to be held remotely, due to the ongoing COVID-19 pandemic. He added that the meeting would be recorded and made available to the public afterwards.

Mr. Diamond welcomed the two newest board members appointed by the City of Toronto, Councillor Joe Mihevc who has been appointed to serve until the next City election and Laurie Payne who has been appointed for a three-year term.

Mr. Diamond also extended congratulations and appreciation to Wende Cartwright and Jack Winberg, on their reappointment for another three-year term by the City.

#### 5. Consent Agenda

- a) The **Highlights of Key Messages** were taken as read.
- b) **Draft Minutes of the Open Session March 24, 2022 Meeting.**

**ON MOTION** duly made by Wende Cartwright, seconded by Drew Fagan and carried, it was **RESOLVED** that the Minutes of the March 24, 2022 meeting of the Board of Directors be approved, as tabled.

- c) In his CEO Report, George Zegarac welcomed the two new City of Toronto appointees, Joe Mihevc and Laurie Payne to the Board, thanked the City for the reappointment of Wende Cartwright and Jack Winberg, and thanked Michael Galego, whose appointment ended on June 16<sup>th</sup> for his input and commitment as he served on the Board for the last 3 years.

Mr. Zegarac shared that there were several senior leadership changes at Waterfront Toronto's partner governments and agencies and wished Chris Murray, City Manager, Chris Giannikos, Deputy Minister, Ministry of Infrastructure (MOI), and Geoff Wilson, President and CEO, Ports Toronto well in their next phases, as well as welcomed Jill Vienneau, Acting Deputy Minister, MOI.

In addition, Mr. Zegarac provided a brief overview of key matters including an update on Quayside, Interim Use and Events Strategy to activate the waterfront, Queens Quay West improvements, COVID-19/Return to Work, Next Phase of Waterfront Revitalization, Integrated Annual Report, the organization's ongoing commitment to Diversity, Equity & Inclusion (DE&I) including Indigenous Engagement, and an update on the Port Lands Flood Protection project.

- d)e)f) The Finance, Audit & Risk Management (FARM), Human Resources, Governance & Stakeholder Relations (HRGSR), and Investment and Real Estate (IREC) Committees Chairs Open Session Reports were provided for information and taken as read.



- g) The Board received an update from Lisa Taylor, Chief Financial Officer on Environmental, Social and Governance (ESG) matters by the Corporation.
- h) Waterfront Toronto Insurance Program Review

Management provided for information, material that contained an overview of Waterfront Toronto' Corporate Insurance Program and outcome of 2022 renewals, including Directors & Officers insurance coverage. The material was taken as read.

- i) Waterfront Toronto Office Space Lease Update

Lisa Taylor, Chief Financial Officer provided for information, which was taken as read, the process underway to secure corporate office space in advance of when Waterfront Toronto's current lease expires in May 2023.

Alysha Valenti did not receive any material that was shared with the Board for this item.

## 6. Committee Appointments

Stephen Diamond, Board Chair presented, for approval, his recommendations for the new directors, Councillor Joe Mihevc be appointed to the HRGSR Committee and Laurie Payne be appointed to the FARM Committee.

**ON MOTION** duly made by Paul Khawaja and seconded by Jeanhy Shim and carried, it was **RESOLVED** that the Board of Directors approve the recommendations of the Board chair with respect to the committee memberships of Councillor Joe Mihevc and Laurie Payne.

## 7. Waterfront Toronto Priority Projects

David Kusturin, Chief Project Officer provided a presentation to the Board, for information, illustrating the work that has been undertaken over the past quarter on Waterfront Toronto priority projects.

## 8. Q1/2022 Construction Cost Forecast and Risk Update and Quantification – Port Lands Flood Protection

David Kusturin, Chief Project Officer provided an update to the Board, for information, on the current Port Lands Flood Protection Project.

## 9. Project Related Approvals

- a) Parliament Slip Lakefill 60% Design Approval Amendment

Pina Mallozzi, VP Design presented, for approval, an amendment to a board resolution from June 24, 2021, to allow for the fully funded Parliament Slip lakefill project to proceed to the 60% design stage.

**ON MOTION** duly made Jeanhy Shim, seconded by Leslie Woo, and carried, it was **RESOLVED** that the Board of Directors approve the amendment of the following June 24, 2021 Board resolution related to Parliament Slip by removing (c) below to allow the fully funded lakefill portion of the project to advance to 60% design:

- 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.*

b) Broadview Eastern Flood Protection – Phase 1 Capital Approval

Ken Dion, Project Director, Port Lands Integration presented, for approval, an initial capital expenditure of \$7.585 million to commence implementation of the Broadview Eastern Flood Protection, and to add the project to the Five Year Rolling Strategic Plan, subject to execution of funding agreement(s) with the City of Toronto.

**ON MOTION** duly made by Paul Khawaja, seconded by Wende Cartwright, and carried, it was **RESOLVED** that the Board of Directors approve a capital expenditure of \$7.585 Million divided as follows, to undertake the Broadview Eastern Flood Protection Project:

- Pre-Design Data Collection Works – proceeding currently under an \$1.885M amendment to the existing BEFP EA Delivery Agreement, and
- Phase 1 – 60% Design Works, subject to the execution of a funding Delivery Agreement valued at \$5.7M with the City of Toronto.
- the Corporation be authorized to enter into funding agreements with the City of Toronto to give effect to the foregoing; and

**ON MOTION** duly made by Paul Khawaja, seconded Wende Cartwright, and carried, it was **RESOLVED** that the Board of Directors approve the addition of the Broadview Eastern Flood Protection Project to the Rolling Five Year Strategic Plan 2022/23-2026/27.

**10. Year-end Audited Financial Statements March 31, 2022**

Management presented, for approval, the Audited Financial Statements for the year ending March 31, 2022. The Financial Statements were recommended for approval by the FARM Committee.

**ON MOTION** duly made by Leslie Woo, seconded by Alysha Valenti and carried, it was **RESOLVED** that the Board of Directors approve the attached audited financial statements for the year ended March 31, 2022.

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

In accordance with By-Law No. 2 of the Corporation and **ON MOTION** made by Jack Winberg and seconded by Wende Cartwright and carried, the Board **RESOLVED** to go into Closed Session to discuss items 12(a), (b), (c), (d) & (e), 13, 14, 15, 16 and 17. The exception to the Open Meeting Law relied on for the discussion of item 12(a) is contained in the minutes of the Board Meeting on March 24, 2022 as provided in item 5(b) of this agenda, for item 12(b) & (c) is Section 6.1.1(j) & (l), for item 12(d) is Section 6.1.1(a), for item 12(e) is Section 6.1.1(l), for item 13 is Section 6.1.1(k), for item 14 is Section 6.1.1(l), for item 15 is Section 6.1.1(c), for items 16 & 17 is Section 6.1.1(b) of By-Law No. 2. The Board continued in Open Session at the end of the Closed Session to discuss and voted on the resolution(s) pertaining to the Closed Session.

**12. Consent Agenda**

**Draft Minutes of the Closed Session March 24, 2022 Meeting**

**Closed Session Committee Chair Reports for FARM May 26, 2022 meeting, IREC June 2, 2022 meeting, WT Insurance Program Overview (continuation), and WT Office Space Lease Update (continuation).**

**13. 2021/22 Integrated Annual Report (IAR)**

**14. Port Lands Risk Discussion**

**15. Update on Quayside Matters**

Stephen Diamond left the meeting during item 15 presentation and discussion.

**16. HRGSR Committee Chair's Closed Session Report (Directors Only)**

**17. Board Closed Session Discussion**

**18. Motion to go into Open Session**

**ON MOTION** made by Paul Khawaja, seconded by Wende Cartwright and carried, the Board **RESOLVED** to go into Open Session.

**19. Resolution(s) Arising from the Closed Session**

**Item 12a) Draft Minutes of the Closed Session March 24, 2022 Meeting**

**ON MOTION** duly made by Jack Winberg and seconded by Jeanhy Shim and carried, it was **RESOLVED** that the Minutes of the Closed Session of the Board of Directors meeting held on March 24, 2022 be approved, as tabled.

**Item 13 2021/22 Integrated Annual Report (IAR)**

**ON MOTION** duly made by Wende Cartwright and seconded by Jack Winberg and carried, it was **RESOLVED** that the Board of Directors approve the attached 2021/22 Integrated Annual Report, subject to the comments provided at this meeting.

**Item 16 HRGSR Committee Chair’s Closed Session Report**

**ON MOTION** duly made by Paul Khawaja and seconded by Alysha Valenti and carried, it was **RESOLVED** that the Year-end Performance Assessments for the Chief Executive Officer – April 1, 2021 – March 31, 2022 and compensation for April 1, 2022 to March 31, 2023 be approved, as tabled.

**19. Termination of the Meeting**

The Chair thanked everyone for attending the meeting.

There being no further business, **ON MOTION** made by Jack Winberg, seconded by Laurie Payne and carried, it was **RESOLVED** that the meeting be terminated at 12:19 p.m. local time.

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Board Chair

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Secretary

**MINUTES of the Open Session Meeting of the Board of Directors of the  
Toronto Waterfront Revitalization Corporation  
Via Microsoft Teams Teleconference  
Thursday, September 8, 2022 at 4:15 p.m. local time**

**PRESENT:** Jack Winberg  
Rahul Bhardwaj  
Wende Cartwright  
Drew Fagan  
Paul Khawaja  
Andrew MacLeod  
Councillor Joe Mihevc  
Laurie Payne  
Jeanhy Shim  
Leslie Woo

**REGRETS:** Stephen Diamond (Chair)  
Kevin Sullivan  
Alysha Valenti

**ATTENDANCE: WATERFRONT TORONTO**  
George Zegarac (CEO, Waterfront Toronto)  
Meg Davis (Chief Development Officer)  
Christopher Glaisek (Chief Planning and Design Officer)  
David Kusturin (Chief Project Officer)  
Lisa Taylor (Chief Financial Officer)  
Rose Desrochers (VP, Human Resources and Administration)  
Cameron MacKay (VP, Strategic Communications and Engagement)  
Pina Mallozzi (VP, Design)  
Kristina Verner (VP, Strategic Policy & Innovation)  
Ian Ness (General Counsel)  
Charmaine Miller (Executive Assistant to the CEO & Board Admin)

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

- Iswariya Tirunagaru, Analyst, Investment, Partnerships and Innovation, Infrastructure Canada
- Andre James, A/Manager, Cory MacDonald, Senior Policy Advisor, Hannah Verrips, Policy Advisor, Bill Raymond, Agency Governance and Accountability Unit, Ministry of Infrastructure

The Chair, Stephen Diamond, had an unforeseen last-minute conflict and was unable to join the meeting. At the Chair's request and support of the Board, Jack Winberg presided as Acting Chair of the meeting and appointed Ian Ness to act as secretary of the meeting.

**ON MOTION** duly made by Councillor Joe Mihevc, seconded by Leslie, and carried, it was **RESOLVED** that Jack Winberg, IREC Committee Chair act as the chair of this meeting of the Board of Directors.

With notice of the meeting having been sent to all Directors in accordance with the Corporation's By-laws and a quorum of Directors being present, the Acting Chair called the meeting to order at 4:15 p.m. and declared that the meeting was duly constituted for the transaction of business.

**1. Land Acknowledgement**

Kristina Verner, VP, Strategic Policy and Innovation acknowledged Indigenous Peoples' presence and connections to lands under revitalization by Waterfront Toronto.

**2. Motion to Approve Meeting Agenda**

**ON MOTION** duly made by Wende Cartwright, seconded by Paul Khawaja and carried, it was **RESOLVED** that the Agenda for the September 8, 2022 meeting be approved, as presented.

**3. Declaration of Conflicts of Interest**

Jack Winberg advised that Ms. Alysha Valenti was not present at the meeting due to the conflict of interest she previously declared with respect to WT Office Space Lease (item 6) on the agenda. Ms. Valenti did not receive nor had access to any materials distributed to the Board regarding the WT Office Space Lease (item 6).

**4. Chair's Opening Remarks**

Jack Winberg acknowledged the news of the day that Queen Elizabeth II had passed and requested that the meeting be paused to reflect a moment of silence.

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

In accordance with By-Law No. 2 of the Corporation and **ON MOTION** made by Wende Cartwright and seconded by Leslie Woo and carried, the Board **RESOLVED** to go into Closed Session to discuss items 6 and 7. The exception to the Open Meeting Law relied on for the discussion of item 6 is Section 6.1.1(I) and for item 7 is Section 6.1.1(b) of By-Law No. 2. The Board continued in Open Session at the end of the Closed Session to discuss and voted on the resolution(s) pertaining to the Closed Session.

**6. WT Office Space Lease**

**7. Board Closed Session Discussion (Directors Only)**

**8. Motion to go into Open Session**

**ON MOTION** made by Jeanhy Shim, seconded by Drew Fagan, and carried, the Board **RESOLVED** to go into Open Session.

**9. Resolution(s) Arising from the Closed Session**

**ON MOTION** duly made by Councillor Joe Mihevc and seconded by Leslie Woo and carried, it was **RESOLVED** that the Board of Directors approve the preferred office lease proposal presented to the meeting by management of the Corporation and that the Rolling Five-Year Strategic Plan of the Corporation be amended accordingly.

**10. Termination of the Meeting**

The Acting Chair thanked everyone for attending the meeting.

There being no further business, **ON MOTION** made by Jeanhy Shim, seconded by Rahul Bhardwaj and carried, it was **RESOLVED** that the meeting be terminated at 5:15 p.m. local time.

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Board Chair

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Secretary

I am pleased to provide this CEO Report for the upcoming Board meeting. Since the last report, I have continued to be fully engaged with staff, governments and other stakeholders and agencies operating on the waterfront.

### **Waterfront Toronto Office Lease & Relocation**

In anticipation of our office lease expiring on May 31, 2023, and in collaboration with Avison Young, we performed an office space and lease assessment to determine an optimal real estate strategy for the corporation. Avison Young completed a market availability review, workplace strategy, business case for location alternatives, and lease negotiations with short-listed locations. The outcome of the work resulted in five locations for consideration.

The recommended location promotes and represents Waterfront Toronto's brand and culture both internally to its people and externally to the public and will also see an anticipated reduction in the overall footprint by at least 25% which will lead to savings in annual lease costs.

The Board approved the proposed location on September 8, 2022. Staff were informed the following day with the information received positively. We are now beginning to organize ourselves to facilitate the move including office clean up and we shortly expect to bring on board an architect to help with the design of the space - which staff will also have input into.

The location will be publicly announced once the lease has been executed, which is planned on or before October 31<sup>st</sup>.

### **Quayside**

Since February, when the Board, by unanimous vote, approved that the Corporation enter into negotiations with Quayside Impact Limited Partnership, Waterfront Toronto staff have been meeting regularly with the preferred proponent to negotiate the terms of the Project Agreement.

In addition, staff have been working with the City of Toronto Housing Secretariat along with the Provincial and Federal Governments to advance the Affordable Housing Program contemplated for Quayside.

Staff will continue negotiations with Quayside Impact and provide an update on progress, reporting to both IREC and the Board in November and December 2022.



Negotiations are expected to be completed by the end of the calendar year 2022, at which time, if successful, more information will be shared with the public, and Quayside Impact Limited Partnership will work to finalize the development plans, seek municipal approvals, including development approvals, and bring this remarkable community to life.

### **Interim Activation and Community Engagement**

Due to the long-term and complex nature of waterfront revitalization it will take many years for certain parcels of land to be fully revitalized. As a result, Waterfront Toronto has developed an interim activation strategy to generate value from these lands in the interim and by extension help build back the City's tourism sector as part of a post-pandemic recovery effort. The Strategy is included as a priority as part of Waterfront Toronto's Five-Year Strategic Plan with the overarching goal to activate the waterfront and implement a robust, diverse and year-round program of events and festivals as well as temporary uses.

#### *Smorgasburg*

This summer, Smorgasburg - the largest weekly open-air food market in North America set up in a parking lot beside Yonge Slip for eight Saturdays from July 23<sup>rd</sup> through to September 10<sup>th</sup> with two objectives. The first, to activate the waterfront by bringing people down to the lake to experience the transformation that is underway and support the region's economic recovery. The other was to provide opportunities for small vendors to showcase their talent and grow their businesses (no chain restaurants were invited). Over 100 vendors from across the Greater Toronto Area participated in the event.

Over the eight weeks, more than 125,000 people came down to Smorgasburg Toronto to enjoy new food experiences on the waterfront, and at its peak saw between 20,000-24,000 people per day. The event gave such a large audience to small local food vendors that some are now planning to open permanent storefronts based on the exposure and success they had at Smorgasburg. In addition, a survey of vendors was conducted to solicit feedback on the event. Ninety-eight per cent (98%) confirmed that they would come back with the remaining indicating that they would likely return if they could have more flexibility with the schedule rather than participating four weekends in a row.

A key to Smorgasburg's success this year was their partnership with their inaugural local curator Suresh Doss, who was able to bring together a selection of vendors that were reflective of the diversity of our City.

With the early success of Smorgasburg Toronto, we have begun to create a template to host effective interim uses and events in different spaces across the waterfront that are in the process of being revitalized. The overwhelmingly positive feedback both from

vendors and attendees alike tells us we are on the right track. We are looking to welcome Smorgasburg back next year, which is permitted under the RFP process that was used. We will also leverage lessons learned from this year as we proceed. It should also be noted that the Waterfront BIA has already committed funding for next based on this year's success.

We will continue to use our strategy to guide, promote and coordinate interim uses across the entire revitalization area to ensure we are delivering as much value as possible from waterfront lands.

### *Public Engagement*

This summer, Waterfront Toronto kicked off a new series of pop-ups that travelled to festivals and events across the city. The playful, interactive display gave us the opportunity to hear what's on peoples' minds with respect to their waterfront, let people know about new projects underway and prompted them to get involved in future public consultations.

Through 18 pop-ups at locations from Sugar Beach and the Yonge Slip to Regent Park to June Rowlands Park, we spoke to almost 3,000 people face-to-face. This approach lets us reach a wide variety of people from across the GTA, each of whom uses the downtown waterfront in different ways.

We heard that people want a more animated, well-programmed waterfront, with places to eat, shop, take in art and culture – and places to boat and swim. Affordability and waterfront views also came up. We popped up at high-traffic events like Smorgasburg and the Redpath Waterfront Festival – overall, the Waterfront Toronto brand was seen by more than 150,000 people. These events resulted in 70,000 views on Waterfront Toronto's Instagram and Twitter accounts.

In addition to making available the space at Yonge Slip for the immensely popular food market Smorgasburg, we also offered free public boat tours to the thousands of people who visited the waterfront to check out this unique event. We ran eight tours, allowing almost 400 people to learn in-depth details about the past, present and future of the waterfront. The boat tour highlighted our completed work in the East Bayfront, plans for Parliament Slip, Quayside as well as the extensive work underway on the Port Lands Flood Protection project, which will unlock Villiers Island and the remaining Port Lands for revitalization.

In September, the Port Lands Science Fair returned for the first time since 2020 at the Bentway. Welcoming approximately 400 people, the Science Fair included interactive, kid-friendly activities to teach people about the innovative science and engineering behind the Port Lands Flood Protection project.

Also in September, 25 community volunteers joined staff from Waterfront Toronto and the Waterfront Business Improvement Area to clean up HTO Park and surrounding areas. These volunteers are members of Waterfront Toronto's new volunteer corp.

## **Waterfront Design Awards Program**

The Waterfront Design Review Panel (WDRP) reviews project proposals in the Designated Waterfront Area and provides expert advice to promote design excellence, improve environmental performance, and ensure a cohesive approach to waterfront revitalization. This year, the WDRP is inaugurating a bi-annual awards program that will celebrate excellence and innovation by recognizing projects and teams that have delivered outstanding designs and built projects.

Awards will be given in the following categories:

- Excellence in Residential Design;
- Excellence in Commercial/ Institutional Design;
- Excellence in Public Landscape Design;
- Excellence in Planning/ Urban Design;
- Excellence in Design Innovation; and
- Excellence in Built Work.

To be eligible for this year's awards, a project must have completed the design review process and/or completed construction between 2019 – 2021. One additional award, called the Hall of Fame, will recognize projects that have been built for at least 3 years and have made a lasting contribution to the waterfront.

The winners will be announced publicly on October 26th, 2022, at the upcoming Waterfront Design Review Panel meeting.

## **COVID-19/Return to Work**

The Joint Health and Safety Committee has played an integral role in the COVID-19 pandemic response and is guided by public health directives. They have been making recommendations to the Senior Management Team to help preserve the health and safety of our employees and adapt Waterfront Toronto's operations and actions in response to the pandemic.

The Corporation continues to operate effectively and efficiently with excellent collaboration across the organization and with our government partners and I am incredibly proud of how agile and resilient our staff have been over these last two (plus) years.

As of April, this year, all staff began returning to the workplace a minimum of two days per week with assigned days for departments and/or project teams and with others having a more operational role in the office even more frequently.

After the Thanksgiving weekend staff will begin to return to work 5 days over each two-week period.

We continue to monitor the situation to determine if additional adjustments will be required to the Corporation's Return to Workplace Plan in the future and will continue to use Toronto Public Health guidance to inform our plans.

## **Next Phase of Waterfront Revitalization**

We continue to work collaboratively with all orders of government on the key issues for the next phase of Waterfront Revitalization, namely a mandate extension, continued funding from all orders of government and ongoing roles and responsibilities in Villiers Island/Port Lands.

At its July 2022 meeting, City Council approved its support, in principle, to undertaking a further phase of waterfront revitalization enabled through tri-government funding commitments and the tri-government governance model. In addition, Council authorized staff to pursue discussions with their Provincial and Federal counterparts on a further phase of waterfront revitalization as well as to undertake further engagement with the public, stakeholders and Indigenous rights holder and urban indigenous communities on the implementation of the next phase.

A follow up staff report is anticipated in the first half of 2023 which will outline the outcome of discussions with government regarding potential future tri-government funding and any requisite mandate extension.

We continue to work closely both with members of the Board and our government partners to take advantage of early opportunities to advance these issues. In addition, we plan on meeting with the federal 416 caucus on October 24<sup>th</sup> to update the group on the current progress being made as well as on the next phase of waterfront revitalization.

## **Diversity Equity and Inclusion (DE&I)**

Waterfront Toronto is committed to creating a workplace where all employees feel they belong, and to ensure that diverse voices are included as it works to revitalize the waterfront.

As part of our commitment, Waterfront Toronto engaged MNP consultants in late 2021 to support the creation of our DE&I strategy, starting with an assessment of our current state. MNP attended our March 3, 2022, HRGSR meeting where they provided their final report on our 2–5 year DE&I strategy. The assessment was critical to informing the development of Waterfront Toronto’s DE&I strategy which included 12 key recommendations.

The first recommendation actioned was to launch a confidential and anonymous Workforce Demographic Survey in April 2022 with the purpose of capturing how employees self-identify. The information provides an accurate synopsis of the workforce composition which allows Waterfront Toronto to tailor programs to the needs of staff, identify if the workforce and customer profiles align and clearly identify gaps that may exist. The data collected in year one will provide a useful baseline to compare future data as the survey rolls out annually. The employee participation rate was 90% which provides an excellent baseline and is well over the North American average participation rates of 30-40% for surveys of this nature.

The next two recommendations are in progress and are to further our work on organizational values and to create a Waterfront Toronto affirmation statement. We sought staff participation to form working groups responsible for drafting and finalizing these important statements and clarity around DE&I at Waterfront Toronto.

As part of our DE&I efforts in recruitment we are reviewing internal processes to ensure they are consistent with DE&I best practices and free of bias and inequity. With the support of C-suite members, we have updated our interview guides to include consistent messaging about the corporation, the department and the role. We are gathering data to better understand where our applicants learn about our open positions and how we can continue to reach a wider audience reflective of our Toronto community. We have added an additional opportunity during the selection process for applicants to identify any accommodation support they may require.

Other recommendations are being worked on and further updates will be provided to the Board in due course.

## **Indigenous Engagement**

In recognition of National Day for Truth and Reconciliation on September 30, we lent our social media channels to the Mississaugas of the Credit First Nation (MCFN) including Twitter, LinkedIn, Facebook and Instagram to help amplify important stories from MCFN about the legacy of residential schools, and our work together on reconciliation.

Some of the highlights include:

- LinkedIn: highest single-day gain in new followers compared to previous 60 days. Ten percent (10%) of all new followers gained in September were earned on September 30.
- Twitter impressions: highest-performing day of the month (7,729 impressions)
- Instagram followers: highest single-day gain in new followers for the month. September 30 accounted for fifteen percent (15%) growth of all new Instagram followers in September.
- Facebook engagement: Six and a half percent (6.5%) of all engagement in September came from posts published on September 30.

In addition, the corporation organized a town hall to recognize the National Day for Truth and Reconciliation. Darin Wybenga, a Traditional Knowledge and Land Use Coordinator for the Mississaugas of the Credit First Nation's (MCFN) Department of Consultation and Accommodation whose work primarily consists of educating project proponents about the history of the treaty lands, territory, and people of MCFN, was invited to attend. His presentation focused on the history of the Mississaugas of the Credit First Nation and the treaties relevance to the western end of Lake Ontario and the Greater Toronto Region

His presentation was exceptionally well received by staff and generated much discussion throughout the day. I strongly encourage board members to view the one hour video we recorded and linked [here](#).

## Port Lands Flood Protection

In the Spring 2022, Waterfront Toronto Management committed to providing additional updates to FARM and the Board this fall regarding the PLFP budget, including recommended additional funding request of governments (if required). The objective of the analysis and process was to provide an accurate, detailed breakdown of the cost to complete the project; to confirm potential additional budget and funding requirements and to obtain FARM and Board advice with respect to the process and direction to be followed.

An Interim Cost Estimate Update has been prepared to provide a status update on the budget for the PLFP Project as of August 25, 2022. Management reported in May that the budget for the PLFP Project remained unchanged at \$1.185B, however, the likelihood of delivering the Port Lands Flood Protection Program on budget was very low based on the forecast remaining contingency.

The Interim cost estimate and risk analysis has identified that due to the extension in the Schedule, global supply issues, escalation and inflation, there is a likelihood of the Project being overbudget, including that the current balance of unused contingency will not be sufficient to offset anticipated increases.

We also have been updating our government partners on the cost pressures associated with the project and continue to examine strategies to help mitigate these pressures.

Waterfront Toronto is forecasting that the project schedule will be extended from March 2024 to late 2024 due to the realization of the numerous risks identified that were beyond the control of, and could not be mitigated, by the project team.

There will be further detail and discussion on this issue at the meeting.

The key accomplishments for Q1 2022/23 include:

- Completed wet utility construction on Cherry Street
- Completed energization of Don Roadway feeder
- Completed tunnel connecting OGS1 and SWPS shaft
- Completed gas main construction on Cherry Street
- Advanced wet utility construction on Commissioners Street
- Finalized traffic signal design for Lake Shore and Cherry
- Completed steel fabrication of Cherry north vehicular bridge, loaded, and shipped out for delivery July 3, 2022
- Progressed Issue for Construction drawings for existing Cherry bridge demolition
- Completed paving, concrete sidewalks and curbs on Cherry South bridge
- Completed River Valley and Wetland Pedestrian bridges
- Completed installation of drainage layer and RMM in Elbow Area
- Continued installation of river finishes in Central River Valley and Spill way
- Mobilized and began construction of new Don Roadway dock wall
- Completed excavation and progressed with stone finishes in Canoe Cove
- Continued dock wall and dredging works in Sediment and Debris Management Area
- Completed MT35 dock wall re-enforcement work
- Continued abatement and painting and demolished winch house at Atlas Crane
- Obtained TRCA approval for flow curtain

## Cherry Street South Opening

The PLFP project attained the first of many upcoming milestones on October 3<sup>rd</sup> as we begin to return the Port Lands to the public after several years of construction with the opening of the western extension of Commissioner's Street, the new Cherry Street South Bridge and realigned Cherry Street south to traffic, pedestrians, and cyclists.

This marks a critical achievement on the PLFP project that was the culmination of months of hard work by the project team. The online and public response has been overwhelmingly positive with over 200,000 views on social media of just one post the



**Board of Directors Meeting – October 13, 2022**  
**Item 5c - CEO Report**  
**George Zegarac**

corporation shared with images of the new bridge and 23,000 likes, shares, or comments. In addition, there have multiple media mentions, including TV News coverage on CityNews and CBC as well as high praise from the cycling community.



We are currently in the process of planning a community celebration of this event on site in the coming weeks and are working with all orders of government to secure political representation at this event. We will keep you posted as the details are finalized.

Sincerely,  
George Zegarac  
President and CEO



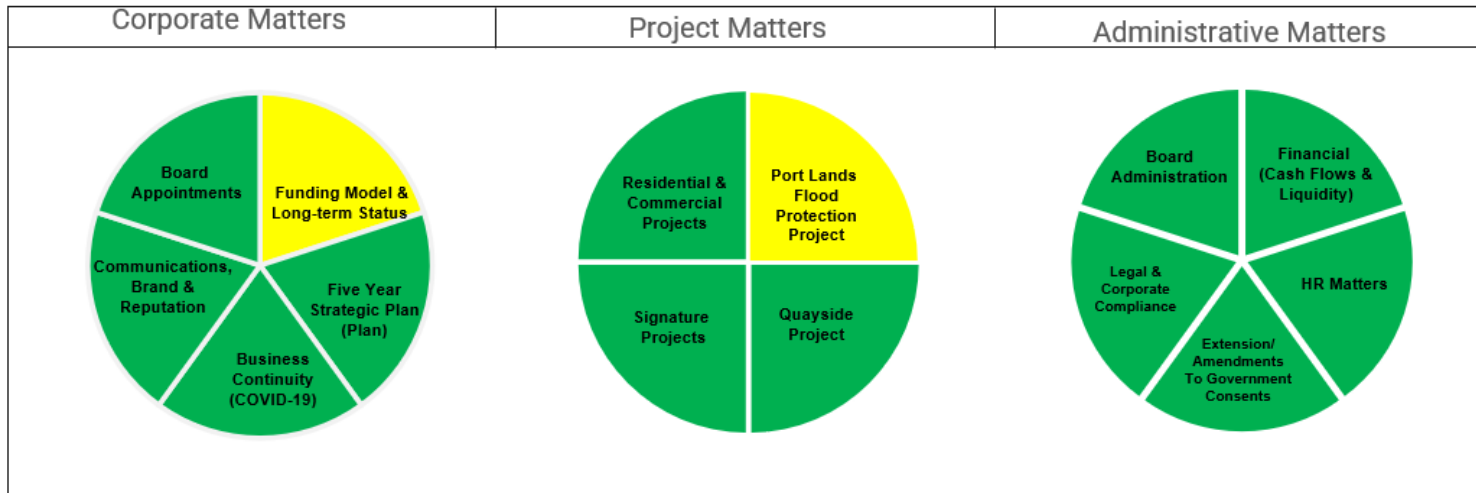
Appendix 1 – Corporate Dashboard and Summary of Dashboard Changes

## Dashboard Highlights

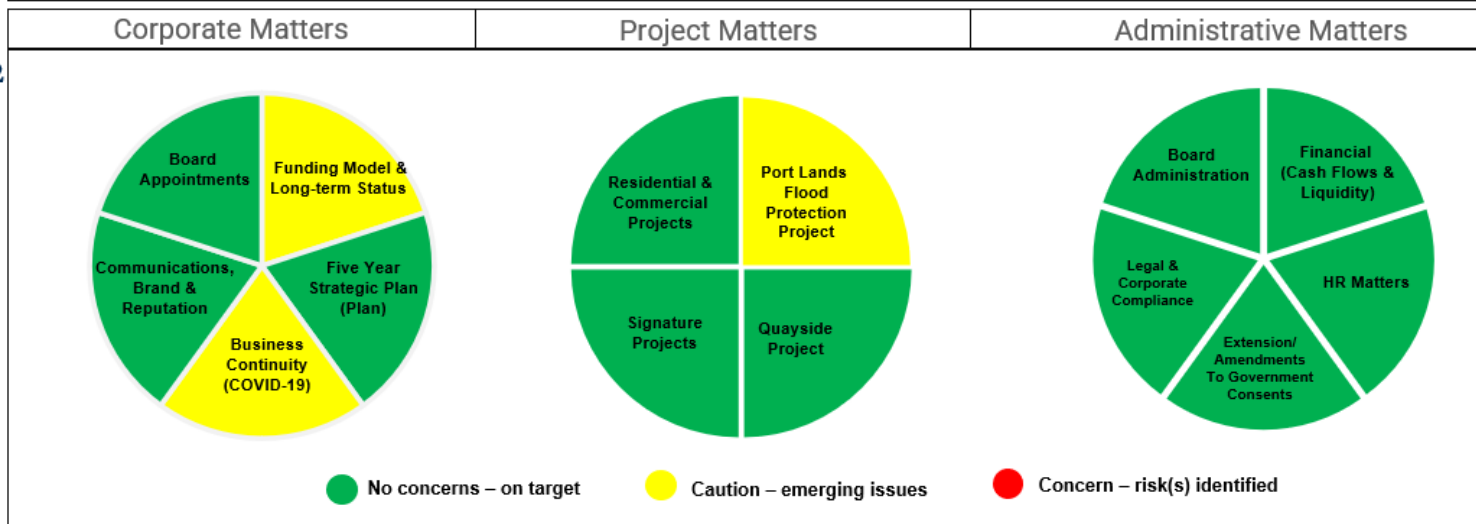
Dashboard Item	Previous 23/06/22	Current 13/10/22	Status
Business Continuity (COVID-19)			Organizational efficiency at 100%. Staff began returning to the workplace a minimum of two days per week with assigned days for departments and/or project teams and with others having a more operational role in the office even more frequently. After the Thanksgiving weekend staff will begin to return to work 5 days over each two-week period. We continue to monitor the situation to determine if additional adjustments will be required to the Corporation’s Return to Workplace Plan in the future and will continue to use Toronto Public Health guidance to inform our plans.

## Corporate Dashboard

Current  
13/10/2022



Previous  
23/06/2022





**Board of Directors Meeting**  
**October 13, 2022**  
**Item 5d) – 2023 Meeting Schedule for Board & Committees**  
**Ian Ness**

<b>Purpose</b>	For Information
<b>Areas of note/ Key issues</b>	Attached for information is the proposed board and committee meeting calendar for 2022-2023.
<b>Resolution/ Next Steps</b>	The proposed meeting calendar will be presented to the board for their information on October 13, 2022. A request has been made to hold board meetings on days or at times other than Thursday mornings at 8:30 am and board members will be canvassed for their availability at alternate times.

## 2023 BOARD/COMMITTEE MEETING CALENDAR & WORKPLAN

**Abbreviations:**

“**Board**” means Board of Directors

“**FARM**” means Finance, Audit & Risk Management Committee

“**IREC**” means Investment and Real Estate Committee

“**HRGSR**” means Human Resources, Governance and Stakeholder Relations Committee

<p><b>Committee Composition</b></p>	<p><b>FARM</b></p> <ol style="list-style-type: none"> <li>Kevin Sullivan (Chair)</li> <li>Jeanhy Shim</li> <li>Drew Fagan</li> <li>Laurie Payne</li> </ol>	<p><b>HRGSR</b></p> <ol style="list-style-type: none"> <li>Wende Cartwright (Chair)</li> <li>Rahul Bhardwaj</li> <li>Paul Khawaja</li> <li>Councillor Joe Mihevc</li> </ol>	<p><b>IREC</b></p> <ol style="list-style-type: none"> <li>Jack Winberg (Chair)</li> <li>Stephen Diamond</li> <li>Andrew MacLeod</li> <li>Leslie Woo</li> <li>Alysha Valenti</li> </ol>
<p><b><u>Statutory &amp; Public Holidays in 2023</u></b></p> <p>New Year – Sunday, January 1 (Monday, January 2 in lieu)          Family Day- Monday, February 20          Good Friday - April 7          Easter- Monday April 10          Victoria Day- Monday, May 22          Canada Day- Saturday, July 1 (Monday, July 3 in lieu)          Civic Holiday- Monday, August 7          Labour Day- Monday, September 4          Thanksgiving- Monday, October 9          Remembrance Day- Saturday, November 11 (Monday, November 13 in lieu)          Christmas &amp; Boxing Day- Monday &amp; Tuesday Dec 25 &amp; 26</p>		<p><b><u>Other Holidays and Events</u></b></p> <p>TDSB March Break- March 13-17          Ramadan – March 22 – April 20          Passover – April 5 – April 13          Eid al-Fitr – April 20-21          Eid al-Adha – June 28- Jul 2          Rosh Hashana – Sept 15 - 17          Yom Kippur – Sept 24-25          National Day for Truth &amp; Reconciliation – Saturday, Sept 30</p>	
<p>*Note: Unless otherwise agreed:</p> <ul style="list-style-type: none"> <li>Board meetings are from: <b>8:30 a.m. - 12:30 p.m.</b></li> <li>Committee meetings are from: <b>9:00 a.m. - 11 a.m. (HRGSR and IREC) and 9:00 a.m – 11:30 a.m. (FARM)</b></li> </ul>			

S/N	Date (2023)	Board/Committee	Key Agenda Item(s) include:
1.	Thursday, February 23	FARM	<ul style="list-style-type: none"> <li>Per FARM Committee workplan</li> </ul>
2.	Thursday, March 2	HRGSR	<ul style="list-style-type: none"> <li>Per HRGSR Workplan</li> </ul>
3.	Thursday, March 9	IREC	<ul style="list-style-type: none"> <li>Quayside Update</li> <li>Detailed Status Report on all Development Projects</li> <li>Other Projects (if any)</li> <li>Real Estate Acquisitions and Divestitures (if any)</li> <li>Other Acquisitions (if any)</li> </ul>
4.	Monday, March 20	Board	<ul style="list-style-type: none"> <li>Reports of the IREC, FARM and HRGSR committees</li> </ul>
5.	Thursday, May 25	FARM	<ul style="list-style-type: none"> <li>Per FARM Workplan</li> </ul>
6.	Thursday, June 1	IREC	<ul style="list-style-type: none"> <li>Development Projects Dashboard</li> <li>Other Projects (if any)</li> <li>Real Estate Acquisitions and Divestitures (if any)</li> <li>Other Acquisitions (if any)</li> </ul>
7.	Thursday, June 8	HRGSR	<ul style="list-style-type: none"> <li>Per HRGSR Workplan</li> </ul>
8.	Thursday, June 22	Board	<ul style="list-style-type: none"> <li>Reports of the HRGSR, IREC, and FARM committees</li> <li>Approve 2022/23 Annual Report</li> <li>Approve 2022/23 audited financial statements</li> <li>Year-end Performance Assessment for CEO and approval of compensation for 2023/24</li> </ul>
9.	Thursday, September 14	HRGSR	<ul style="list-style-type: none"> <li>Per HRGSR Work plan</li> </ul>
10.	Thursday, September 21	FARM	<ul style="list-style-type: none"> <li>Per FARM Work plan</li> </ul>
11.	Thursday, September 28	IREC	<ul style="list-style-type: none"> <li>Development Projects Dashboard</li> <li>Other Projects (if any)</li> <li>Real Estate Acquisitions and Divestitures (if any)</li> <li>Other Acquisitions (if any)</li> </ul>
12.	Thursday, October 12	Board	<ul style="list-style-type: none"> <li>Report of the HRGSR, IREC, and FARM committees</li> <li>2024 Board and Committee Meeting Calendar</li> </ul>
13.	Thursday, November 9	HRGSR	<ul style="list-style-type: none"> <li>Per HRGSR Work plan</li> </ul>
14.	Thursday, November 16	IREC	<ul style="list-style-type: none"> <li>Development Projects Dashboard</li> <li>Other Projects (if any)</li> <li>Real Estate Acquisitions and Divestitures (if any)</li> <li>Other Acquisitions (if any)</li> </ul>
15.	Thursday, November 23	FARM	<ul style="list-style-type: none"> <li>Per FARM Work plan</li> </ul>
16.	Thursday, December 7	Board	<ul style="list-style-type: none"> <li>Report of the HRGSR, IREC, and FARM committees</li> <li>Approval of 2023/24 Corporate Plan</li> </ul>

The HRGSR Committee met on September 15, 2022.

I wish to report on the items set out below which were discussed at the September 15, 2022 Committee meeting:

1. Consent Agenda-ESG Update
2. Human Resources Update;
3. 2023 Meeting Schedule for the Board and Committees
4. Work Plan for the Committee; and
5. Governance Documentation.
- 6.

**1. Consent Agenda**

Environmental, Social and Governance (ESG) Update

At the meeting of September 15, 2022, Lisa Taylor, CFO, and George Zegarac, CEO spoke to the ESG update report and matters arising therefrom. It was agreed that a more in-depth presentation would be made relating to sustainability at a future board meeting.

**2. Human Resources Update**

The Committee received a report containing an overview of the Human Resources (HR) practices at Waterfront Toronto over the last fiscal quarter that focused on the following HR areas: Recruitment, Organizational Effectiveness, Learning and Development, Performance Evaluation, Rewards and Recognition and Diversity, Equity and Inclusion. As part of the Committee Work Plan for the coming year, the Committee will be looking at DEI initiatives in greater detail at a subsequent meeting. The report also contained a dashboard on KPIs for the fiscal quarter and fiscal year end, including previous quarters and fiscal years for comparison and to identify trends.

**3. 2023 Meeting Schedule**

The committee was presented with a proposed schedule for board and committee meetings in 2023. The schedule is closely aligned with the timing in recent years and it was agreed that it would be presented at the October 13, 2022 board meeting.

4. **Work Plan**

In accordance with the mandate of the HRGSR committee, a work plan for the next 12 months was approved.

5. **Governance Documentation**

The Committee mandate requires that that key governance documents of the Corporation be reviewed on an annual basis. Although neither the committee chair, nor management, is aware of any needed changes, consideration will be given to the governance documents and any proposed changes will be brought to the Board in December.

The Finance, Audit & Risk Management (FARM) Committee met in person and virtually on September 22, 2022. Quorum was achieved with all four members attending the meeting either in person or via Microsoft Teams. The Committee was pleased to welcome Laurie Payne (new City of Toronto appointee) to the Committee.

This report covers the following nine items, two of which are for Board approval and seven for information:

1. Project Related Approval – East Bayfront Precinct In-water Pipes Infrastructure (**for approval under item 6**):
2. Corporate and Project Reporting Dashboards and Reports
3. Port Lands Flood Protection (PLFP) Project Update
4. Internal Audit Update
5. Independent Insurance Program Review Results
6. Cyber Security Risk Profile Update (reported in closed session)
7. Fundraising Strategy Review (reported in closed session)
8. Liquidity Review & Line of Credit Facility (**for approval under item 9**)
9. PLFP Interim Cost Estimate Update (reported in closed session)

Note that Items 6 - 9 above are reported under Agenda Item 8c in the Closed Session.

**1. Project Related Approval - East Bayfront Precinct In-water Pipes Infrastructure (for approval)**

- Management outlined a supplementary capital approval request for the East Bayfront In-water Pipes Infrastructure project to increase the budget by \$5M (21%) to \$28.75 million due to unforeseen budget and schedule challenges
- This budget increase of \$5M is proposed to be funded from the Corporation’s capital reserve (current balance of \$6M)
- The project is now anticipated to be completed in March 2023
- The FARM Committee supports approval of this item, which is reported separately under Item 6 of the Board materials.

**2. Corporate & Project Reporting Dashboards and Reports**

The Committee reviewed a number of dashboards and reports with management, covering key areas such as 2022/23 corporate plan performance, enterprise risk (one new red/high risk related to realised schedule and budget risks for the PLFP project), audit, liquidity, capital projects, procurement, regulatory compliance, fundraising, environmental social governance (ESG) as well as the Corporation’s June 30, 2022 interim financial statements.



### 3. Port Lands Flood Protection (PLFP) Project Report Updates

#### a) PLFP Project Update

Waterfront Toronto’s SVP, Project Delivery provided a visual progress report for the PLFP project.

#### b) Independent Capital Monitor Report

BTY Consulting LLP (BTY) presented their **sixteenth report** as Independent Capital Monitor for the PLFP project and noted that:

- While budget remains at \$1.185 billion, due to the extension in the schedule, global supply issues and escalation and inflation there is a potential for the project being over budget.
- Luis Castillo, Director from BTY noted that the construction industry is currently experiencing extreme budget and schedule pressures due to the global pandemic and global economic uncertainty. Mr. Castillo noted that the impact of these issues is being felt more acutely on the projects being tracked by BTY than on the PLFP project.
- The remaining contingency of \$22.9M is 1.94% of the total project budget and 4.68% of the total project cost-to-complete.
- Project schedule substantial completion date is June 20, 2024 excluding parks (consistent with last quarters report which re-baselined the schedule from March 31, 2024 completion date), and December 24, 2022 including parks completion (delayed from October 31, 2024 as per last quarter’s report).
- No scope changes have been made to the project this quarter.
- The risk management process implemented by WT is in line with industry best practices for large-scale, complex infrastructure projects.

### 4. Internal Audit Update

Veronica Bila, Partner from MNP LLP (MNP) provided a status update regarding the Corporation’s internal audit plan for the next two years. The Enterprise Resource Planning (ERP) Systems Implementation Lessons Learned review is currently underway and results will be reported at the next FARM Committee meeting. Remaining audits to be undertaken over the next two years include streamlining procurement processes, robotic process automation opportunities, as well as cyber security and accessibility.

### 5. Waterfront Toronto Insurance Program

As part of Waterfront Toronto’s Enterprise Risk Management Framework, management shared an independent report from Intech Risk Management (Intech) which assessed the adequacy of Waterfront Toronto’s current insurance program. While Intech provided some minor recommendations such as potentially increasing deductibles to manage premium

increase, and to consider limit increases in Commercial General Liability and social engineering insurance, the overall conclusion is that WT’s coverages and limits are sufficient or more than sufficient (e.g. in the area of Directors and Officers insurance).

Management will incorporate Intech’s recommendations into the 2023 insurance renewal process.

The Investment and Real Estate Committee (“IREC” or the “Committee”) met on July 20, 2022, August 30, 2022 and September 29, 2022. This report reflects a summary of the Committee’s discussions in the Open Session of the meetings. A quorum was achieved for each of the meetings.

I wish to report on the items set out below which were discussed at the noted Committee meetings:

**1. Consent Agenda**

Development Dashboard

At the meeting of September 29, 2022, the Development Dashboard was taken as read. There were no items of concern to be highlighted.

Environmental, Social and Governance (ESG) Update

At the meeting of September 29, 2022, the materials were taken as read and no concerns were raised.



**Meeting of the Board of Directors – October 13, 2022**  
**Item 6 – Supplementary Capital Approval**  
**East Bayfront In-Water Pipes and Infrastructure Ph 1 (IWP)**  
**David Kusturin**

<b>Purpose</b>	Supplementary Capital Approval for East Bayfront In-Water Pipes and Infrastructure Ph 1.
<b>Areas of note/ Key issues</b>	<p>The Project is included in the Board approved Rolling Five Year Strategic Plan under Complete Communities.</p> <p>The project completes the last components of stormwater management infrastructure in East Bayfront with the installation of 2 stormwater conveyance pipes.</p> <p>The In-Water Pipe project commenced construction in June 2021 and has encountered various challenges including:</p> <ul style="list-style-type: none"> <li>• Supply chain and material escalation issues triggered by the pandemic</li> <li>• Material selection revisions requested by Toronto Water</li> <li>• Extreme winter weather (frozen lake) which prevented in-water work during the months of January and February 2022</li> <li>• Labour disputes in May 2022</li> <li>• Unforeseen issues with verticality of the existing Dockwall</li> <li>• Underwater obstructions</li> </ul> <p>The result of the above challenges include additional costs and a schedule extension to March 2023.</p> <p>Capital Approval at Construction Award was granted by the FARM Committee and Board of Directors on November 26, 2020, for a total of \$23.75M.</p> <p>Management recommends that the Board of Directors, upon recommendation from the Finance Audit and Risk Management Committee, approve additional Capital Investments for the East Bayfront In-Water Pipes and Infrastructure Phase 1 of \$5.0 Million, bringing the total approved value of the project to \$28.75 Million.</p> <p>The additional \$5.0M is proposed to be drawn from the Management Reserve fund.</p>
<b>Resolution and Next Steps</b>	<p><b>Management recommends that the Board of Directors pass the following motion.</b></p> <p><b>ON MOTION</b> duly made, seconded, and carried, be it RESOLVED that the Board of Directors approves an additional capital expenditure of \$5.0 Million, drawn from the Management Reserve, for a total capital expenditure of \$28.75 Million to complete the construction of the East Bayfront In-Water Pipes.</p>

# East Bayfront Precinct

## In-Water Pipes and Infrastructure Request for Supplementary Capital Approval

Meeting of the Board of Directors  
October 13, 2022

1. To provide an overview of the East Bayfront Stormwater Management System
2. To provide an update on the current status of the East Bayfront In-Water Pipes construction
3. To review new funding risk identified subsequent to original FARM Committee Capital Approval for Construction Award that was granted on November 26, 2020
4. To describe changes (if any) to the original project scope, budget, schedule and funding
5. To obtain Board of Directors approval to invest an additional \$5.0 million (for a total of \$28.75 million) to complete the East Bayfront In-Water Pipe construction

1. This Project is included in the Board approved Rolling Five Year Strategic Plan under Complete Communities
2. The Project completes the last components of stormwater management infrastructure in East Bayfront with the installation of 2 stormwater conveyance pipes
3. Treated stormwater can be provided to the Sherbourne Common UV Treatment Facility once the Cherry Street Stormwater Management system commissioning is complete and the in-water pipes have been constructed
4. Handover of the operations and maintenance of completed elements of the storm water treatment and conveyance system to Toronto Water can be facilitated upon completion of the stormwater management infrastructure
5. Implementation of the infrastructure to support the conveyance pipes and a future section of Boardwalk in East Bayfront and future Dockwall reinforcement.

# Background - East Bayfront (EBF) Precinct

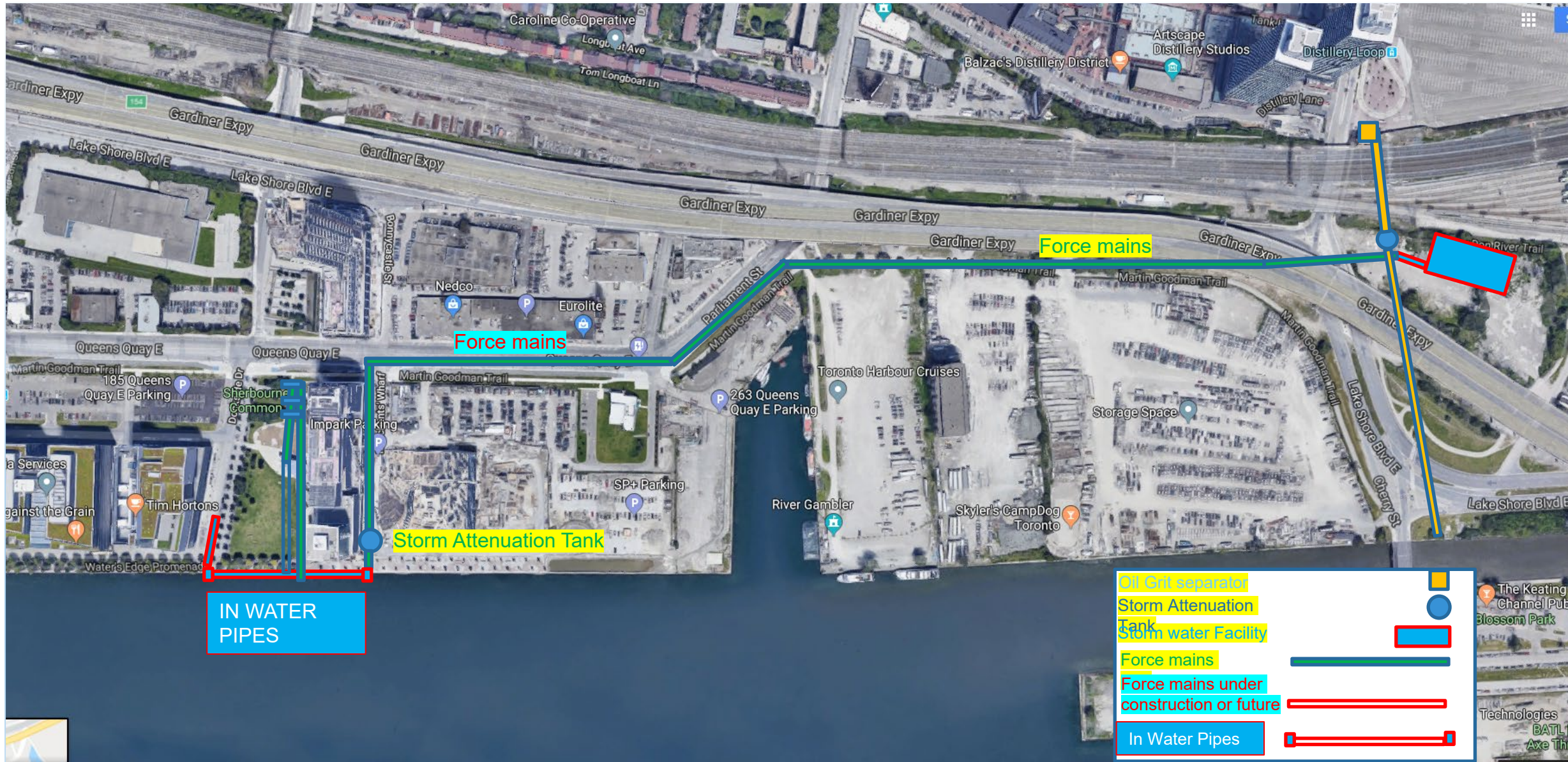




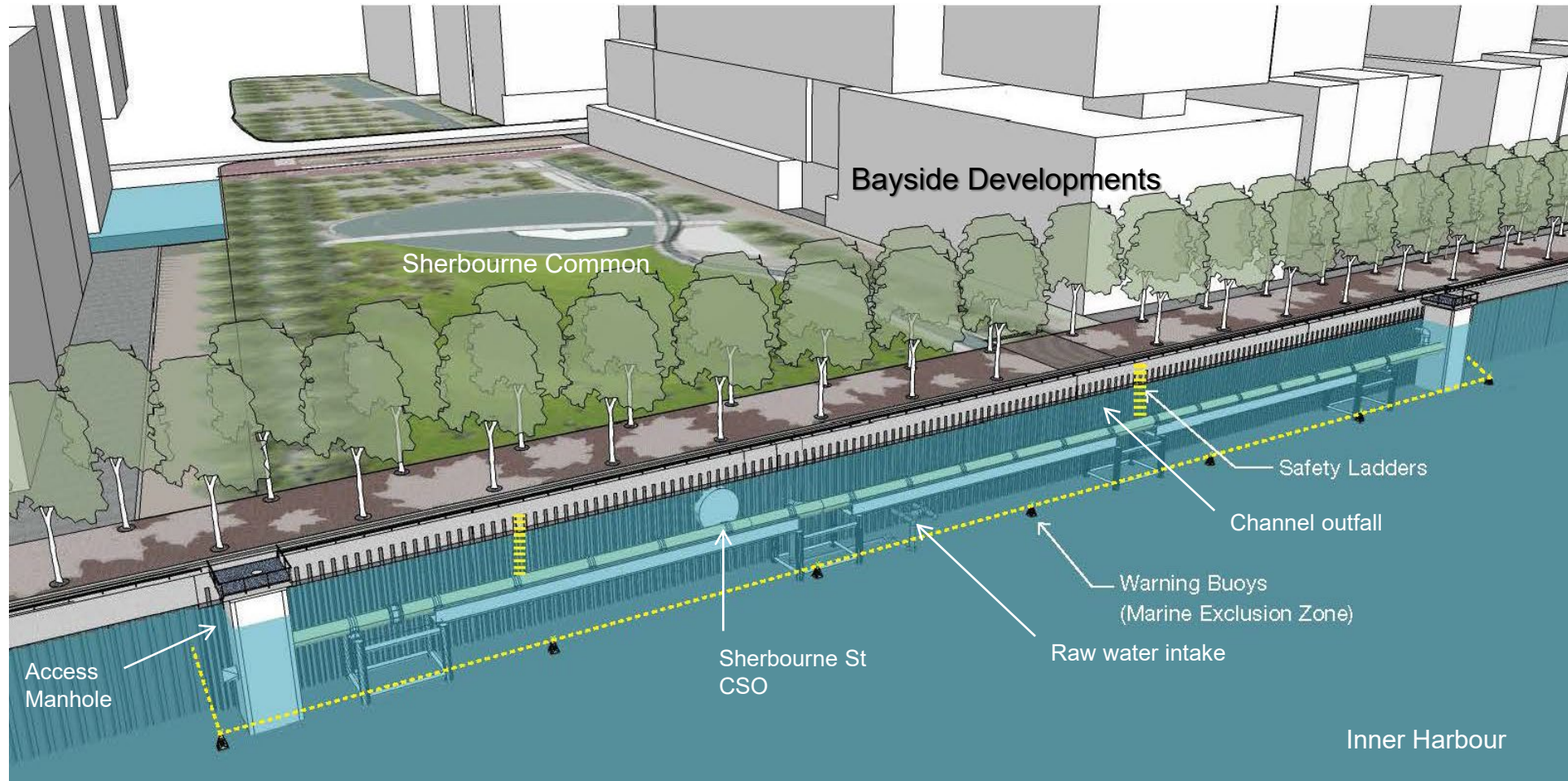
# Background – EBF Stormwater Management (Planning & Construction)

Year	Milestone
2006	Master Class Environmental Assessment (EA)
2009	Precinct Stormwater Management Report <ul style="list-style-type: none"><li>Stormwater collected in tanks along the dock wall to Parliament St wetland and returned to Sherbourne Park to be treated for use in water features</li></ul>
2010/13	Two Amendments to the EA <ul style="list-style-type: none"><li>Removed tanks and wetland feature and replaced with a centralized treatment facility at 480 Lake Shore Blvd East</li></ul>
2010	Constructed Dockside storm sewers, UV treatment, water features and channel
2014	Constructed Cherry Street storm sewer tunnels and stormwater shaft
2015	Constructed Bayside (west half) storm sewers, force mains and attenuation tank
2019	Constructed Bayside (east half) storm sewers and balance of force mains
2021	Cherry Street Stormwater Management Facility completion and commissioning
2021-22	In-Water Pipes currently under construction

# Background - In-Water Pipe Connection to Existing Systems



# Background - In-Water Pipe Concept Support Structure



# Status: East Bayfront In-Water Pipes

- Amendment to Delivery Agreement between Waterfront Toronto and the City of Toronto is finalized
- Waterfront Toronto secured key approvals that impact design and construction including;
  - City Peer Review
  - Ministry of the Environment, Conservation and Parks – Environment Compliance Approval
  - Department of Fisheries and Oceans - Aquatic Habitat Compensation
  - Transport Canada
  - Ports Toronto
  - City of Toronto; Parks Forestry and Recreation and Toronto Water
- Received support from the Design Review Panel
- License secured with Ports Toronto
- Construction Contract awarded through Stipulated Sum BAFO process in March 2021
- Construction Commenced in June 2021 with expected Substantial Performance in March 2022
- Project challenges have delayed Substantial Performance to March 2023

# Status: East Bayfront In-Water Pipes



## Progress as of August 31, 2022

- Tie-backs completed 12/12 – 100%
- Tie-backs lock off 3/12 – 25%
- Waler installation 1/2 – 50%
- Piles completed – 100%
- Manholes and pipe installation – 0%
- Manholes delivery 2pieces/ 26 – 7%
- Pipe support installation – 25%
- Precast panels install 13/ 64 – 20%

# Status: East Bayfront In-Water Pipes

- The In-Water Pipe project commenced construction in June 2021 and has encountered various challenges including:
  - Supply chain and material escalation issues triggered by the pandemic
  - Material selection revisions requested by Toronto Water
  - Extreme winter weather (frozen lake) which prevented in-water work during the months of January and February 2022
  - Labour disputes in May 2022
  - Unforeseen issues with verticality of the existing Dockwall
  - Underwater obstructions
- The result of the above challenges include additional costs and a schedule extension to March 2023.

Supplementary Capital Approval is required to complete the East Bayfront In-Water Pipes

- Risks identified in the original Capital Approval were realized (see following slide)
- Additional Risks encountered including the unanticipated knock-on effects of the pandemic on the global supply chain.
- A delay in City / Toronto Water approval led to a delay in construction documents, preventing contractor from procuring material in a timely manner, accentuating the material escalation issue noted above.
- The unique nature of the project (suspending pipes underwater off the Dockwall) presented new challenges and risks not encountered on conventional infrastructure projects.
- The realization of these interconnected risks have compounded the impact on the project primarily due to material escalation impacts.

# Supplementary Capital Approval

The Capital Approval for the project included the following table of potential risks:

Risk Description	Potential Impact	Mitigation Strategy
Securing timely regulatory Approvals	Project delays	Process to be formulated with City for the expedited approvals.
Extreme weather and lake level events causing construction delays and changes	Schedule and Cost	Construction activities to be monitored closely and Budget Contingency has been increased
Construction impacting Water's Edge Promenade (WEP)	Reduced public accessibility to WEP	Control construction activities to maximize WEP public access
Tall ships events	Schedule and Cost	Coordinate schedule to minimize stop work and delay impacts.
Funding realization and timing risk	Schedule	Borrowing and identification of alternate funding sources



# Status: East Bayfront In-Water Pipes – Approved Capital Budget – Phase 1



Budget Allocation	December, 2020 Capital Approval (\$ Millions)	Cost to March 31, 2022 (\$ Millions)	Balance Remaining (\$ Millions)
Hard Construction Costs	\$ 17.90	\$ 11.18	\$ 6.72
Soft Costs (design, consulting, project management & approvals)	\$ 2.27	\$ 1.95	\$ 0.32
Contingency (including risk and escalation)	\$ 3.26	\$ 3.1	\$ 0.16
Non-recoverable Harmonized Sales Tax	\$ 0.32	\$ 0.28	\$ 0.04
<b>Total Estimated Capital Cost</b>	<b>\$ 23.75</b>	<b>\$ 16.51</b>	<b>\$ 7.24</b>

# Proposed Capital Budget

Work Package #	Description	Dec 2020 Capital Approval (\$ Millions)	Additional Capital Required (\$ Millions)	Anticipated Total Project Cost (\$ Millions)
EBF04-11	In-Water Pipe Ph1 Priority Works	\$ 23.75	\$ -	\$ 23.75
	Approvals Delay and Material Escalation	\$ -	\$ 1.3	\$ 1.3
	Winter Weather (Frozen Lake)	\$ -	\$ 1.1	\$ 1.1
	Changes due to Site Conditions	\$ -	\$ 1.7	\$ 1.7
	Additional Contingency Requested	\$ -	\$ 0.9	\$ 0.9
	<b>Total</b>		<b>\$ 23.75</b>	<b>\$ 5.0</b>

Budget Allocation	Dec 2020 Capital Approval (\$ Millions)	Additional Capital Required (\$ Millions)	Anticipated Total Project Cost (\$ Millions)
Hard (Construction and Interim Operations) Costs	\$ 17.90	\$ 3.1	\$ 21.0
Soft (Consultant Fees, Staff Costs, Other) Costs	\$ 2.27	\$ 1.0	\$ 3.27
Contingency	\$ 3.26	\$ 0.9	\$ 4.16
Non-Recoverable Harmonized Sales Tax *	\$ 0.32	\$ 0 *	\$ 0.32
<b>Total</b>	<b>\$ 23.75</b>	<b>\$ 5.0</b>	<b>\$ 28.75</b>

- Additional capital investment amounting to \$5.0 million is required to complete the East Bayfront In-Water Pipes. This increases total estimated project cost from \$23.75 million to \$28.75 million
- Additional costs will be provided for in the updated Rolling Five Year Strategic Plan in December 2022
- \*Additional NRHST requested is captured within the Hard and Soft Cost above

# Planned Sources of Funding – Phase 1



Funding Source	Dec 2020 Capital Approval (\$ Millions)	Sept 2022 Additional Request (\$ Millions)	Total (\$ Millions)
Waterfront Toronto Land/Other Revenues <ul style="list-style-type: none"> <li>Realized to Sept/22 (\$10.21M)</li> <li>Unrealized<sup>1</sup> (\$5.14M)</li> </ul>	\$ 15.35		\$ 15.35
WT Corporate Capital Reserve <sup>3</sup>		\$ 5.0	\$ 5.0
Sec. 37 Infrastructure Revenues (unrealized) <sup>1,2</sup>	8.40	-	8.40
<b>Total Sources of Funds</b>	<b>\$23.75</b>	<b>\$ 5.0</b>	<b>\$ 28.75</b>

Notes:

1. Anticipated funding sources may change if other sources are deemed more feasible during project implementation. Currently, timing of funding sources gives rise to potential interim borrowing requirement of up to \$8.4M for a period of up to four years (until 2026/27).
2. Relates to anticipated Section 37 infrastructure revenues from Quayside, which is dependent on Quayside development timeline and due upon approval of above-grade building permit.
3. After \$5M funding allocation, capital reserve balance will be \$1M until ~March 2023 when it is expected to be increased to \$8.6M.

# Ongoing Project Risks

Risk Description	Potential Impact	Mitigation Strategy
Contractor Claims due to unforeseen site conditions and material escalation	Project Cost	Track site productivity through full-time site inspection and initiate a third-party claims review process
Extreme weather and lake level events causing construction delays and changes	Schedule and Cost	Work with contractor to compress schedule to avoid additional winter costs and schedule impacts
Delayed City Acceptance	Increased time to City assumption	Involve City (ECS) throughout project to monitor construction and manage issues raised; Prepare O&M budget under separate cover to track add'l costs due to City acceptance delay
As-Built plans continue to have variance from field conditions	Schedule and Cost	Advise contractor to verify field conditions as part of the contractual requirements and raise discrepancies as early as possible
Potential for ongoing disputes with the Contractor	Post-completion costs	Involve third-party claims consultant for objective claims assessment and utilize new dispute resolution mechanisms within the contract (adjudication) to minimize additional costs

- The Corporation's Risk Appetite Statement establishes a tolerance for risk of "moderate", i.e. manages moderate scope changes, 6-12 month completion delay and < 10% over budget.
- Except for budget (21% over), this project is consistent with the Corporation's level of risk tolerance because it mitigates risk in the In-Water pipe installation in East Bayfront Precinct as follows:
  - Completing the storm water conveyance and treatment system for East Bayfront will allow Waterfront Toronto to finally transfer operations and maintenance responsibilities and costs to the City of Toronto.
  - Adding the supporting structures alleviates the vulnerability of the In-Water Pipes from impact by inner harbour-going ships.
  - Completion of the In-Water Pipes is aligned with an anticipated 12-month completion delay
- While increase in budget (21%) exceeds WT's risk tolerance, WT has mitigated through use of Corporate Capital Reserve which was established for circumstances such as these.

Management recommends that the Board of Directors, upon recommendation from the Finance Audit and Risk Management Committee, approve additional Capital Investments for the East Bayfront In-Water Pipes and Infrastructure Phase 1 of \$5.0 Million, bringing the total approved value of the project to \$28.75 Million. The recommendation is based on the following:

1. Additional funding to complete the project to be sourced from the Corporate Capital Reserve and will be included in the Waterfront Toronto Rolling Five-Year Strategic Plan 2022/23 – 2026/27.
2. The overall cost of the project will increase further if the work is not completed in an expeditious manner due to:
  - I. Construction and Operations & Maintenance costs annual escalation (2.5% to 3% pa)
  - II. Additional contractor mobilization and demobilization costs
  - III. Additional consultant contract administration due to extended schedule
  - IV. Additional Waterfront Toronto project management costs due to extended schedule
  - V. Extended operating and maintenance costs incurred until handover to the City

**ON MOTION** duly made, seconded, and carried, be it **RESOLVED** that the Board of Directors recommends for approval:

- a) an additional capital expenditure of \$5.0 Million for a total capital expenditure of \$28.75 Million to complete the construction of the East Bayfront In-Water Pipes.
- b) use of the capital reserve to fund the additional capital expenditure of \$5.0 Million.
- c) the additional capital expenditure of \$5.0 Million be added to the Corporation's Rolling Five-Year Strategic Plan (2022/23 – 2026/27).

## Join Us

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# Closed Session



**Item 8a) Draft Minutes of the Closed Session June 23, 2022 and September 8, 2022 Meetings**

**ON MOTION** duly made by [●] and seconded by [●] and carried, be it **RESOLVED** that the Minutes of the Closed Session of the Board of Directors meetings held on June 23, 2022 and September 8, 2022 be approved, as tabled.

**Item 9 Line of Credit Facility**

**ON MOTION** duly made by [●] and seconded by [●] and carried, be it **RESOLVED** that the Board does hereby authorize and approve the line of credit facility recommended by management of the Corporation, substantially on the terms presented at the meeting.



## CALENDAR YEAR 2022 UPCOMING MEETING SCHEDULE BOARD / COMMITTEES

S/N	Date	Board/Committee	Key Agenda Item(s) include:
1.	<b>Thursday, February 3</b> Revised date: <b>Friday, February 11</b>	IREC	Quayside
2.	<b>Tuesday, February 15</b>	Board	Quayside
3.	<b>Thursday, February 24</b>	FARM	Per FARM Work Plan
4.	<b>Thursday, March 3</b>	HRGSR	Per HRGSR Work Plan
5.	<b>Thursday, March 10</b>	IREC	<ul style="list-style-type: none"> <li>• Detailed Status Report on all Development Projects</li> <li>• Other Projects (if any)</li> <li>• Real Estate Acquisitions and Divestitures (if any)</li> <li>• Other Acquisitions (if any)</li> </ul>
6.	<b>Thursday, March 24</b>	Board	<ul style="list-style-type: none"> <li>• Reports of the IREC, FARM and HRGSR committees</li> </ul>
7.	<b>Thursday, May 26</b>	FARM	Per FARM Work Plan
8.	<b>Thursday, June 2</b>	IREC	<ul style="list-style-type: none"> <li>• Development Projects Dashboard</li> <li>• Other Projects (if any)</li> <li>• Real Estate Acquisitions and Divestitures (if any)</li> <li>• Other Acquisitions (if any)</li> <li>• ESG Update</li> </ul>
9.	<b>Thursday, June 9</b>	HRGSR	Per HRGSR Work Plan
10.	<b>Thursday, June 16</b>	Board Strategic Session	
11.	<b>Thursday, June 23</b>	Board	<ul style="list-style-type: none"> <li>• Reports of the HRGSR, IREC, and FARM committees</li> <li>• Approve 2021/22 Annual Report</li> <li>• Approve 2021/22 audited financial statements</li> <li>• Year-end Performance Assessment for CEO and approval of compensation for 2022/23</li> </ul>
12.	<b>Wednesday, July 20</b> (Added July 2022)	IREC	<ul style="list-style-type: none"> <li>• Quayside Update</li> </ul>
13.	<b>Tuesday, August 30</b> (Added August 2022)	IREC	<ul style="list-style-type: none"> <li>• WT Office Space Lease</li> </ul>
14.	<b>Thursday, September 8</b> (Added August 2022)	Board	<ul style="list-style-type: none"> <li>• WT Office Space Lease</li> </ul>
15.	<b>Thursday, September 15</b>	HRGSR	Per HRGSR Work Plan

16.	<b>Thursday, September 22</b>	FARM	Per FARM Work Plan
17.	<b>Thursday, September 29</b>	IREC	<ul style="list-style-type: none"> <li>• Development Projects Dashboard</li> <li>• Other Projects (if any)</li> <li>• Real Estate Acquisitions and Divestitures (if any)</li> <li>• Other Acquisitions (if any)</li> </ul>
18.	<b>Thursday, October 13</b>	Board	<ul style="list-style-type: none"> <li>• Report of the HRGSR, IREC, and FARM committees</li> <li>• 2023 Board and Committee Meeting Calendar</li> </ul>
19.	<b>Thursday, November 10</b>	HRGSR	Per HRGSR Work Plan
20.	<b>Thursday, November 17</b>	IREC	<ul style="list-style-type: none"> <li>• Development Projects Dashboard</li> <li>• Other Projects (if any)</li> <li>• Real Estate Acquisitions and Divestitures (if any)</li> <li>• Other Acquisitions (if any)</li> </ul>
21.	<b>Thursday, November 24</b>	FARM	Per FARM Work Plan
22.	<b>Thursday, December 8</b>	Board	<ul style="list-style-type: none"> <li>• Report of the HRGSR, IREC, and FARM committees</li> <li>• Approval of 2022/23 Corporate Plan</li> </ul>