

MINUTES of the public portion of the 63rd meeting of the Board of Directors of Waterfront Toronto held at the Offices of Waterfront Toronto, 20 Bay Street, Suite 1310, Toronto, Ontario on Thursday, September 6, 2007, at 10:15 a.m., local time.

PRESENT: Mark Wilson, Chair
Bill Charnetski
Jack Cockwell
Sue Dabarno (By Conference Call)
Renato Discenza
Vivien Dzau
Kevin Garland
Janet Graham
Ross McGregor
Mayor David Miller
John Ronson
Peter Smith

The following additional persons were in attendance, unless otherwise noted, throughout the meeting or only for particular business items as noted in these minutes: John Campbell, President and Chief Executive Officer; Robert Siddall, Chief Financial Officer; Victor Wong, V.P. Legal; Marisa Piattelli, V.P. Government Relations and Special Projects; Christopher Glaisek, V.P. Planning and Design; Andrew Gray, V.P. Development, East Bayfront; Meg Davis, V.P. Development, West Don Lands; David Whyte, V.P. Construction; Paul Mantini, Bennett Jones LLP; Allan Leibel, Goodmans LLP, Elaine Baxter-Trahair, City Secretariat; John Piper, Special Assistant to the Mayor.

The Chairman, Mark Wilson, continued in the chair and Donna Metcalfe continued to act as secretary of the meeting.

1. Approval of Minutes

The minutes of the public portion of the 62nd meeting of the Board held on June 26, 2007 were tabled, and **ON MOTION** duly made, seconded and carried, it was **RESOLVED** that the minutes of the public portion of the 62nd meeting of the Board held on June 26, 2007 were approved.

2. CEO Report

The President and CEO tabled reports and information on various matters, which included the following subjects and information and on which the following Board and Management comments were made:

- *Progress on Implementation:* Aerial photographic tour of physical progress on key projects was reviewed including:
 - West Don Lands berm and lower level sewer interceptor construction;
 - Substantial completion of CN Kingston bridge widening;
 - Start of demolition of Cinespace in East Bayfront as precursor to construction of First Waterfront Place and
 - In the Portlands, the near completion of transitional sports fields.

Board members were complimentary of progress shown and requested that the CEO presentation be placed on the Corporation's website as information for public communication.

- *Bicycle/Pedestrian Bridge*: City Council asked WT to consider a bicycle, pedestrian bridge north of the railway tracks to Fort York. As this type of project is not within WT's mandate, it was recommended that \$300,000 from WT funds be transferred to the City for their direct use in conducting the environmental assessment for this project as our eligible recipient.
- *Tracking Milestones*: A schedule showing forecast dates for key projects over the next 18 months was tabled including explanations of any variations from original dates.
- *Project Symphony*: A demolition contract has been awarded and demolition of the former Cinespace building has commenced. Given the anticipated demolitions in the East Bayfront in the next two to three years, the Board requested additional information on the handling of contaminated materials and the opportunities for reuse in new projects.
- *Steering Committees*: WT's approach to the establishment of special purpose steering committees for EBF and WDL for the purpose of issuing developer proposal calls was reviewed. Each steering committee comprises senior staff, a Board member, outside independent members, partner agencies (as participant or observer) and a fairness advisor. The steering committee is charged with overseeing the implementation of the Request for Qualifications and proposal calls, selection of short listed developers and eventual recommendation to the Board of the selected proponent.
- *Institutional Uses on the Waterfront*: A meeting with the Deputy Minister of Training, Colleges and Universities in July confirmed provincial interest in waterfront redevelopment as an opportunity to help address the enrolment crunch faced by post-secondary institutions in Toronto. The Ministry's preference would be for academic institutions to take a collaborative, multi-modal approach to a potential waterfront presence.
- *Annual General Meeting*: Waterfront Toronto's Annual General Meeting is scheduled for Tuesday, October 2, 2007 from 7:00 p.m. to 9:00 p.m. at the Design Exchange, 234 Bay Street. The AGM Report focuses on the many partners who help WT deliver waterfront projects and revitalization. WT has also secured Paul Goldberger, design critic for the New Yorker, as the keynote speaker. He will address the opportunities provided by large scale projects like Toronto's waterfront revitalization to deliver excellence in design and city-building.

At the conclusion of the CEO's presentation, the Chair indicated that WT had done well in overcoming difficult, early challenges. Through steady project implementation and completion, WT is increasingly in a position to showcase the opportunities and benefits of revitalization and the value-added provided by the Corporation as the delivery vehicle.

3. CFO Report

- *Financial Statements*: Robert Siddall presented Interim Financial Statements for the First Quarter ending June 30, 2007, followed by Fourth Quarter procurement costs for 2006/2007.
- *Embedded Derivatives*: The Chair of the Audit Committee raised the issue of imbedded derivatives and it was agreed that WT establish the necessary controls to insure that embedded derivatives are not used without Board approval.

The Financial Statements of the Corporation for the Quarter ending June 30, 2007 were tabled and received by the board and **ON MOTION** duly made, seconded and carried, it was **RESOLVED** that the financial statements of the Corporation for the Quarter ending June 30, 2007 be received, but not approved until due diligence on imbedded derivatives is complete.

5. Performance Management Program

• John Campbell presented Phase 2 of the program which is focussed on the development of WT's Corporate Objectives. The objectives presented were developed to align and leverage WT's 6 Guiding Principles:

1. Sustainable Development
2. Design Excellence
3. Public Accessibility
4. Economic Prosperity
5. Fiscal Sustainability and
6. Operational Effectiveness.

Board comments were very supportive of the proposed corporate objectives. The Board asked that performance measures be made as concrete and as specific as possible; that "accessibility to the water's edge" be specific language integrated into the development of corporate objectives and that specific timeframes be inserted as part of a discussion of operational effectiveness. The Board asked further that corporate objectives be included as part of the upcoming AGM agenda.

The Board approved Phase 2 work and the progression to Phase 3.

ON MOTION duly made, seconded and carried, it was **RESOLVED** that the Performance Management Program, Phase 2: Development of Corporate Objectives be approved with the understanding that performance indicators will be further developed.

10. Meeting Schedules

The 2008 committee schedule was tabled and **ON MOTION** duly made, seconded and carried, it was **RESOLVED** that the 2008 Board & Committee Meeting Schedule be approved in principle pending further clarification and review.

4. Departmental Reports

John Campbell tabled the departmental reports. There were no questions or comments from the Board.

6. 2011 Waterfront Vision

John Campbell presented a five year vision of the Toronto Waterfront which highlighted the anticipated start of WT projects across the waterfront.

The Board requested management investigate opportunities for private sector support and to bring this forward to a workshop to be held on 'private sector investment' in November.

Mayor David Miller left at 11:20 a.m.
Director Bill Charnetski left at 11:30 a.m.

7. East Bayfront – Land Transfer Update

City Council gave conditional approval to the transfer of East Bayfront (EBF) lands from TEDCO to the City of Toronto on July 16, 2007. The transfer includes a package of conditions that Waterfront Toronto must meet to the satisfaction of the Deputy City Manager and the Secretariat in order to trigger the transfer of lands to the City. Ideally, conditions would be fulfilled this fall, to allow the

transfer of lands to occur well before the release of any RFP for EBF. Such timing would achieve WT's objective of streamlining the approach to the marketplace.

8. Value for Money Audit

The Chair of the Audit Committee brought the Board up to date on the Value for Money (VFM) Audit. Vivien and Robert Siddall will meet to determine a critical path for the completion of VMA recommendations.

9. Environmental Issues

Victor Wong will continue to report on the broader environmental issues where liability from exposure may exist.

Victor Wong updated the Board on WT remediation activities, respecting the Transitional Sports Field, 115 Unwin Avenue (Safety Kleen site) and Lake Ontario Park (Cherry Beach). He advised that WT is not the owner of these sites, but could potentially attract environmental liability via "care, custody or control" issues. He pointed out various risk mitigation measures being undertaken by WT to minimize this risk.

10. Termination of the Meeting

There being no further business **ON MOTION** duly made, seconded and carried, it was **RESOLVED** that the meeting be terminated.

Chair

Secretary of the Meeting