

MINUTES of the Public portion of the 73rd meeting of the Board of Directors of the Toronto Waterfront Revitalization Corporation held at the offices of Toronto Waterfront Revitalization Corporation, 20 Bay Street, Suite 1310, Toronto, Ontario on Wednesday, March 25, 2009 at 10:45 a.m. local time.

PRESENT: Mark Wilson, Chair
Mohammad Al Zaibak (by teleconference)
Bill Charnetski
Jack Cockwell
Janet Graham
David Johnson
Ross McGregor
Mayor David Miller

ABSENT: Sue Dabarno
Kevin Garland
John Sandusky

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, Communications & Strategic Partnerships; Andrew Gray, V.P. Development, East Bayfront; Meg Davis, V.P. Development, West Don Lands; Christopher Glaisek, V.P. Planning & Design; Lisa Prime, Director of Sustainability; David Kusturin, V.P. Program Management; Raffi Bedrosyan, Director, Port Lands Development and Derek Goring, Director Development.

Also in attendance were Elaine Baxter-Trahair, City Secretariat; John Piper, Mayor's Office and Allan Leibel, Goodmans LLP.

The Chairman, Mark Wilson, continued in the chair, and Ann Marie Landry continued to act as secretary of the meeting.

1. Approval of Consent Agenda

ON MOTION duly made, seconded and carried, it was **RESOLVED** that the Consent Agenda for the Public session of the 73rd meeting of the Board, held on Wednesday, March 25, 2009 be and is hereby accepted and approved.

Mohammad Al Zaibek abstained from voting with regard to the Minutes of the January 21, 2009 Board meeting as he was not a Board member at the time of the meeting.

2. CEO Report

John Campbell 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:

- *Construction Update* – A presentation of recent photos provided an update on construction activities presently underway.
- *Capital Program* – At the February 22nd Board Strategic Session, Management advised that the capital program to date was set at \$2.1 billion which included revenues. The Corporation would normally plan to receive those revenues or finance the gap until revenues were received. Currently, the Corporation does not have the operational governance requested to allow it to borrow nor does it have access to a credit market that would allow for it. Given this information, management identified four potential courses of action:
 - i) obtain additional grants;
 - ii) borrow from governments;
 - iii) commercial borrowing with government guarantee; or
 - iv) recast the budget to make investments within the balance of the grant (\$1.5) and within the annual government caps.

Management is reviewing the first three items and the implications and will engage the Province in particular on these discussions. Management will discuss options for the capital budget and will table a preferred option at the Board meeting in May.

- *Economic Development* – Management is working to advance their economic development program by, among other things, leveraging partnerships with relevant stakeholders and agencies such as the Board of Trade, provincial ministries, the Public Private Partnership office and Invest Toronto. Management is in the process of securing a spot on the provincial Business Climate and Investment Deputies Committee in April/May to provide provincial Deputies with an overview of revitalization focusing on the Corporation's competitiveness and employment approaches. Management has drafted a terms of reference for the establishment of an informal economic competitiveness "cabinet" to ensure that the Corporation has the benefit of industry leaders and forward thinkers on issues related to economic development.
- *Flood Protection Landform ("FPL")* – The cost overruns on the project have been and continue to be of significant concern. The cost overruns are depleting the overall contribution from the Province for WDL and the delay in building the FPL has the potential to impact development schedules for the Toronto Community Housing Corporation and Urban Capital. The delay, coupled with the market slowdown of development, has created an additional issue of the paucity of sites available to provide the fill required for the FPL further exacerbating the time delay. Management continues to meet with

Ontario Realty Corporation senior staff to look for solutions to minimize cost and schedule delays.

- *Union Station Platform* – The Toronto Transit Commission (“TTC”) has provided a progress report which identifies a projected construction cost of \$165.8 million. This is \$28.3 million more than the \$137.5 million allocated in the Long Term Plan. TTC has also advised that the project is over four months behind schedule. TTC has assured the Corporation that it continues to assess potential Value Engineering options available to reduce the total cost.
- *Union Station Loop* – The project is tied to new light rail transit (“LRT”) service to East Bayfront (“EBF”). TTC has indicated that a reconstruction of the Union Station loop at Bay and Front Streets is required to accommodate EBF service. The total project cost of this is \$110 million and it would handle Spadina, Exhibition Place and future Bremner Blvd. lines. Management has discussed the amount with TTC as well as TTC’s timing assumptions. Management is comfortable that EBF initial service requirements will involve some improvements and are discussing possible phasing and allocation of cost issues with TTC.
- *Stormwater Management* – At the request of the City of Toronto, the Corporation revisited designs in the West Don Lands (“WDL”) and EBF to take an integrated approach to stormwater management, in order to consolidate stormwater management storage and ultraviolet treatment facilities and to reduce the City’s future maintenance/operation activities. The Corporation prepared several options to minimize the stormwater management facilities and it is expected, with Toronto Water’s acceptance of the integrated stormwater management approach, that the site plan applications for WDL, EBF, District Energy Centre and Sherbourne Park will be approved by the City without further delay.
- *Soil Depths in East Bayfront Parks* – This is a serious issue and discussions with the City of Toronto on an appropriate sub-grade depth for Sherbourne Park and Sugar Beach are ongoing. The Corporation has advanced detailed designs of each park which include scientific analysis of soil conditions and which take into consideration the numerous criteria developed by the Ministry of the Environment regarding public and worker safety. The City initially favoured a generic standard of 1.5 metres of cover but ongoing discussions could perhaps lead the City to re-evaluate their position. If the City does not accept the submissions there will be a significant increase in cost for these parks in the range of \$2 to \$3 million. As well, if discussions become protracted, there is the potential for delays in delivery of these parks.

The Board questioned the rationale behind the City’s position and whether or not generic City standards were applied to other City-owned parks or only to parks within the waterfront designated area.

Ms. Baxter-Trahair advised that the City of Toronto has agreed to assess each park individually rather than applying a generic standard to all parks within the waterfront designated area. She further advised that the City's criteria for assessing the appropriate sub-grade depths included operational costs, health and safety issues and future potential program changes.

- *Queens Quay Environmental Assessment ("EA")* – The Corporation has been working with the City of Toronto and TTC and has been meeting with landowners and affected stakeholders, refining the three design alternatives for Queens Quay. The evaluation process required in the EA process has been completed and a public meeting will be held to present the preferred alternative for Queens Quay from Spadina to Parliament Streets. The draft Environmental Study Report will be taken to City Council for endorsement and submitted to the Ministry of the Environment in August, 2009. Management will table the preferred plan at the May, 2009 Board meeting.
- *Lake Ontario Park ("LOP")* – The Corporation is currently reviewing possible Phase 1 options for LOP. One of the options would include the coordination with Toronto Water and city agencies for a proposed wetland in Coatsworth Cut. In order to accommodate this proposal, several boat clubs would need to be relocated and the Corporation is currently looking at a solution for this issue. Management would like to bring the LOP Master Plan to the Board for approval after which it would be presented to City Council once scope and funding for Phase 1 are identified.

3. 2009/10 Integrated Marketing and Communications Plan

Marisa Piattelli provided the Board with an introduction to the Marketing and Communications Plan highlighting that the plan builds upon:

- Agreed to strategic priorities:
 - developing broad awareness and mobilizing support for the Corporation's mandate and vision;
 - demonstrating ongoing progress and sustained momentum;
 - building the Corporation's profile and ability in economic development; and
 - positioning the Corporation as a responsible, accountable and transparent organization.
- She outlined the six key strategies contained in the Plan:
 - a comprehensive media relations program showcasing relentless implementation, reaching broader audiences;
 - excellence in stakeholder and community communications;

- building thought leadership and profile with key influencers and in priority areas (economic development, city building, sustainability and design excellence);
 - bringing the “New Blue Edge” branding;
 - strengthening communications processes; and
 - connecting with a broader audience, telling the larger revitalization story.
- The Plan proposes creating a new website to be used as a powerful marketing tool for the waterfront vision. The new site will utilize flash animation and compelling interactive design to bring the project to life as well as facilitate navigation and understanding of the project and component parts such as economic development, sustainability and design excellence. The current website was felt to be non-interactive and a poor communication vehicle that did not help advance overall corporate strategic communications priorities.

The Chair of the Finance, Audit and Risk Management (“FARM”) Committee advised that the 2009/10 Corporate Budget was tabled at the March 12, 2009 FARM Committee meeting and there was concern regarding the budget allocated to the Communications, Marketing and Government Relations department, including \$400,000 for a new web site.

The Chair of the Communications and Marketing Committee noted that Management is engaging the appropriate expertise to deliver both the technical and creative aspects of the site with a view to reducing costs where possible.

Discussion ensued and it was generally agreed that a compelling and interactive website was essential to the work of the Corporation. It was also agreed that public outreach efforts to date have resulted in broad public support, again essential to the work of the Corporation. It was further agreed that the Corporation shall continue to reach its stakeholders and larger public in the most effective and interactive way possible.

It was decided that a formal presentation of the plan was not necessary given that Board members were familiar with the plan’s strategy and approach from Board material received in advance of the meeting.

4. 2009/10 Corporate Budget

The Chair of the FARM Committee tabled the 2009/10 Corporate Budget advising that it was tabled at the March 12, 2009 FARM Committee meeting for approval. Ms. Graham advised that concerns were raised regarding budget allocations for the following departments:

- *Human Resources and Payroll* – an increase over the 2008/09 budget of \$0.4 million that includes a learning and growth budget of \$185,000, and which, in the present market conditions, is of concern;
- *Communications, Marketing and Government Relations* – an increase over the 2008/09 budget of \$332,000 and specifically, the \$400,000 cost associated with the creation of a new web site.

Ms. Graham advised that given the concerns raised by the Committee, it was agreed that consideration and approval of the 2009/10 Corporate Budget should be assumed by the entire Board.

Ms. Graham provided a brief overview of the budget, discussion ensued and **ON MOTION** duly made, seconded and carried, it was **RESOLVED** that the 2009/10 Corporate Budget be and is hereby approved. It was further **RESOLVED** that budgets will be presented by the respective Committees to the FARM Committee as part of the consideration of future Corporate Budgets and subsequently to the Board for approval.

5. Quarter End Financial Statements

The Chair of the FARM Committee tabled the interim financial statements for the quarter ending December 21, 2008. Ms. Graham advised that the financial statements were reviewed by the FARM Committee at the March 12, 2009 FARM Committee meeting and it was agreed that the financial statements included excess data that was unnecessary for readers to have a clear understanding of the Corporation's financial position and its results of operations. She advised that Management and Deloitte & Touche LLP (the Corporation's external auditor) were directed to review the financial statements with a view to enhancing the information being provided while reducing the amount of data being provided which could result in a reduction in the number of notes or the nature of data included in future financial statements. Discussion was not required and **ON MOTION** duly made, seconded and carried, it was **RESOLVED** that the interim financial statements for the quarter ending December 31, 2008, be and are hereby approved.

Mohammad Al Zaibek abstained from voting as he was not a Board member during the period of time reflected in the financial statements.

6. Departmental Reports

Departmental Reports were accepted as presented.

7. New Business

A discussion took place regarding the volume of information provided to Board members in the Board Books. It was agreed that as part of the departmental and project status updates, future Board Books will only include departmental summary sheets, a milestone project schedule and an interim cost report.

8. 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