

MINUTES of the Public portion of the 88th 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, May 18, 2011 at 8:00 a.m. local time.

PRESENT: Mark Wilson, Chair
 Bill Charnetski
 Jack Cockwell
 Michael Copeland
 Kevin Garland
 Janet Graham
 David Johnson
 Joe Pantalone
 Matti Siemiatycki

ABSENT: Sue Dabarno

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; Chad McCleave, 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; David Kusturin, V.P. Program Management; and James Roche, Director, Parks, Design and Construction.

Also in attendance was Gwen Macintosh of the City Secretariat, Murray Davidson, Alexandra Kingbom and George Boire of Marsh Canada.

The Chairman, Mark Wilson, took the chair, and with the consent of the Directors, appointed Ann Landry to act as secretary of the meeting.

The Chair declared that a quorum of Directors was present and that notice of the meeting having been duly sent to all Directors in accordance with the Corporation's By-laws, the meeting was duly called and regularly constituted for the transaction of business.

Jack Cockwell declared a conflict with regard to the Pan Am Games Athletes' Village ("PAAV") Request for Proposals ("RFP") and it was agreed that he would leave the meeting prior to any discussion regarding this subject.

Matti Siemiatycki declared a potential conflict with respect to discussions around the Central Waterfront as his spouse is currently employed by a consulting firm working on the project. It was agreed that he would leave the meeting prior to any material discussions regarding this project.

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 88th meeting of the Board, held on Wednesday, May 18, 2011 be and is hereby accepted and approved.

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 Progress* – A slide presentation of progress to date was provided.
- *East Bayfront (“EBF”)*

Bayside Development - Hines has begun planning work required for the Plan of Subdivision application to the City of Toronto (“City”). The process is anticipated to take approximately one year with servicing and pre-sales anticipated in 2012 and building construction in 2013.

Parkside Development - Pre-sales are expected to commence this fall from the sales office located on Lakeshore Blvd. (leased from the Corporation).

George Brown College (“GBC”) - Construction is well underway and on target for occupancy in September, 2012.

Queens Quay Linear Park - The south side of the Queens Quay Boulevard public realm is currently being designed. Construction from Jarvis Street to Parliament Street will be done in phases.

Infrastructure - Work on the sanitary sewer has commenced and it will take approximately 16 months to bring it on line in time for GBC’s opening in September, 2012.

Sidewalk Café Guidelines - Guidelines are being prepared in consultation with Hines, Great Gulf and Toronto Port Lands Company (“TPLC”). The intent is to agree on a template or framework within which the retailers can operate but ensuring that some overall guidelines are followed to create a consistent sense of “place”.

- *Central Waterfront (“CWF”)*

The design of CWF is currently on hold until the funding issue with the City is resolved. Discussions continue with stakeholders to resolve outstanding issues.

Portland Waters Edge - The City dockwall work is being completed and construction is anticipated to commence in August, 2011. This project will allow for unimpeded access to Ireland Park from QQB and discussions with the designers of Ireland Park have taken place to ensure compatibility of design.

York Quay/Canada Square - The Corporation is currently negotiating the Guaranteed Maximum Price (“GMP”) for the garage. The design team is looking at a more temporary finish for the park area until appropriate funding is available.

- *Lower Don Lands*

The Don Mouth Naturalization and Flood Protection (“DMNFP”) Environmental Assessment (“EA”) is with the Ministry of the Environment (“MOE”) and questions raised have been addressed. Final approval is anticipated in August (or sooner) which confirms flood protection solution. The City can change the “uses” through a separate Official Plan Amendment process.

- *Parks and Public Spaces*

Underpass Park - Excavation and backfilling began on one of the three blocks in April, 2011.

Don River Park - The pavilion will be fully constructed by the end of May, 2011. Construction of the park resumed in April, 2011 and it is anticipated that it will be open to the public in the Spring of 2012.

Canada’s Sugar Beach - A wheelchair accessibility ramp has been added to the beach.

- *Other*

Soil Recycling Facility (“SRF”) – The analysis of the technological, environmental and economic viability of a permanent SRF is complete. A business case will be discussed during the in-camera portion of the meeting.

Health and Safety - There have been no injuries on any Waterfront Toronto jobsite since the last report.

- *Communications and Marketing* - Stakeholder consultation continues into and during the construction phase for both CWF and West Don Lands (“WDL”).
- *Sustainability*

Minimum Green Building Requirements (“MGBR”) - The second phase of the new MGBR development is a review of the tracking system and internal processes at Waterfront Toronto to ensure compliance with the Corporation’s LEED Gold and MGBR requirements. The process will be completed in the next few months and involves consultation with development partner representatives and City staff.

Carbon Tool - The Corporation is finalizing a contract with the University of Toronto Cities Centre to ensure the Carbon Tool is current in terms of technological inputs and baseline data management. The Corporation is also developing a communications strategy to assist in rolling this initiative out.

Miscellaneous - The Corporation continues to advance additional sustainable development initiatives and technology, particularly on policies that affect soil remediation issues.

- *Build Toronto* - Build Toronto recently received an award from NAIOP, the Commercial Real Estate Development Association, at the 10th Annual Rex Awards for “Office Development of the Year” for Corus Quay. In the spirit of partnership, Build Toronto’s Lorne Braithwaite (CEO) and Don Logie (SVP, Development) presented the award to Waterfront Toronto. Special thanks to Andrew Gray, David Kusturin and David Madeira.

Mr. Campbell advised that the remainder of the CEO Report dealt with WDL and the Pan Am Games. Jack Cockwell noted his conflict and left the meeting.

- *West Don Lands* – Work is progressing well. Construction of Don River Park is ongoing and construction has commenced on Underpass Park. Designs for Cherry Street, Front and local streets have been approved by the City of Toronto and will be provided to the proponents for the Village to include in their bids as they will be building the infrastructure. The Corporation is finalizing approvals and access agreements for the Stormwater Management Facility (“SMF”) so that construction can commence by mid-May. The SMF contract will be turned over to the successful consortium.
- *Urban Capital* - This project is on track to close June 16, 2011 and construction for the first phase of River City will start immediately thereafter.

- *Toronto Community Housing Corporation (“TCHC”)* - TCHC has advised that due to recent events, they are required to re-procure their construction management team (previously Daniels Development Corporation). As TCHC is still in the re-design stage, this change in construction manager will not alter their current schedule.
- *Pan Am Games Athletes’ Village (“PAAV”)* – The Request for Proposal (“RFP”) process is underway. The Corporation continues to work very closely with Infrastructure Ontario (“IO”) on the design work, legal agreements and approvals. An Affordable Housing Request for Qualifications (“RFQ”) was released to the affordable housing provider community on April 15, 2011 with submissions due May 26, 2011. A short list of bidders will be provided with an RFP in June and submissions due in August. This process will yield up to four affordable housing providers to work with Projectco to develop the 400 affordable housing units in the Athletes’ Village.

The Corporation’s Communications team is coordinating with IO to secure a number of announcements related to the Village over the summer months.

Jack Cockwell returned to the meeting.

3. Director’s and Officer’s (“D&O”) Insurance

Mark Wilson advised that as a follow-up to the D&O discussions at the March 16, 2011 Governance Committee meeting and the May 18, 2011 Board meeting, Management was asked to create a matrix of legal and regulatory requirements of the Board that includes the entity responsible for oversight. He advised that the Governance Committee agreed that a presentation by Marsh Canada on overall D&O insurance would also be helpful to the Board and asked that Management undertake to arrange such a presentation for the May 18th Board meeting. Chad McCleave tabled a Directors and Officers Risk Matrix providing an overview of potential risks to the Board, liability, insurance coverage, other risk mitigation methods and Committee oversight.

Representatives from Marsh Canada provided an overview of insurance including the following information:

- Waterfront Toronto Insurance Program Structure for 2011/12;
- Purpose of the D&O Policy;
- Overview of the D&O Policy;
- Key components of coverage;
- What is not covered;
- Possible claimants and types of claims; and
- Environmental insurance policies.

Questions were posed and answered and it was agreed that the issue of oversight responsibility for potential risks would be referred to the Governance Committee for further

discussion and recommendations.

4. Underpass Park

James Roche presented a project budget update for Underpass Park highlighting the following:

- an overview of the project including the rationale for building the park at the present time;
- project budget history and construction costing to date;
- factors that have negatively impacted the budget; and
- options going forward - completing 2 of the 3 blocks that make up Underpass Park within the established Board approved budget or completing the 3rd block requiring additional funding.

Discussion ensued and it was agreed that given the current funding situation, the request for additional funding for Underpass Park should be reviewed within the context of the Long Term Plan to be discussed during the in-camera portion of the meeting.

5. Committee Structures

The Chair advised that with the recent changes to the Board, he undertook to review the Board Committee structures. He advised that he spoke with individual Board members to gain a better understanding of Committee requirements as well as personal interest and expertise. He tabled recommended changes including:

Human Resources and Compensation Committee

- Ross McGregor will step down as Chair and will no longer be a member of the Committee
- Kevin Garland will assume the role of Chair
- Michael Copeland will join the Committee

Communications and Marketing Committee

- Bill Charnetski will step down as Chair and will no longer be a member of the Committee
- Ross McGregor will assume the role of Chair
- Joe Pantalone will join the Committee

Finance, Audit and Risk Management Committee

- Kevin Garland will no longer be a member of the Committee
- Joe Pantalone will join the Committee

Discussion ensued and **ON MOTION** duly made, seconded and carried, it was **RESOLVED** that the recommended changes to the Committee structures be and are hereby approved.

6. Environmental Issues

Victor Wong advised that there were no environmental issues to be reported.

7. Adjournment of the Meeting

There being no further business other than matters to be considered in-camera, the Chairman indicated that in-camera matters involving land assembly and advice from legal counsel were then to be considered. He indicated to members of the public present that it was now in order for them to depart from the meeting. Members of public then left the meeting. The meeting then adjourned to be momentarily reconvened as an in-camera meeting.

Chairman

Secretary of the Meeting