

MINUTES of the Public portion of the 91st 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, October 19, 2011 at 8:00 a.m. local time.

PRESENT: Mark Wilson, Chair
Bill Charnetski (by telephone)
Jack Cockwell
Michael Copeland
Sue Dabarno
Kevin Garland
Janet Graham
David Johnson
Ross McGregor
Joe Pantalone
Matti Siemiatycki

ABSENT:

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 Brenda Webster, Project Manager.

Also in attendance was Gwen Macintosh of the City Secretariat.

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 material discussions 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.

Bill Charnetski advised that his spouse is no longer a Harbourfront Centre Board member and therefore, his previously declared conflict vis-à-vis Canada Square is no longer applicable.

1. Approval of Consent Agenda

John Campbell tabled an item for discussion (included in the Consent Agenda) regarding a conflict of interest. He advised that the Corporation has requested proposals to create a Vendors of Record (“VOR”) list for Transportation and Traffic Engineering Services and that one of the bidders is Arup Canada Inc. (“Arup”). He advised that Matti Siemiatycki’s spouse is an employee of Arup and there was concern that this posed a conflict. He further advised that Management did not see this as a material conflict because adding Arup to a VOR list does not guarantee future work for them and all decisions regarding the selection of a winning proponent are done by Management and staff with no Board involvement.

He further advised that the conflict was previously disclosed by Mr. Siemiatycki and is now noted on meeting minutes. It was agreed that Mr. Siemiatycki would continue to declare the potential conflict.

Further discussion was not necessary and **ON MOTION** duly made, seconded and carried, it was **RESOLVED** that the Consent Agenda for the Public session of the 91st meeting of the Board, held on Wednesday, October 19, 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”)*

The Corporation will host an open house on November 22, 2011 at Corus Quay to provide the public with a comprehensive overview of what has been happening in EBF over the past year, as well as what will be coming in the years ahead.

Phase 1 of the Bayside development plan was tabled at the Design Review Panel in September generating positive media coverage.

In support of the EBF Sanitary Sewer project, the Corporation continues to meet with various stakeholder groups including several landowners and merchants along the Esplanade to ensure minimal disruption to their operations.

- *Central Waterfront (“CWF”)*

Queens Quay Boulevard (“QQB”) – Design work and approvals are underway for the new QQB. The Corporation has received and reviewed Construction Manager proposals and is in the process of awarding the contract.

Portland Waters Edge – The City has set the final engineering solution for the dockwall reconstruction and expects to complete construction by December, 2011. The Corporation anticipates tendering surface works in early 2012.

York Quay/Canada Square - Work is progressing well on this project – on time and on budget.

- *Other*

Soil Recycling Facility (“SRF”) – Green Soils Inc. has been selected as the preferred proponent to build, own and operate a soil recycling facility. The Corporation is finalizing arrangements with them, including facilitating the arrangements with Toronto Port Lands Company (“TPLC”) for the property lease.

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

- *Lower Don Lands (“LDL”)/Port Lands* – At the September 22, 2011 Toronto City Council Meeting, the Corporation’s approach to the LDL was ratified. An Executive Steering Committee was established that includes members from Waterfront Toronto, City of Toronto and Toronto and Region Conservation Authority. This item will be covered later in the meeting.

- *Governance* – The discussions around the Port Lands has highlighted the desire for faster implementation on the waterfront which requires changes to the Corporation’s governance structure. Government approval for enhanced and basic operational governance for the Corporation has yet to be granted after 10 years of discussions with the governments. The Corporation will continue discussions with the governments highlighting the impact of the outstanding governance resolution and the link between governance and pace of revitalization.

- *Communications and Marketing* – This has been a busy month for the Corporation with regard to media relations as well as visiting delegations to the U.S. Green Building Conference. A number of Waterfront Toronto projects will be featured in a David Suzuki’s Diary edition of *The Nature of Things*, and the CEO presented to and provided tours to international delegations from India, Sri Lanka, France, Austria and BOMA International, all in town for the Green Building Conference.

On September 9, 2011, Infrastructure Ontario (“IO”), in partnership with the Corporation, issued a media release announcing that Dundee Kilmer Development Limited was selected as the preferred proponent to design, build and finance the Athletes’ Village project located in the West Don Lands (“WDL”).

- *Sustainability*

A representative from Waterfront Toronto participated in the Climate Positive Learning Program in Sweden to share ideas and maintain the Corporation’s relationship with the program. The Corporation presented the Climate Positive Carbon Tool prepared with the Clinton Climate Initiative.

U.S. Greenbuild Council Green Build Conference – The U.S. Greenbuild Conference took place in Toronto from October 4-7, 2011 marking the first time this international conference has been held outside of the U.S. The conference was well attended with approximately 23,000 attendees. The Corporation was able to maximize its exposure during the conference by hosting a tour and making presentations. The Corporation also received coverage in conference publications.

- *Budget*

The Corporation is mindful of its stakeholders’ austerity measures and Management continues to look for ways to make Waterfront Toronto’s operation more efficient. The 2011/12 Corporate Budget for internal operating costs has been set at \$12.9 million for the fiscal year and represents a reduction over the prior year’s budget of 9% and a 4% reduction compared to last year’s actual costs.

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* – The WDL Phase 2 Plan of Subdivision was registered in September. Construction continues on the following projects:

- Construction of the Don River Park is ongoing and substantial completion of the dry side of Don River Park is targeted for year end. However, the east (“wet”) side of the park will not be provided to the Corporation until Summer 2012 at the earliest. This will delay opening of the east side of the park until the end of 2012. The Corporation will review options for opening the west side of the park in the Spring of 2012 in order to meet community and City expectations.
- Underpass Park construction has commenced but the City has advised that the overpass structures need repair before the park can be opened to the public, anticipated in early Spring 2012.
- Utility relocations on Cherry Street are ongoing and Mill Street has been completed to the extent required prior to handover to the developer of the Athletes’ Village.
- The tunnel boring machines is in place for construction of the stormwater conveyance system to the Keating Channel and work is progressing well.

Urban Capital – Will be launching its 2nd phase of condominiums this fall and will be hosting an event at Underpass Park for current and future purchasers on October 27, 2011.

- *Pan Am Games Athletes’ Village (“PAAV”)* – IO and Waterfront Toronto have announced the preferred proponent for the PAAV and are currently negotiating with the Dundee Kilmer team with an anticipated financial close of late November, early December 2011.

Six Affordable Housing submissions are expected in late October 2011.

Construction Liaison Committee (“CLC”) – The Corporation continues to manage construction issues in WDL through the CLC and has facilitated the participation of Dundee Kilmer (preferred proponent for the Athletes’ Village) on the committee.

Jack Cockwell rejoined the meeting.

3. Port Lands Development Plan

Marisa Piattelli and David Kusturin provided a detailed overview of this exercise commencing with Council direction to undertake a further examination of the Don Mouth Environmental Assessment (“EA”) and complete an economic analysis and business implementation plan. Ms. Piattelli advised that as part of that work, City Council directed the City Manager to report to the Executive Committee in January on the anticipated costs of completing the review as well as the Corporation’s costing of the Don Mouth EA refined list of alternatives, including flood protection, soil remediation, infrastructure improvements, etc. She further advised that the City Manager must submit a report to the Executive Committee within six to eight months on the business and implementation plan.

Ms. Piattelli and Mr. Kusturin jointly presented the plan including objectives, success factors, scope of work, organization of teams or working groups, a stakeholder list, communications/consultation, preliminary schedule and budget and funding considerations.

Ms. Piattelli and Mr. Kusturin responded to questions from the Board and a brief discussion ensued. This item was tabled for information purposes only.

4. Great Gulf Homes - Parkside

Andrew Gray provided a preview of Great Gulf Homes' marketing materials including a marketing video.

5. Commitment Policy

Chad McCleave advised that in the past, the Corporation has employed procedures designed to resolve issues that relate to delays in funding approvals such as co-mingling funds from separate contribution agreements (CA's) or by temporarily borrowing from an approved CA to fund a project that lacked CA approval. He advised that in order to enhance internal financial controls, the Corporation has implemented new policies and procedures that preclude the co-mingling of funds between CA's. He advised that Management can now only enter into contractual obligations (commitments) for a project up to the amount of related secured funding which can pose a timing risk to a project due to the processing time required in obtaining CA approvals.

He advised that at the June 29, 2011 Board meeting, the Board requested that Management develop a policy that allows the Corporation to continue a project but also ensures appropriate controls are in place. He reported that a draft policy was presented to the Finance, Audit and Risk Management ("FARM") Committee on September 14, 2011 that enabled Management to enter into commitments of up to \$2 million over secured funding. He further advised that the Committee was concerned that management was taking on too much risk and requested that all commitments over secured funding be brought to the Board for approval.

Discussion ensued and **ON MOTION** duly made, seconded and carried, it was **RESOLVED** that the Board will approve all commitments over secured funding on a case by case basis, by email or at a formal Board meeting.

6. Interim Financial Statements

Janet Graham tabled the unaudited Interim Financial Statements for the period ended June 30, 2011. She responded to questions and **ON MOTION** duly made, seconded and carried, it was **RESOLVED** that the unaudited Interim Financial Statements for the period ended June 30, 2011, be and are hereby approved.

7. Environmental Issues

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

8. 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 at 9:30 a.m. local time, to be momentarily reconvened as an in-camera meeting.

Chairman

Secretary of the Meeting