



STAFF REPORT ACTION REQUIRED

Toronto Port Lands Company – Revitalization Opportunities for the Port Lands

Date:	August 22, 2011
To:	Executive Committee
From:	City Manager
Wards:	Ward 28 Toronto-Centre Rosedale & Ward 30 Toronto-Danforth
Reference Number:	

SUMMARY

The purpose of this report is to set in place a new direction to move forward with flood protection and revitalization activities in the Port Lands. The report identifies issues with the current revitalization strategy and recommends a new governance structure and shareholder direction for the City of Toronto Economic Development Corporation ("TEDCO"), currently conducting business under the name Toronto Port Lands Company ("TPLC").

The area at the east end of the Toronto Harbour, south of Lake Shore Boulevard East and west of Leslie Street contain about 404 hectares (1,000 acres) of land, much of it under-utilized. The revitalization of this entire area is currently coordinated by the Toronto Waterfront Revitalization Corporation ("Waterfront Toronto"). Within this area, known as the "Port Lands", the City through TPLC owns 170 hectares (420 acres) of land, which is a significant City asset. The Memorandum of Understanding ("MOU") among the City, Waterfront Toronto and TPLC signed in 2006 envisioned that the Port Lands would be transformed incrementally over a 25-year period.

In 2010, City Council endorsed the Don Mouth Naturalization and Port Lands Flood Protection Project Environmental Assessment which proposed flood protection for the Port Lands by creating three outlets across City-owned land. The cost of implementing the flood protection component of this project was estimated to be \$634 million in 2010 dollars, excluding costs for land remediation and soil removal. The existing continuous land and streets would be separated into three redevelopment areas by the proposed redesign of the Don River. This would have the effect of limiting development potential on TPLC lands.

The proposed flood protection measures for the Port Lands are currently unfunded. Without flood protection, significant revitalization cannot occur. Staff recommend that TPLC be granted authority to explore private sector and other options to front end infrastructure and flood protection costs in order to unlock development potential within the Port Lands.

Port Lands revitalization activities are subject to a Memorandum of Understanding ("MOU") among the City, Waterfront Toronto and TPLC. This report recommends that City Council direct the City Manager to provide notice of the City's intent to renegotiate the MOU and enter into discussions with Waterfront Toronto, the Province of Ontario and the Government of Canada regarding their commitment to continue the revitalization of the Port Lands and alternative options to achieve this objective.

This report also recommends that the current transitional Board of Directors of TPLC be replaced with a strategically composed board of City Councillors, citizens and City staff in order to implement an expanded role for TPLC in the Port Lands.

Finally, this report recommends a framework for the assessment of alternative finance, area planning and development options for the Port Lands. A subsequent report will provide an implementation strategy recommended by the new TPLC Board.

RECOMMENDATIONS

The City Manager recommends that:

1. City Council direct the City Manager to:
 - a. Provide notice under the Memorandum of Understanding ("MOU") dated March 31, 2006 substantially in the form attached as Attachment 1 and enter into discussions with Waterfront Toronto, and the Provincial and Federal governments to review the revitalization delivery model for the Port Lands under the MOU;
 - b. Enter into discussions with Waterfront Toronto and the Toronto and Region Conservation Authority to re-evaluate the delivery of flood protection; and
 - c. Direct appropriate staff to pause any further actions that implement the Lower Don Lands framework as they relate to the Port Lands including any on-going Ontario Municipal Board processes.
2. City Council adopt the following as a resolution of the shareholder of TPLC:
 - a. Pursuant to paragraph 4.1 of the Shareholder Direction to TPLC dated November 13, 2008, the Board of Directors will be composed of 9 Directors comprised of 2 members of City Council, 5 citizens, and 2 members of City staff;

- b. Council members will be nominated for appointment to the Board on the recommendation of the Striking Committee;
 - c. Citizen members will be nominated for appointment to the Board by recommendation of the Corporations Nomination Panel established by the Mayor; and
 - d. City staff members will be nominated for appointment to the Board by the Corporations Nominating Panel, upon receipt of recommendations made to the Panel by the City Manager.
- 3. City Council direct the Nominating Panel and the Striking Committee to provide their recommendations to enable the replacement Board of Directors to be appointed as soon as possible.
- 4. City Council direct the City Manager, in consultation with the Deputy City Manager responsible for the Waterfront Initiative, appropriate City staff and the new Board of TPLC, to review the Shareholder Direction for TPLC to recommend to Council the appropriate amendments to implement a revision to TPLC's mandate to:
 - a. Be the lead agency for the revitalization of the Port Lands;
 - b. Pursue modifications of the Don Mouth Environmental Assessment; and
 - c. Secure private sector and other opportunities for the provision of flood protection and infrastructure improvements in the Port Lands and to bring forward amendments as soon as possible for approval by City Council.
- 5. City Council authorize, as part of the transition to the new Board, the current Board and staff of TPLC to undertake discussions and studies, within the current financial resources of TPLC, to enable the new Board to more quickly assess strategic and business options and to prepare and submit a business plan to City Council within six months that includes the identification of economic incentive tools for the revitalization of the Port Lands.

Implementation Points

This report is intended to initiate the process of re-examining the revitalization strategy for the Port Lands and provide a framework for the assessment of alternative financial options for its redevelopment. A subsequent report providing an implementation strategy and business plan recommended by the new TPLC Board will be brought forward at a later date.

Financial Impact

TPLC is subject to a shareholder direction from the City to limit its activities to property management and leasing of former TEDCO-owned lands within the Port Lands.

Until a business plan is developed by a newly-mandated TPLC, the funding requirements and sources of funds are not known and therefore the financial opportunities and risks to the City are not known.

The current Board of TPLC has authorized the expenditure of \$550,000 to retain consultants to undertake a business/infrastructure/pre-development plan for the Port Lands. Funding for this expenditure is within TPLC's current budget.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

Equity Impact Statement

This report is limited to recommendations regarding a revised shareholder direction for TPLC and an outline of a new development framework for TPLC-owned lands, none of which raises equity impact concerns. Therefore, an equity impact analysis is not applicable.

DECISION HISTORY

The revitalization of the Port Lands is part of the broader waterfront revitalization initiative and is governed by a strategic and policy framework to ensure clear and comprehensive implementation. A detailed decision history is provided in Attachment 2.

On July 27, 28, 29, and 30, 1999, City Council adopted the report "Unlocking Toronto's Port Lands: Directions for the Future" which set out a comprehensive plan to take advantage of opportunities for reinvestment and development in the Port Lands.

Decision Document (City Council minutes, Item 8.68):

<http://www.toronto.ca/legdocs/1999/minutes/council/cc990727.pdf>

Report: "Unlocking Toronto's Port Lands: Directions for the Future":

http://www.toronto.ca/waterfront/pdf/unlocking_the_port_lands.pdf

On November 3, 1999, the City of Toronto, Province of Ontario, and Government of Canada launched the Toronto Waterfront Revitalization initiative with a commitment of \$500 million from each level of government. In June 2001, the City and the Provincial and Federal governments approved the creation of Waterfront Toronto to oversee the 30-year renewal of the designated waterfront area ("DWA"). Provincial legislation creating Waterfront Toronto, *Toronto Waterfront Revitalization Corporation Act, 2002*, came into

effect on April 1, 2003. The original Waterfront Toronto governance model impeded the advancement of Toronto's waterfront renewal and was subsequently revised in 2005.

Toronto Waterfront Revitalization Act, 2002:

http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_02t28_e.htm#

Implementation of a New Governance Structure for Toronto Waterfront Renewal:

<http://www.toronto.ca/legdocs/2005/agendas/council/cc050928/pof8rpt/cl002.pdf>

In 2003, City Council received a report on the business plan from Waterfront Toronto. In December 2004, City Council approved a report on a new Governance Structure for Waterfront Toronto.

Staff Review of Waterfront Toronto's Proposed Business Strategy and Development Plan (2003):

<http://www.toronto.ca/legdocs/2003/agendas/council/cc030204/pof1rpt/cl002.pdf>

Report on a new Governance Structure for TWRC (2004):

<http://www.toronto.ca/legdocs/2004/agendas/council/cc041130/pof9rpt/cl001.pdf>

In 2003, the Central Waterfront Secondary Plan ("Making Waves") was adopted by City Council.

Decision Document (Page 17):

<http://www.toronto.ca/legdocs/2003/agendas/council/cc030414/cofa.pdf>

Central Waterfront Secondary Plan ("Making Waves"):

http://www.toronto.ca/waterfront/waterfront_part2.htm

On March 31, 2006, a memorandum of understanding ("MOU") was entered into by the City, TPLC and Waterfront Toronto to clarify roles and responsibilities as the main project participants in the revitalization of the Port Lands and East Bayfront.

Decision Document:

<http://www.toronto.ca/legdocs/2006/agendas/council/cc060131/pof1rpt/cl027.pdf>

On October 29, 2008, City Council approved a report entitled "New Model to Enhance Toronto's Economic Competitiveness" which recommended a strategy for implementing the objectives laid out in the "Prosperity Agenda" and "Blueprint for Fiscal Stability and Economic Prosperity." This report recommended that only one City-affiliated corporation, Waterfront Toronto, take the lead in the waterfront.

Decision Document:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2008.EX24.1>

In 2004, the Don Mouth Naturalization and Port Lands Flood Protection Project EA (Don Mouth EA) was initiated by Toronto and Region Conservation Authority ("TRCA") and Waterfront Toronto as co-proponents. On July 6, 7, 8, 2010, City Council endorsed the preferred alternative for the Don Mouth EA and its submission to the Minister of the Environment for approval. City Council endorsed the Lower Don Lands Framework Plan to guide revitalization in the Port Lands, authorized Waterfront Toronto to put the Lower Don Lands Class EA Infrastructure Master Plan in the public record, endorsed the Keating Channel Precinct Plan, and authorized Waterfront Toronto to put the Keating Channel Precinct Class EA Environmental Study Report in the public record.

Decision Document:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2010.EX45.15>

On August 25, 26, 27, 2010, City Council approved amendments to the former City of Toronto Official Plan and Central Waterfront Secondary Plan (OPA 388 and 389) for the Lower Don Lands and an amendment to the Zoning By-law for the Keating Channel Precinct West to reflect the preferred alternative proposed by the Don Mouth Naturalization and Port Lands Flood Protection Environmental Assessment and design competition held by Waterfront Toronto. These amendments are currently under appeal to the OMB.

Decision Document:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2010.TE36.19>

COMMENTS

The Port Lands Today:

The Port Lands consist of approximately 404 hectares (1000 acres) in total, of which 170 hectares (420 acres) are owned and managed by TPLC. (Generally shown on Attachment 3) The lands are largely under-utilized being either vacant or supporting businesses mainly from the following sectors: recycling, manufacturing, cement distribution and concrete batching, aggregate and salt storage, film studios and institutional and public works. As such, this does not support a wide variety of employment uses and generates minimal tax revenue. TPLC also owns the Keating Railyard as well as other smaller land parcels between Lake Shore Boulevard and Queen's Quay which are outside of the Port Lands. The City also owns lands north of the Port Lands and the Keating Channel between Cherry Street and the Don River (known as 480 Lake Shore Boulevard East).

A large area of the Port Lands is susceptible to flood risk due to the current configuration of the Don River and Keating Channel. The Don Mouth Naturalization and Port Lands Flood Protection Environmental Assessment's objective is to resolve and mitigate flood risk along the Lower Don River by providing an improved route for flood waters. The preferred alternative proposed three new channels contained within new green spaces that would direct water to Lake Ontario via the Inner Harbour and Ship Channel. These

channels are located on lands currently or formerly used for business and industry. The preferred alternative was estimated to cost \$634 million in 2010 dollars, excluding costs for land remediation and soil removal. Any development plans for the Port Lands will require extensive flood mitigation solutions and final approval of the Don Mouth EA by the Ministry of Environment. Once the flood risk is satisfactorily addressed, the Port Lands can be utilized for redevelopment.

In addition to flood control requirements, the redevelopment of the Port Lands will require significant infrastructure improvements. Current infrastructure in the Port Lands was designed for previous industrial uses and may not be able to support the intensity of development proposed by a revitalization plan. A further examination of infrastructure, including a capital funding plan, will be required as part of the business plan for the Port Lands.

Rationale for TPLC as a Development Lead in the Port Lands

Prior to 2009, TPLC then operating as TEDCO was responsible for successfully attracting Corus and Pinewood Studios to the waterfront. TPLC also has experience in brownfield redevelopment, LEED certified buildings and the use of financial redevelopment incentives.

The TPLC mandate was amended in 2009 to reflect its transitional responsibility for property management, leasing, and environmental monitoring of former TEDCO property in the Port Lands. The activities of TPLC are limited by a shareholder resolution adopted by City Council on October 29, 2008.

The MOU executed in 2006 effectively places Waterfront Toronto in the leadership position for coordinating the revitalization of Port Lands. In order for the City to assume a leadership position on revitalization in the Port Lands, the MOU must be renegotiated or terminated and coordination of the revitalization of the Port Lands returned to the City and TPLC. Waterfront Toronto will continue its mandate and activities for all other areas of the Designated Waterfront Area.

Section 17.3 of the MOU states that if the City is of the view that there is insufficient commitment, financial or otherwise, on the part of Waterfront Toronto, Ontario, or Canada for Waterfront Toronto to continue the revitalization of the Port Lands, the City may give notice to this effect. If the City's concerns cannot be addressed to the City's satisfaction, the parties will consider other options for the revitalization of the TPLC lands. If, within six months after the date of the City notice, the parties have not come to an agreement on other options, the City may on 90 days notice, terminate the MOU as it relates to the TPLC lands within the Port Lands other than lands for which contribution agreements are in place.

Funding to move ahead on the implementation of the Lower Don Lands and other significant projects within the Port Lands is not included in Waterfront Toronto's Long Term Funding Plan. It appears that Waterfront Toronto is not in a position to coordinate a

comprehensive revitalization program for the Port Lands that would allow for significant development within the next ten years, at a minimum.

Given that the existing governance structure has been in place for ten years and has not produced a viable funding plan for the Port Lands, it is timely to explore a new delivery model for this area, including the opportunity for private investment to front end the implementation of flood protection and other infrastructure requirements thereby reducing reliance on public funds.

Staff recommends that City Council direct staff to negotiate with Waterfront Toronto to secure amendments to the MOU to allow a City agency to direct revitalization initiatives and, if required, provide notice pursuant to the MOU to Waterfront Toronto and the governments of Ontario and Canada of the City's intention to terminate the MOU.

Proposed TPLC Board of Directors:

The current Board of Directors of TPLC is composed entirely of City staff. Under the revised mandate of TPLC, staff recommends that the current Board be replaced by a strategically composed Board of Directors with responsibility to oversee the development and implementation of a revitalization plan for the Port Lands. The composition and expertise of the new Board should reflect the expanded role of TPLC.

Staff is recommending that the new Board be composed of 9 Directors comprised of 2 members of City Council, 5 citizens, and 2 members of City staff. Citizen appointees will be required to have the following qualifications: accomplished in real estate, planning and development, capital financing, environmental remediation, and/or construction.

Council members will be nominated for appointment on the recommendation of the Striking Committee. Citizen members will be nominated for appointment by recommendation of the Corporations Nomination Panel established by the Mayor. City staff members will be nominated by the Corporations Nominating Panel, upon receipt of recommendations made to the Panel by the City Manager.

Next Steps:

The process for evaluating alternative revitalization strategies for the Port Lands is anticipated to be accomplished in two phases. The initial phase, as outlined in this report, initiates the process of addressing the MOU among the City, Waterfront Toronto, and TPLC and begins the discussion between the parties on an alternative strategy. In addition, the expansion of the TPLC Board of Directors and expansion of its scope of activities will allow for TPLC to review and assess development options and report back to the City on a framework and strategy for the revitalization of the Port Lands.

The framework and strategy for the revitalization of the Port Lands should take the form of a business plan that addresses the following aspects:

- the vision, mandate, powers, and accountability framework for TPLC acting as the development agency for the Port Lands;
- high level financial *pro forma* scenarios that demonstrate that redevelopment can occur through the use of third party financing, public/private partnerships and other front ending, financial incentives and techniques;
- redevelopment options should be viable without an infusion of tax funding, nor a diversion of City assets;
- the business plan should identify and resolve any current funding responsibilities from other levels of government;
- a strategy for the management of TPLC assets owned directly or indirectly by the City including Pinewood Studios;
- implications of the current planning frameworks and their commitments previously adopted by Council;
- a strategy for the resolution of current Environmental Assessments active in the Port Lands; and
- how best to work with key stakeholders such as other property owners in the Port Lands, Waterfront Toronto, Toronto and Region Conservation Authority and City Agencies and Divisions.

It is anticipated that TPLC may require up to six months to conduct its review of a comprehensive revitalization strategy for the Port Lands. When this strategy is submitted and reviewed by staff, a subsequent report will be submitted to City Council with recommendations for an implementation strategy.

In the interim, staff is recommending any work on the implementation of the Lower Don Lands be "paused" for lands within the Port Lands.

CONTACT

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SIGNATURE

Joseph P. Pennachetti
City Manager

ATTACHMENTS

Attachment 1 – Notice under Memorandum of Understanding

Attachment 2 – Detailed Decision History

Attachment 3 – Map of the Port Lands

Attachment 1 – Notice under Memorandum of Understanding

Province of Ontario

Government of Canada

Toronto Waterfront Revitalization Corporation (Waterfront Toronto)
20 Bay Street, Suite 1310
Toronto, ON M5J 2N8

Dear Sirs;

Re: Revitalization of the Port Lands

Notice is hereby provided pursuant to Section 17.3(c) of the Memorandum of Understanding ("MOU") dated March 31, 2006 that the City is of the view that there is insufficient commitment, financial or otherwise, on the part of Waterfront Toronto, Ontario, or Canada for Waterfront Toronto to continue the revitalization of the Port Lands.

At its meeting of September 21, 2011 City Council directed me to enter into discussions to review with the stakeholders the revitalization agency delivery model in the MOU to permit Toronto Port Lands Company ("TPLC") to participate as lead agency for those lands south of the Keating Channel and Lake Shore Boulevard East, west of Leslie Street, north of the boundary with the Outer Harbour Marina and Lake Ontario and east of the Inner Harbour (referred to as the "Port Lands").

I would like to schedule meetings with staff of the various stakeholders to discuss a new revitalization agency delivery model in the near future so that I may report back to Council within the time frame set forth in Section 17.3(c) of the MOU.

Sincerely,

Joseph P. Pennachetti
City Manager

Attachment 2 – Detailed Decision History

The revitalization of the Port Lands is part of the broader waterfront revitalization initiative and is governed by a strategic and policy framework to ensure clear and comprehensive implementation. Below is a summary of decisions that provide a framework for this initiative.

Unlocking Toronto's Port Lands: Directions for the Future:

On July 27, 28, 29, and 30, 1999, City Council adopted the report "Unlocking Toronto's Port Lands: Directions for the Future" which set out a comprehensive plan to take advantage of opportunities for reinvestment and development in the Port Lands. This report focused on three organizing principles: a Structure Plan addressing the building environment, place making, and transportation directions. This report highlighted that implementation of a revitalization plan for an area as large as the Port Lands will require a comprehensive and focused approach and a strong commitment from the various stakeholders.

City Council minutes (Item 8.68):

<http://www.toronto.ca/legdocs/1999/minutes/council/cc990727.pdf>

Report: "Unlocking Toronto's Port Lands: Directions for the Future":

http://www.toronto.ca/waterfront/pdf/unlocking_the_port_lands.pdf

Toronto Waterfront Revitalization Initiative:

On November 3, 1999, the City of Toronto, Province of Ontario, and Government of Canada launched the Toronto Waterfront Revitalization initiative with a commitment of \$500 million from each level of government. In June 2001, the City and the Provincial and Federal governments approved the creation of Waterfront Toronto to oversee the 30-year renewal of the designated waterfront area ("DWA").

Provincial legislation creating Waterfront Toronto, *Toronto Waterfront Revitalization Corporation Act, 2002*, came into effect on April 1, 2003. This *Act* mandated Waterfront Toronto to implement a plan to enhance the economic, social and cultural value of land in the DWA in an environmentally, publicly accountable and fiscally sound manner. The *Act* gave the Waterfront Toronto powers to enter into contracts of limited dollar value, but no power or authority to mortgage assets, form subsidiaries, acquire land, raise revenue, or borrow money.

The original Waterfront Toronto governance model impeded the advancement of Toronto's waterfront renewal and was subsequently revised. A new governance structure was approved by City Council in December 2004, and refined in September 2005 to:

- (i) include elected officials on the Waterfront Toronto Board of Directors in recognition of the increasing need for public accountability;

- (ii) clarify roles and responsibilities of public sector entities involved in Toronto's waterfront, with the Waterfront Toronto as the single entity charged as the revitalization lead;
- (iii) direct that all proceeds from the revitalization of public lands be re-invested in the project to realize the full waterfront vision and Waterfront Toronto self-sufficiency; and
- (iv) direct that land-holding ABCs such as TPLC to undertake new activities outside the DWA, continue their lease management role within the DWA until lands are required for revitalization, maintain their lead role in projects which they initiated in the DWA that are in the advanced stages of planning, or undertake new initiatives in the DWA through service delivery agreements with Waterfront Toronto.

It was concluded by all government partners that a single entity must be responsible for waterfront renewal in Toronto to avoid piecemeal development, ongoing jurisdictional gridlock, duplication of resources, and project delays. In addition, it was noted that a single accountable entity was critical to: attracting private-sector investment, implementing waterfront-wide sustainable infrastructure and public realm requirements, and ensuring accountability, transparency and the revenue generation and reinvestment necessary to meet overall infrastructure requirements.

Toronto Waterfront Revitalization Act, 2002:

http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_02t28_e.htm#

Implementation of a New Governance Structure for Toronto Waterfront Renewal:

<http://www.toronto.ca/legdocs/2005/agendas/council/cc050928/pof8rpt/cl002.pdf>

In 2003, City Council received a business plan from Waterfront Toronto that identified that the three government partners will provide the remainder of the \$1.5 billion committed previously in the form of cash over five years and that Waterfront Toronto will receive public lands from the three governments at no cost. In December 2004, City Council approved a report recommending that (a) control of public lands is transferred to Waterfront Toronto on a precinct or on a parcel basis, following completion of a detailed Business and Implementation Strategy that is satisfactory to the three governments, and (b) all net revenues from the revitalization of public lands in the DWA are reinvested in the Toronto Waterfront Revitalization Initiative.

Council also approved as part of this report principles for the management of public land in the waterfront which included (a) the three governments are equal partners and will be equitably recognized for their total land and financial contribution to the initiative, and (b) the City's contribution of developable land will be considered contributions "in kind".

Staff Review of TWRC's Proposed Business Strategy and Development Plan (2003):

<http://www.toronto.ca/legdocs/2003/agendas/council/cc030204/pof1rpt/cl002.pdf>

Report on a new Governance Structure for TWRC (2004):

<http://www.toronto.ca/legdocs/2004/agendas/council/cc041130/pof9rpt/cl001.pdf>

Central Waterfront Secondary Plan ("Making Waves"):

In 2003, the Central Waterfront Secondary Plan ("Making Waves") was adopted by City Council. The naturalization and relocation of the Mouth of the Don River was identified as a "big move." A related "big move" in the Plan is to open up the Port Lands to urban development with several major new neighbourhoods. The Plan anticipated the preparation of precinct plans to provide for orderly development, soil cleanup, flood control, servicing, urban design, community improvement, heritage and environmental performance.

Decision Document (Page 17):

<http://www.toronto.ca/legdocs/2003/agendas/council/cc030414/cofa.pdf>

Central Waterfront Secondary Plan ("Making Waves"):

http://www.toronto.ca/waterfront/waterfront_part2.htm

Memorandum of Understanding:

On March 31, 2006, a memorandum of understanding ("MOU") was entered into by the City, TPLC and Waterfront Toronto to clarify roles and responsibilities as the main project participants in the revitalization of the Port Lands and East Bayfront. More specifically, the MOU intended to:

- (i) define Waterfront Toronto's role as the Revitalization Lead;
- (ii) ensure that all lands owned by TPLC in the Port Lands and East Bayfront are not unnecessarily sterilized pending revitalization nor unnecessarily encumbered when required for revitalization;
- (iii) foster coordination, cooperation, communication, joint-decision making and the timely resolution of disputes among the parties; and
- (iv) ensure that the City's interests, priorities and policies in respect of the revitalization initiative are advanced in a collaborative manner.

The MOU applies to TPLC land holdings in the East Bayfront and the Port Lands which are envisioned to be transformed incrementally over a 25-year period into parks, public spaces, commercial districts, and mixed-use communities.

Waterfront Toronto's Long Term Funding plan does not include key investments such as environmental remediation within the Port Lands and the reconfiguration of the Mouth of the Don River and flood protection. These investments are required in order to allow the revitalization of the Port Lands to move forward.

Decision Document:

<http://www.toronto.ca/legdocs/2006/agendas/council/cc060131/pof1rpt/cl027.pdf>

New Model to Enhance Toronto's Economic Competitiveness:

On October 29, 2008, City Council approved a report entitled "New Model to Enhance Toronto's Economic Competitiveness" which recommended a strategy for implementing the objectives laid out in the "Prosperity Agenda" and "Blueprint for Fiscal Stability and Economic Prosperity." Specifically, the report recommended an organization structure that met the City's need to maximise the value of City and ABC real estate holdings through the creation of Build Toronto.

The Business Case Study attached to this report included a summary of the current operating conditions which identified that there were too many players within the Waterfront area and there are often differing opinions of what strategies should take precedence. The recommended solution was to have only one City-affiliated corporation, Waterfront Toronto, taking the lead in the waterfront.

Lands owned by TPLC at the time, with the exception of lands within the Waterfront Planning Area, were recommended to be transferred to a new City-owned development corporation (Build Toronto). TPLC lands within the Port Lands were classified into three possible categories:

- (i) lands to be developed by Waterfront Toronto in the near future;
- (ii) lands that will eventually be developed in accordance with the waterfront plan, but may take several years before projects may begin; and
- (iii) the portion of the eastern section of the Port Lands that will likely remain in industrial use for many decades (Such uses are required to service development and other activities in the downtown area of the City.)

Until the review of these lands is completed, TPLC was directed to operate as a transitional corporation responsible for managing leasing and property management operations within the Port Lands. In addition, in order to isolate environmental liability and risk and to avoid unnecessary taxes, it was anticipated that TPLC would manage these lands until assumption by Waterfront Toronto for revitalization purposes.

Decision Document:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2008.EX24.1>

Don Mouth Naturalization and Port Lands Flood Protection Project EA:

In 2004, the Don Mouth Naturalization and Port Lands Flood Protection Project EA (Don Mouth EA) was initiated by Toronto and Region Conservation Authority ("TRCA") and Waterfront Toronto as co-proponents. The TRCA undertook technical studies and explored a number of options for changing the Lower Don River to provide both naturalization and flood protection. On July 6, 7, 8, 2010, City Council endorsed the preferred alternative for the Don Mouth EA and its submission to the Minister of the Environment for approval. The estimated capital costs of implementing the preferred alternative are \$634 million. This EA is currently under review by the Ministry of the Environment, however, a "pause" has been requested by TRCA to allow for additional considerations. The preferred alternative blended the naturalization of the Lower Don River and flood protection of the Port Lands into a single project by utilizing three channel outlets to discharge the floodwaters depending on the level of the flood waters. At the same meeting, City Council endorsed the Lower Don Lands Framework Plan to guide revitalization in the Port Lands, authorized Waterfront Toronto to put the Lower Don Lands Class EA Infrastructure Master Plan in the public record, endorsed the Keating Channel Precinct Plan, and authorized Waterfront Toronto to put the Keating Channel Precinct Class EA Environmental Study Report in the public record.

Decision Document:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2010.EX45.15>

Lower Don Lands and Keating Precinct West:

On August 25, 26, 27, 2010, City Council approved amendments to the former City of Toronto Official Plan and Central Waterfront Secondary Plan (OPA 388 and 389) for the Lower Don Lands and an amendment to the Zoning By-law for the Keating Channel Precinct West to reflect the preferred alternative proposed by the Don Mouth Naturalization and Port Lands Flood Protection Environmental Assessment and design competition held by Waterfront Toronto. These amendments are currently under appeal to the OMB.

Decision Document:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2010.TE36.19>

The map displays the Port Lands area in Toronto, with various land parcels color-coded to indicate ownership. A red dashed line outlines the 'The Port Lands' area, while a blue dashed line highlights 'Additional Lands owned by the City'. The 'Ship Channel' is shown as a blue waterway. The map includes a legend, a scale bar, and a north arrow.

Legend:

- TESSCO
- Open Space
- Land Owned by City
- Land Owned by Others
- Municipal
- Private
- Public
- Long Term Lease to TSS
- Proposed Projects

Additional Lands owned by the City

The Port Lands

Ship Channel

Toronto Outer Harbour