



## STAFF REPORT ACTION REQUIRED

### Governance and Funding Options for *Project: Under Gardiner* and Class Environmental Assessment for Crossing of Fort York Boulevard

<b>Date:</b>	June 20, 2016
<b>To:</b>	Executive Committee
<b>From:</b>	Deputy City Manager, Cluster A Deputy City Manager, Cluster B
<b>Wards:</b>	Ward 19 – Trinity-Spadina Ward 20 – Trinity-Spadina
<b>Reference Number:</b>	P:\2015\ClusterB\WF\EX16003

#### SUMMARY

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This report recommends a governance and funding model for the programming, operations and maintenance of capital associated with Project: Under Gardiner (or "the Project"). Announced last year, the Project has been made possible by a \$25 million donation from the Judy and Wilmot Matthews Foundation (the "Donor"). To date, the City has received \$3 million, with the balance of funding to be provided once Council approves a governance and funding model satisfactory to the City, Donor and Waterfront Toronto, the parties to the Memorandum of Understanding ("MOU") for the Project.

The full vision for the Project involves the transformation of a 10-acre, 1.75-kilometre linear area beneath the elevated Gardiner Expressway into a new east-west multi-use trail and network of public amenities extending from west of Strachan Avenue to Spadina Avenue. The first phase involves the 5.8-acre area between Strachan Avenue and Bathurst Street with a trail connection extending to Spadina Avenue. Planned elements for the first phase include the "Strachan Gate Timber Pier" structure which provides performance and spectator space, a pedestrian and cycling bridge across Fort York Boulevard, a 450-metre ice skating plaza and programming components to activate the public space on a year-round basis.

Project: Under Gardiner will be a major civic and cultural asset that, much like Toronto's revitalized waterfront, will attract and serve residents from across Toronto. The Project will provide much needed public open space and amenities to a high density and rapidly growing area of Toronto. It will provide linkages to 70,000 residents in adjoining communities, including Fort

York, Liberty Village, South Niagara, Bathurst Quay, Wellington Place and City Place. It will also connect multiple visitor destinations including Exhibition Place, Fort York National Historic Site and Toronto's waterfront.

Implementation of Project: Under Gardiner is being managed by Waterfront Toronto in consultation with other partners, including the City. Waterfront Toronto has retained the services of a consultant, HR&A Advisors, Inc. ("HR&A") to provide analysis and options for the long-term programming, operations and maintenance of the area. The HR&A study is included as Appendix 2 to this report.

There is consensus among the partners that a not-for-profit charitable corporation ("non-profit entity") is the most appropriate governance model for Project: Under Gardiner. A range of alternatives were evaluated by HR&A, Project partners and City staff. The non-profit entity was identified as the option that best addresses the interests of all partners and supports the governance objectives for the Project: to balance autonomy and authority; produce "best-in-class programming, operations and maintenance; secure diverse funding streams; leverage existing capacity and achieve sustainable, long-term management.

There are various examples of non-profit management of public space in Toronto and other jurisdictions across North America. Evergreen Brick Works and Artscape Wychwood Barns provide a limited precedent within the local context, although both sites involve outdoor spaces of more modest scale and complexity than that of Project: Under Gardiner. Comparable examples in other jurisdictions include Assiniboine Park Conservancy Incorporated in Winnipeg, Friends of the High Line and Central Park Conservancy in New York City, and Atlanta BeltLine Incorporated.

If Council endorses the formation of the non-profit entity through this report a number of steps will be taken, including at least two reports back to Council in 2016 and 2021. The first step is to amend the MOU to incorporate an agreed-upon "Post Construction Plan" for project governance and funding that will include a clause establishing the non-profit entity. The terms and conditions of that Post Construction Plan are reflected in the Term Sheet attached as Appendix 1.

A City staff committee will be formed to negotiate further terms with the non-profit entity, once established, and to provide ongoing support as required. The local Councillors and community stakeholders will be consulted throughout this process. It is anticipated that the following areas of concern for the City and adjacent community will be addressed through these negotiations:

- necessary legal agreements between the City and the non-profit entity
- provisions to protect public access to new open space and amenities
- protocols related to sponsor and donor recognition
- management of events (including appropriate controls on scale, frequency, intensity)
- collaboration between Fort York National Historic Site and the non-profit entity

Staff will report back to Council by the end of 2016 with details regarding the outcome of these negotiations and the proposed further terms for programming, operations and maintenance of the Project, including the roles and responsibilities of the non-profit entity and the City.

To support the early stage operations of the non-profit entity, this report recommends a one-time draw of \$10 million in City capital funding to enable a matching \$10 million of the Donor's funds to be directed to programming, operations and maintenance from 2016 to 2023. The City's \$10 million contribution would be drawn from Development Charges and cash-in-lieu funds intended for the creation of parkland and recreational space. (These capital funds cannot be directly committed to operating expenses.) The Donor's \$10 million operating contribution would be drawn from its original \$25 million capital donation to the Project.

This \$10 million City capital contribution will result in the creation of new public recreation and open space to serve a rapidly growing area of Toronto. It will leverage the \$25 million donation and an estimated \$20 million in additional non-City revenues, at a minimum, to be raised over the next eight years.

To facilitate this proposed exchange of City and Donor funds, Council authority is sought to amend the Council-approved Waterfront Revitalization Initiative 2016-2025 Capital Budget and Plan for the \$25 million *Under Gardiner project* as follows:

- \$10 million decrease in capital funding from the Project Donor
- \$9 million in increased capital funding from eligible Development Charge funding
- \$1 million in increased capital funding from the City Wide Parkland Development Cash-in-lieu reserve fund

The Donor's contribution of \$10 million for programming, operations and maintenance would be placed in the Gardiner West Public Realm Improvements Reserve Fund (XR3034) and allocated by Council to the non-profit entity through the annual budget process. Staff recommend an eight-year cash flow for these funds as per the following table:

2016	2017	2018	2019	2020	2021	2022	2023
\$2.00m	\$1.80m	\$1.60m	\$1.30m	\$1.00m	\$0.80m	\$0.75m	\$0.75m

The City will allocate the Donor's funding in order to support the Project as proposed above. However, the non-profit entity will be an independent organization and will be responsible for managing to a board-approved budget.

HR&A has estimated that the non-profit entity will have a budget of \$3.2 to \$4.5 million annually for the first phase of Project: Under Gardiner based on a review of comparable organizations. These figures represent preliminary estimates that will be further refined once detailed programming and operational plans, and a funding strategy are developed. If additional revenues are identified to support a more ambitious program, the non-profit entity's budget may be at the high end of the estimated range. If the Project faces funding constraints, the budget will necessarily be managed to a lower figure. Ultimately, expenses will be constrained to the fixed amount of annual funding processed through the City as well as any other sources of revenue independently raised by the non-profit entity.

In addition to City contributions, the HR&A study identifies a number of funding options for the non-profit entity: fundraising (including federal and provincial sources), sponsorships and earned income. It is expected that the non-profit entity will develop these revenue sources and City funding will decrease as a share of total expenses in future years. The parties acknowledge the need for sustainable and predictable funding for the Project beyond the eight year start-up period. Therefore, City staff will work with the non-profit entity to develop a viable long-term (i.e., post-2023) financial strategy for Project: Under Gardiner and will bring this forward to Council for consideration by June 30, 2021.

The partners have already undertaken considerable fundraising activity. The City has submitted an application for funding through the Canada 150 Fund to support a major sesquicentennial festival for the launch of the Project: Under Gardiner in July 2017, as well as other first year programming. The Toronto Office of Partnerships is currently working with partners to identify additional sponsorship and philanthropic opportunities to support the Project.

This report also details the recommended preferred Alternative Solution in the Municipal Class Environmental Assessment (EA) study for the crossing of Fort York Boulevard. The recommended Alternative Design is a suspended pedestrian and cycling bridge, with an estimated cost of \$5 to \$6 million funded entirely by Donor capital funds. This option was strongly endorsed by the public through the EA consultation process. It will create a signature piece of infrastructure for the area that attracts visitors and serves as an asset for the community.

Endorsement from Council will enable completion and filing of the Environmental Study Report with the Ministry of the Environment and Climate Change, as well as construction within the implementation timeframes of July 2017.

Additional items in this report include the results of the "Reclaim the Name" campaign for the Project, an update on the air quality assessment within the study area and incorporation of hiring opportunities for youth through various programs.

## **RECOMMENDATIONS**

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The Deputy City Manager, Cluster A and the Deputy City Manager, Cluster B recommend that:

1. City Council approve the Post Construction Plan – Term Sheet attached as Appendix 1 to this report; such plan to include the creation of an independent not-for-profit charitable corporation (the "non-profit entity") to program, operate and maintain Project: Under Gardiner ("the Project") that anticipates calling for the inclusion of two members of City Council on its board of directors representing those wards in closest proximity to the Project, currently Wards 19 and 20.
2. City Council amend the approved 2016 - 2025 Capital Budget and Plan for the Waterfront Revitalization Initiative to adjust *Under Gardiner project* funding in 2017; replacing \$10.0 million in capital funding from the Project Donor with a \$1.0 million contribution from the City Wide Parkland Development Cash-in-lieu reserve fund (XR2211) and a \$9.0 million contribution from Development Charges (XR2114).

3. City Council adjust the approved 2016 Operating Budget for City Planning by \$2.0 million gross and \$0 net, fully funded from the Project donations through a draw from the Gardiner West Public Realm Improvements Reserve Fund (XR3034). These expenditures will reflect a transfer to the non-profit entity for the purpose of funding costs for the programming, operations and maintenance of the Project.
4. City Council authorize the Deputy City Manager, Cluster A, and Deputy City Manager, Cluster B, to negotiate and enter into an amendment to the Memorandum of Understanding, dated December 21, 2015, among the City of Toronto, Waterfront Toronto and Judy and Wilmot Matthews Foundation, on terms acceptable to the said Deputy City Managers and in a form satisfactory to the City Solicitor, to include the Council-approved Post Construction Plan and facilitate the completion of the Foundation's donation.
5. City Council authorize the Deputy City Manager, Cluster A, and the Deputy City Manager, Cluster B to negotiate and enter into any and all other agreements necessary to implement the Post Construction Plan, on terms acceptable to the said Deputy City Managers and in a form satisfactory to the City Solicitor.
6. City Council request that the Deputy City Manager, Cluster A, and Deputy City Manager, Cluster B, report back by the end of 2016 on specific details concerning the following:
  - a. necessary legal agreements between the City and the non-profit entity
  - b. provisions to protect public access to new open space and amenities
  - c. protocols related to sponsor and donor recognition
  - d. management of events (including appropriate controls on scale, frequency, intensity)
  - e. collaboration between Fort York National Historic Site and the non-profit entity
7. City Council request that the Deputy City Manager, Cluster A, and Deputy City Manager, Cluster B, following consultations with the non-profit entity, report back on options for a viable long-term funding strategy for the Project by June 30, 2021.
8. City Council authorize City staff to make submissions for funding to the Government of Canada and the Province of Ontario and to pursue private funding and sponsorships to support programming, operations, maintenance and capital expenses for the Project.
9. City Council endorse the grade-separated suspended bridge Alternative Design for the Schedule "C" Municipal Class Environmental Assessment Process for the Project.
10. City Council authorize the General Manager of Transportation Services, to issue a Notice of Study Completion and to file the Environmental Study Report for the Fort York Boulevard Crossing Class Environmental Assessment Study in the public record for 30 days in accordance with the requirements of the Municipal Class Environmental Assessment pursuant to the Environmental Assessment Act.
11. City Council authorize the acquisition of those lands located beneath the Gardiner Expressway and comprising part of 70 Iannuzzi Street for the purpose of facilitating

Project: Under Gardiner based on an existing Record of Site Condition (RSC) and Condition of Property Use (CPU).

12. City Council endorse "the Bentway" as the official name for the Project.

## **FINANCIAL IMPACT**

The 2016 and 2017 Capital Budget years for the Waterfront Revitalization Initiative include funding for the implementation of Project: Under Gardiner, consistent with the \$25.0 million donation from the Judy and Wilmot Matthews Foundation (the "Donor"). To date, \$3.0 million of the donation has been received. In addition, \$1.5 million has been retained by the Donor for its expenses related to the Project, including communications, program development, legal and administrative costs. The remaining \$20.5 million is expected to be received in 2016 and 2017 in advance of Project spending.

This report recommends that Council approve a Post Construction Plan for the Project's governance and funding that will include establishing a non-profit entity to provide ongoing programming, operations and maintenance for the Project area.

To support the early stage operations of the non-profit entity, this report recommends a one-time draw of \$10.0 million in City capital funding to enable a matching \$10.0 million of the Donor's funds to be contributed to programming, operations and maintenance from 2016 to 2023.

### **Funding Source and Allocations for the Capital Plan**

Staff have identified the opportunity to allocate \$10.0 million in available funding for the Under Gardiner capital project as per the following:

- \$ 9.0 million from the Parks and Recreation Development Charge Reserve Fund (XR2114)
- \$1.0 million from the City Wide Parkland Development Cash-in-lieu Reserve Fund (XR2211)

The maximum amount of Development Charge (DC) funding eligible for the Project is 90 per cent, or \$9.0 million, of the City's total \$10.0 million contribution.

The City's contribution will result in the creation of 5.8 acres of new public recreation and open space to serve a rapidly growing area of Toronto. This capital funding would be used to support design and construction of growth-related elements of the Project: Under Gardiner capital plan, including:

- Shingle Beach / Shoreline Plaza (\$2.5 million for landscaping and \$0.5 million for rigging lights)
- Skating Plaza (\$3.5 million)
- Strachan Gate Wooden Pier (\$3.0 million)
- active rooms (\$0.5 million)

The addition of \$10.0 million in Development Charge and Parkland Development Cash-in-lieu funding to the Council approved \$25.0 million *Under Gardiner capital project* permits the reallocation of \$10.0 million in Donor funding to programming, operations and maintenance.

**Funding Source and Allocations for Programming, Operations and Maintenance**

Conditional on Council approval of \$10.0 million in capital funding noted above, the Donor has agreed to redirect \$10.0 million of its donation to programming, operations and maintenance from 2016 to 2023. This \$10.0 million would be deposited into Gardiner West Public Realm Improvements Reserve Fund (XR3034) and allocated by City Council to the non-profit entity through the annual budget process as part of the City Planning Operating Budget. (This amount is not sufficient to establish an endowment with a standard yield rate.)

In order to support sufficient and predictable funding for the non-profit entity during this initial phase, staff recommend an increase to the Council-approved 2016 Operating Budget for City Planning of \$2.0 million gross and \$0 net as first year allocation from the \$10 million in Donor funds. 2016 and future year allocations for the remaining \$8.0 million would be dispersed over an eight-year period as per the following table:

2016	2017	2018	2019	2020	2021	2022	2023
\$2.00m	\$1.80m	\$1.60m	\$1.30m	\$1.00m	\$0.80m	\$0.75m	\$0.75m

The balance of funding for the base budget and any additional programming costs would come from other revenue sources, including philanthropy, sponsorships and earned income. Staff will review cash flow estimates on an annual basis as part of future year budget processes and make adjustments as required for Council consideration.

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

**DECISION HISTORY**

At its meeting of December 9, 2015, City Council endorsed a November 19, 2015 report from the Deputy City Manager Cluster A and the Deputy City Manager Cluster B: "Private Donation to Animate the F.G. Gardiner Expressway from approximately Strachan Avenue to Spadina Avenue (EX10.7)." In so doing, Council authorized the City to accept a donation of up to \$25 million from the Judy and Wilmot Matthews Foundation dedicated to improving public realm beneath the elevated Gardiner Expressway between Strachan Avenue and Spadina Avenue.

Council also authorized the Deputy City Manager, Cluster A, and Deputy City Manager Cluster B, to negotiate and enter into two legal agreements with respect to the Project, based on terms and conditions described in the November 19, 2015 report and the Term Sheet appended to it. These included (i) a Memorandum of Understanding outlining roles and responsibilities of the

City of Toronto, Waterfront Toronto and the Foundation and (ii) a Delivery Agreement regarding project funding and delivery between the City of Toronto and Waterfront Toronto.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.EX10.7>

In a December 7, 2015 Supplementary Report from the Deputy City Manager and Chief Financial Officer on "Gardiner West Public Realm Improvements Reserve Fund (EX10.7a)," Council also authorized staff to establish an obligatory reserve fund account named the "Gardiner West Public Realm Improvements Reserve Fund" in Schedule 15 of the City of Toronto Municipal Code Chapter 227, Reserves and Reserve Funds, to enable the City to provide a series of grants to Waterfront Toronto from the donated Project funds.

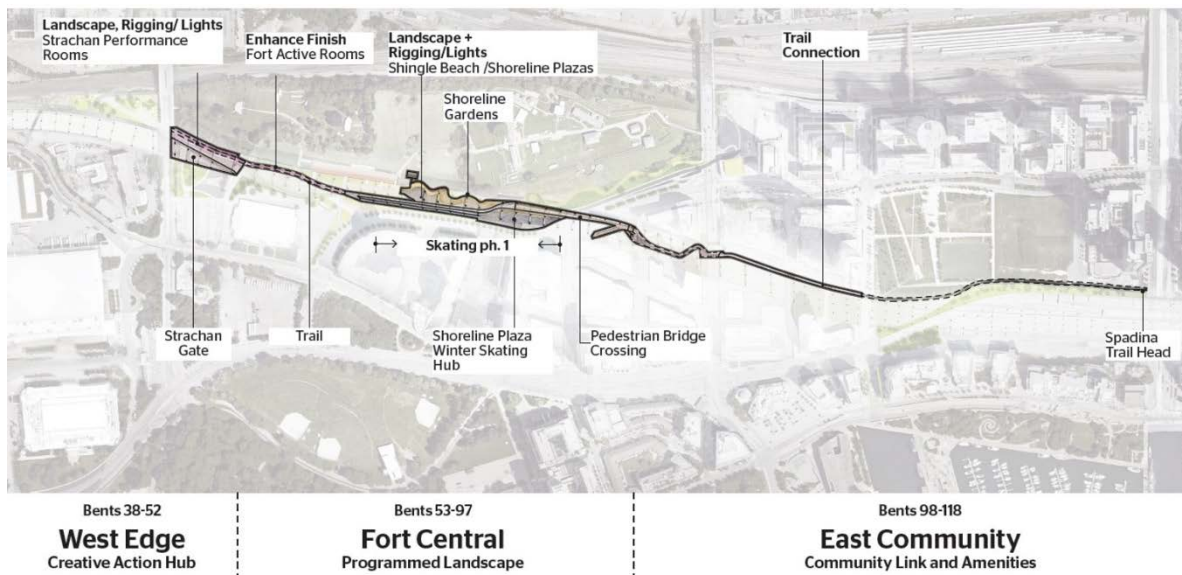
<http://www.toronto.ca/legdocs/mmis/2015/cc/bgrd/backgroundfile-86500.pdf>

## BACKGROUND

### Project: Under Gardiner

The full vision for Project: Under Gardiner involves the transformation of a 10-acre, 1.75-kilometre linear area beneath the elevated Gardiner Expressway into a new east-west multi-use trail and network of public amenities extending from west of Strachan Avenue to Spadina Avenue. The first phase of the Project involves the 5.8-acre area between Strachan Avenue and Bathurst Street with a trail connection extending to Spadina Avenue (Figure 1).

**Figure 1** Phase One of Project: Under Gardiner



Project: Under Gardiner will be a major civic and cultural asset that, much like Toronto's revitalized waterfront, will attract and serve residents from across Toronto. The Project will provide much needed public open space and public amenities to a high density and rapidly growing area of Toronto. It will provide linkages to 70,000 residents in adjoining communities, including Fort York, Liberty Village, South Niagara, Bathurst Quay, Wellington Place and City



Place. It will also connect multiple visitor destinations including Exhibition Place, Fort York National Historic Site and Toronto's waterfront.

The Project has been made possible by a \$25 million donation by the Judy and Wilmot Matthews Foundation. Since Mayor John Tory's announcement of the donation in November 2015, the Project has attracted community support from local residents, including the Liberty Village Residents Association, and institutional and community leaders.

Design and construction of the Project is being managed by Waterfront Toronto in consultation with other partners including the Donor and the City. A Steering Committee with representation from the City, Waterfront Toronto and the Donor oversees project implementation and funding. Planning and design work is being undertaken by Ken Greenberg Consultants Incorporated and Public Work.

## Capital Plan

Project: Under Gardiner is being implemented under an accelerated timeframe in order to achieve the Donor's goal of having the first phase (Strachan Avenue to Bathurst Street with a trail connection to Spadina Avenue) completed and open to the public by July 1, 2017.

The first phase of the Project is being designed to the donation limit of \$25 million but may be supplemented by additional donations, fundraising and sponsorships. Planned capital projects by Economic Development and Culture and Parks, Forestry and Recreation for adjacent sites are being coordinated to reduce construction impacts, and enhance strategic alignment and opportunities for economies of scale. Various technical studies are also being undertaken to support project planning and design, including geotechnical and environmental testing and air quality monitoring, as well as a site survey and review of easement agreements and stratified land ownership details.

The first phase of the Project will occur primarily on municipally owned lands. It includes four core capital elements:

- **Multi-use trail** – a 1.75-kilometre continuous pedestrian and cycling trail from Strachan Avenue to Spadina Avenue.
- **Strachan Gate Timber Pier** – a series of timber platforms stepping down from Strachan Avenue to the space below providing access and performance and spectator areas.
- **Bridge over Fort York Boulevard** – a unique suspended pedestrian and cycling bridge.
- **Ice skating plaza** – a maintained ice surface extending 450 metres in front of the Fort York National Historic Site (Figure 2).

Additional elements are envisioned as a part of the full build-out of the Project including children's play areas, an extension of the proposed skating plaza, a skateboarding park, and various destination market, event and programming areas. The scope and schedule for the subsequent phase(s) of the Project west of Strachan Avenue and east of Bathurst Street to Spadina Avenue would be developed as funding becomes available.

**Figure 2** Project images and renderings: (i) current condition of project area adjacent to Fort York National Historic Site, (ii) Strachan Gate Timber Pier and (iii) ice skating plaza



## **Programming**

In February 2016, Lord Cultural Resources was engaged by the Donor to provide program advisory services for Project: Under Gardiner. The purpose was to set out a high-level vision and provide the foundation for the development of a calendar of annual events.

The consultant team has developed a draft framework for area programming which includes a summary of the research to-date, the preliminary assumptions, a curatorial statement and values, and a sample program calendar organized by season.

Over the next year, the approach to programming for the Project will be developed closely with local institutions and stakeholders – particularly Fort York National Historic Site – to leverage and expand their existing programs, events and spaces for mutual benefit. This will also involve partnering with Toronto’s community of artists, cultural groups and institutions, and creative businesses. The calendar of events will leverage and align with Toronto’s existing festival and event schedule.

Further details concerning specific programming for the Project will be forthcoming once a budget is established for programming, operations and maintenance of the area.

## **Public Consultations**

Between January and June 2016, Waterfront Toronto conducted public consultation plan to engage with hundreds of Torontonians regarding Project: Under Gardiner.

A Stakeholder Advisory Committee has been formed to provide input on the Project. It is composed of 51 local residents, landowners and real estate developers, Business Improvement Areas, condo corporations, advocates for walking, cycling and accessibility, as well as five community-members-at-large drawn from all over the City of Toronto.

Two public information sessions, attended by more than 220 participants, were held to gather public feedback. Waterfront Toronto also collaborated with Parks People to host a series of public consultation walking tours where project experts engaged with approximately 120 members of the public.

The public was also broadly engaged through multiple online channels, including a dedicated project website, Waterfront Toronto and Project: Under Gardiner social media outlets and through email. These channels were used to promote the Project and solicit public feedback and suggestions for the design, programming and the official name of the Project.

## **Coordination with Other Initiatives**

Project: Under Gardiner lies within the boundaries of the designated waterfront area that is the subject of the tri-government waterfront revitalization initiative. Portions of the study area also fall within the Fort York National Historic Site. The Project advances both Official Plan and

*Central Waterfront Secondary Plan* goals while complementing Fort York's capital improvement plans.

The Project supplements capital improvement plans for the Fort York National Historic Site, such as the overall Landscape Master Plan for Fort York, and the Fort York and Garrison Common Parks and Open Space Plan approved by City Council. Several amenities are being coordinated and opportunities for programs and events at Fort York and in the surrounding areas are being expanded. The Project is also consistent with the *Waterfront Culture and Heritage Infrastructure Plan: Canada's Urban Waterfront, 2001*, and is building upon current Parks, Forestry and Recreation plans for enhancing area parks to support the need for active, healthy lifestyles and engaged communities. Work is also being coordinated with rehabilitation of the elevated Gardiner Expressway deck from Manitoba Drive to Grand Magazine Street and areas further west of Bathurst.

### **Memorandum of Understanding and Delivery Agreement**

A Memorandum of Understanding (MOU) among the City, Waterfront Toronto and the Donor was executed on December 22, 2015. The MOU defines eligible capital costs and the roles and responsibilities of each party with respect to the donation and the Project. Waterfront Toronto, on behalf of the City of Toronto, serves as the project manager, overseeing all capital improvements, and leading efforts to identify a preferred governance and funding model. The City of Toronto retains ownership of the majority of amenities created through the Project.

The Delivery Agreement between the City and Waterfront Toronto notes the conditions and process by which donated funds are transferred from the City to Waterfront Toronto. The Project Steering Committee serves as the primary oversight body for all funding requests to the Donor.

The parties intended that the MOU and Delivery Agreement would be periodically reviewed and updated to reflect the evolving requirements for the Project.

### **City of Toronto Reserve Fund Account**

In December 2015, the City established an obligatory reserve fund account for Project: Under Gardiner. Part of the Waterfront Revitalization Initiative Capital Budget, the "Gardiner West Public Realm Improvements Reserve Fund" is the vehicle by which donated funds for capital improvements are incrementally transferred to Waterfront Toronto, in accordance with the Project MOU and Delivery Agreement.

## COMMENTS

### 1. Governance Options

Waterfront Toronto retained the services of a consultant, HR&A Advisors, Inc. ("HR&A") to provide analysis and options for the long-term programming, operations and maintenance of the Project.

As a part of the HR&A study, various governance options for Project: Under Gardiner were evaluated in detail including delivery by one or more of the following: (i) existing City agency, (ii) existing City division, (iii) new special purpose enterprise, (iv) an existing special purpose enterprise, (v) existing non-profit and/or (vi) new non-profit.

Consideration of these governance options was guided by the following objectives:

- **Balance autonomy and authority** – achieves a balance between independent governance (i.e., the ability to define and deliver the Project's mission and vision) and public accountability with respect to funding and public spaces.
- **Produce best-in-class programming, operations and maintenance** – delivers high quality programming, operations and maintenance and cultural programming, strengthening its identity, quality, public value and support among various constituencies.
- **Secure diverse funding streams** – enables support from the philanthropic community, provides the capacity to fundraise from individuals or corporations, and supports effective relations with government entities, including controls and accountability for public funding.
- **Leverage existing capacity** – makes use of common resources from partner entities, as appropriate, including administrative, operations and maintenance staff and equipment.
- **Achieve sustainable, long-term management** – ensures a sustainable ongoing oversight and management strategy.

Additional detail concerning options, objectives and analysis is provided in the HR&A study included as Appendix 2 to this report.

### New Non-Profit Entity

After evaluating the alternatives, a consensus has emerged among the Project partners that an independent not-for-profit charitable corporation (the "non-profit entity") meets the governance objectives and is the most appropriate model for the long-term management of the Project.

There are various examples of non-profit management of public space in Toronto and other jurisdictions across North America. Evergreen Brick Works and Artscape Wychwood Barns provide a limited precedent within the local context, although both sites involve outdoor spaces of more modest scale and complexity than that of the Project. Comparable examples in other

jurisdictions include Assiniboine Park Conservancy Incorporated in Winnipeg, Friends of the High Line and Central Park Conservancy in New York City, and Atlanta BeltLine Incorporated. Each of these organizations is independently incorporated, works in close collaboration with local authorities and receives revenues from a range of sources including public funding, sponsorship and charitable contributions.

Project partners have negotiated a proposed Post Construction Plan which, among other considerations, outlines a process for establishing the non-profit entity.

City staff have worked with other Project partners to address a number of preliminary issues related to non-profit entity including formation and capacity building; ongoing partnership with City divisions and Waterfront Toronto, and representation by the City on the non-profit entity's board of directors.

### Formation and Capacity Building

The Donor has engaged Artscape to assist with the start-up phase of the non-profit entity for 12 to 18 months starting in July 2016. Artscape is a not-for-profit urban development organization recognized as a leader in developing capacity in Toronto's art and culture sector. Artscape will provide project management, mentoring and organizational support related to:

- incorporation as a charitable non-profit corporation
- recruitment of a board of directors, advisors and senior volunteers
- recruitment of key staff
- program development
- liaising with the Project's marketing and communications consultants in relation to a branding, marketing and communications strategy
- capacity building for fundraising, property management, partner agreements and administration

### Ongoing Cooperation with Partners

City divisions, including Fort York National Historic Site, and Waterfront Toronto will continue to have a role and interest in management of the Project after construction. As necessary, specific terms will be negotiated and established through agreements among the parties.

The City is a primary landowner of the Project area, which aligns with a significant section of the Gardiner Expressway. Staff are coordinating work with the City's Gardiner Expressway Strategic Rehabilitation Plan to ensure that required access is maintained for current and future rehabilitation and maintenance work managed by Transportation Services and Engineering and Construction Services.

Although subject to agreement of the parties, various City divisions will likely be engaged in the ongoing programming, operations and maintenance for the Project. Parks, Forestry and Recreation, Transportation Services and/or other City divisions may provide operational and maintenance services through delivery agreement(s) with the non-profit entity. Economic,

Development and Culture and the Toronto Office of Partnerships will continue to be involved in programming development and support.

A significant portion of the Project area passes through the federally designated Fort York National Historic Site. The site is managed through the Museums and Heritage Services section of Economic Development and Culture with considerable community involvement through The Friends of Fort York and Garrison Common. The non-profit entity will have a close working relationship with the Fort York National Historic Site because of the physical proximity of the museum's buildings and grounds, and the lands associated with Project: Under Gardiner. The terms and nature of this relationship will be established through an agreement between the parties. Areas of cooperation will likely include site maintenance, joint programming, event management, fundraising and sponsorship attraction.

### **Board of Directors**

Subject to the non-profit entity adopting the requisite by-laws and Council subsequently providing approval of the Councillor appointments, the City will have representation on the non-profit entity's board of directors. Staff recommend that two Council members be appointed by the City, representing those wards in closest proximity to the Project (anticipating any future adjustment to ward boundaries approved by Council). Currently these are Ward 19 and Ward 20.. The exact size and composition of the board will be established through the negotiated agreement of all parties as reflected in the MOU.

Both the number and assignment of Council members recommended for the non-profit entity's board is consistent with Council representation on other external boards and committees. Council currently appoints two members to various major cultural organizations which receive funding support from the City, including the Art Gallery of Ontario Board of Trustees (up to two members), Design Exchange Board of Directors (two members), Artscape Toronto (two members) and Canadian Stage Company Board of Directors (two members). The assignment of appointees by ward is consistent with Council appointments to the Yonge-Dundas Square Board of Management, all Arena Boards of Management, Association of Community Centres Committees and Boards of Management and Business Improvement Areas boards.

The board will be responsible for ensuring the purposes of the non-profit entity are properly carried out. The board will establish the non-profit entity's long-term objectives and strategic plans, ensure appropriate financial accountability and management and supervise operations and personnel.

### **Next Steps**

If Council endorses the formation of the non-profit entity through this report, project partners will immediately work to amend the MOU to incorporate an agreed-upon "Post Construction Plan" that will include establishing the non-profit entity. (The terms and conditions of the Post Construction Plan are reflected in Appendix 1 of this report.)

After the non-profit entity is established, a City staff committee will be formed to negotiate further terms with the new organization and to provide ongoing support as required. The local Councillors and community stakeholders will be consulted throughout this process. It is anticipated that the following areas of concern for the City and adjacent community will be addressed through these negotiations:

- necessary legal agreements between the City and the non-profit entity
- provisions to protect public access to new open space and amenities
- protocols related to sponsor and donor recognition
- management of events (including appropriate controls on scale, frequency, intensity)
- collaboration between Fort York National Historic Site and the non-profit entity

Staff will report back to Council by the end of 2016 with details regarding the outcome of these negotiations and the proposed terms for programming, operations and maintenance of the Project, including the roles and responsibilities of the non-profit entity and the City. This future report will also describe service delivery options for the area. It is expected that the non-profit entity will undertake a review of options for outdoor operations and maintenance activities (e.g., grass cutting, sweeping, winter maintenance), taking into consideration partner objectives for the area. The non-profit entity will consider engaging City divisions for these activities.

## **2. Funding Options**

### **City Funding**

The HR&A study indicates the importance of predictable and sustainable public funding to ensure the long-term viability of the Project. Comparable organizations typically receive approximately one-third to one-half of early stage operating revenues from public sources.

The City faces considerable fiscal constraints as it engages in budget planning for 2017 and beyond. City staff have therefore worked with project partners to identify funding options that: (i) utilize existing resources which are earmarked or otherwise aligned with the objectives of the Project and (ii) minimize the net impact on the City's Operating Budget.

City staff have identified the opportunity to make a \$10 million contribution to Project: Under Gardiner capital expenses from Development Charges and the City Wide Parkland Development Cash-in-lieu reserve fund. The Donor has agreed that if Council approves this contribution, the MOU can be amended to allow for the allocation of \$10 million from the donation to support ongoing maintenance, operations and programming by the non-profit entity. These Donor funds would be transferred to the City and placed into the Gardiner West Public Realm Improvements Reserve Fund (XR3034).

Council would allocate these funds to the non-profit entity through the annual budget process. Staff recommend an eight-year cash flow for these funds. To support formation, capacity building and organizational development, \$2.0 million of the \$10 million would be allocated in 2016 for the "start-up" year of operations (July 1, 2016 to June 30, 2017). Thereafter, funding



would gradually decrease on an annual basis until stabilizing at \$0.75 million in 2022. Staff recommend an eight-year cash flow for these funds as per the following table:

2016	2017	2018	2019	2020	2021	2022	2023
\$2.00m	\$1.80m	\$1.60m	\$1.30m	\$1.00m	\$0.80m	\$0.75m	\$0.75m

The parties acknowledge the need for sustainable and predictable funding for the Project beyond the eight year start-up period. Therefore, City staff will work with the non-profit entity to develop a viable long-term (i.e., post-2023) financial strategy for the Project and will bring this forward to Council for consideration by June 30, 2021.

### Other Sources of Funding

It is expected that, over time, the non-profit entity will develop additional sources of revenue and its relative reliance on City funding will decrease in future years. Other potential revenue sources examined in the HR&A study include the following:

- federal and provincial funding
- earned income
- philanthropy
- sponsorships
- grant funding
- BIA fees

The partners working through the Toronto Office of Partnerships have already started fundraising. The City has submitted an application for funding through the Government of Canada's "Canada 150 Fund" to support a sesquicentennial festival during the launch of Project: Under Gardiner in July 2017 and other year one programming.

### Budget

HR&A has provided preliminary cost estimates for Project: Under Gardiner based on costs for comparable projects in Toronto and elsewhere in North America.

The HR&A report estimates between \$3.2 million and \$4.5 million in annual programming, operations and maintenance costs associated with the first phase. (Figure 3 provides a detailed breakdown of costs by category.) Total expenses could increase to between \$3.5 million and \$5.0 million annually once the Project achieves full build-out, effectively doubling the Project area to 10 acres from 5.8 acres.

These figures represent preliminary estimates that will be further refined once detailed programming and operational plans and a funding strategy are developed. If additional revenues are identified to support a more ambitious program for the Project, the non-profit entity's budget may be at the high end of the estimated range. If the Project faces funding constraints, the budget will necessarily be managed to a lower figure.

**Figure 3** HR&A estimated annual costs for phase one of Project: Under Gardiner (in millions)

<b>Category</b>	<b>Low</b>	<b>High</b>
Routine Operations & Maintenance	\$0.54	\$0.72
Management & Administration	\$1.0	\$1.2
Capital Reserve	\$0.2	\$0.55
Fundraising	\$0.06	\$0.18
Ice Skating Trail	\$0.13	\$0.43
Foundational Programming	\$1.2	\$1.4
<b>Total</b>	<b>\$3.2</b>	<b>\$4.5</b>

Ultimately, the board of directors of the non-profit entity will be responsible for planning and managing annual expenses that reflect a balanced and sustainable business plan for the Project. Expenses will be constrained to the fixed amount of annual funding from the City as well as any other sources of revenue independently raised by the non-profit entity (e.g., grant funding, donations and sponsorships).

### **3. Municipal Class Environmental Assessment (EA) for Crossing of Fort York Boulevard**

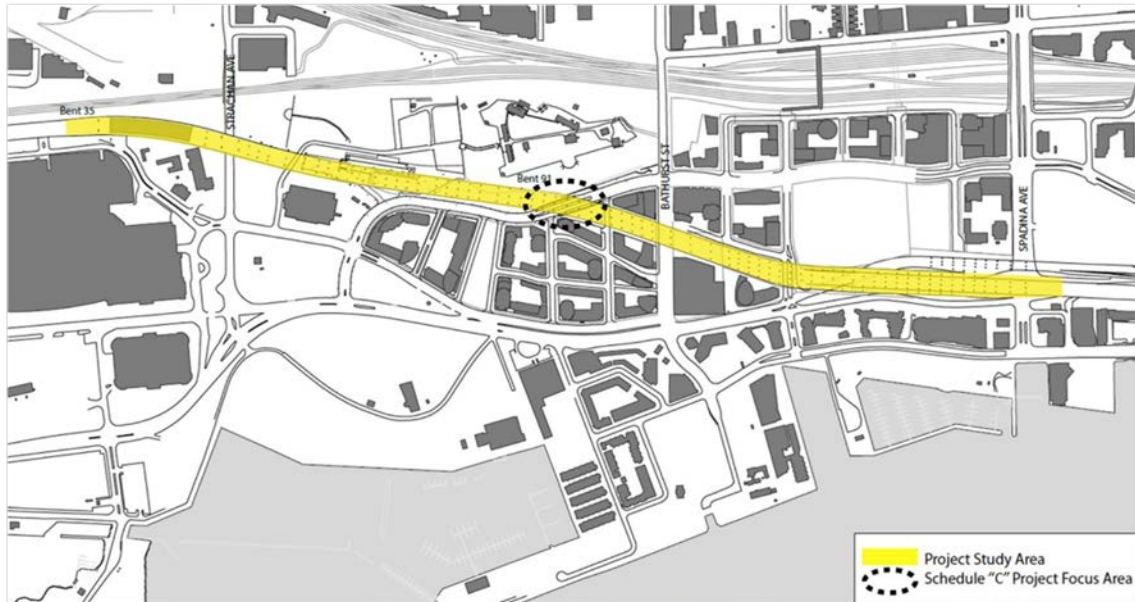
#### **Municipal Class EA Summary**

As a component of Project: Under Gardiner, Dillon Consulting Limited (Dillon Consulting) is in the process of completing a Municipal Class EA on behalf of the City of Toronto and Waterfront Toronto to address current problems and opportunities for pedestrian and cycling connections across Fort York Boulevard. Municipal Class EA requirements call for a Schedule "C" when the capital cost of constructing a pedestrian, cycling and recreational underpass/overpass may exceed \$2.4 million.

This section of the report presents the planning and evaluation associated with the proposed grade-separated pedestrian and cycling crossing of Fort York Boulevard that would be located underneath the elevated Gardiner Expressway just west of Bathurst Street (Figure 4). The evaluation process and recommended preferred Alternative Design – a new fully accessible, suspended bridge crossing of Fort York Boulevard – are detailed below.

The provision of a continuous east-west multi-use trail from Strachan to Spadina Avenue is one of the four core elements of Project: Under Gardiner. Located adjacent to and within the footprint of the highly popular Fort York National Historic Site, the area is at the heart of several new waterfront communities. While existing crossings east and west of the Project corridor facilitate north-south and east-west movements and access to numerous waterfront destinations, a significant break occurs along the Project corridor at Fort York Boulevard where poor sightlines have previously restricted installation of an at-grade pedestrian crossing. Project: Under Gardiner provides an opportunity to provide a new safe and continuous crossing of Fort York Boulevard beneath the Gardiner Expressway, one that would enhance connections to the Historic Site without compromising the function of the roadway.

**Figure 4** Project Study Area & Schedule "C" Project Focus Area



## City Planning Context

Project: Under Gardiner advances the broader city-building initiatives of the Official Plan to build complete, connected communities, encourage design excellence in the public realm and promote opportunities for recreation and active transportation. The City's Official Plan and Central Waterfront Secondary Plan promote the creation of an urban environment that encourages and supports walking throughout Toronto. Policies emphasize the importance of safe, direct, comfortable, attractive and convenient pedestrian conditions, including safe walking routes to schools, recreation areas and transit.

## Study Process

A Municipal Class EA Study was initiated in accordance with the *Environmental Assessment Act* to identify the location, design and function of a pedestrian and cycling crossing of Fort York Boulevard that best meets City, Project and community objectives. In December 2015, Waterfront Toronto, acting on behalf of the Project partners (Donor, City and Waterfront Toronto), issued an RFP for consulting services for the EA study. Dillon Consulting was subsequently retained and undertook study commencement in January 2016 with the full participation of community and technical stakeholders, affected agencies and property owners.

The Schedule "C" Municipal Class EA process requires that proponents:

- Phase 1 – confirm the need for the undertaking through a problem and opportunity statement
- Phase 2 – identify and evaluate Alternative Solutions against a number of criteria
- Phase 3 – identify and evaluate alternative design concepts for the preferred Alternative Solution

Phase 4 – prepare an Environmental Study Report  
Phase 5 – implement the preferred solution

Should Council adopt the recommendations of this report, the Environmental Study Report will be filed in the public record for a minimum 30-day review period. During this period, members of the public, and any other interested individual, interest group or government agency, may request that a Part II Order be issued. A Part II Order, if granted by the Minister of the Environment and Climate Change, elevates the assessment from a Class EA Study to an Individual Environmental Assessment. If this occurs, the pedestrian and cycling crossing project cannot proceed until the City completes an Individual EA Study and receives approval from the Minister. If a Part II Order is not granted, or if no requests or objections are received during the 30-day review period, the pedestrian and cycling crossing project is deemed approved under the *Environmental Assessment Act* and may proceed to design and construction.

### **Alternatives Considered**

Following the publicly advertised formal Notice of Commencement on February 24, 2016 and identification of the EA problem and opportunities in March 2016, four Alternative Solutions were considered within the study area:

1. maintaining what currently exists or "Do Nothing"
2. add a new at-grade crosswalk
3. add a new grade-separated bridge
4. add a new grade-separated tunnel

These Alternative Solutions, which are described in greater detail below, were developed throughout the winter of 2016 and evaluated against the following study lenses:

- **Transportation & Infrastructure** – Safety (including both the safety of infrastructure design as well as risk for pedestrians, cyclists and motorists), Connectivity, Transit, Traffic Operations, and Infrastructure and Constructability (including the permanent impact on the Gardiner's structure and maintenance).
- **Urban Design** –Urban Design Quality, Visual Impact, Activation and Animation and Design Continuity and Utility.
- **Environment** –Social and Health, Natural Environment and Cultural Resources, (including impacts on Indigenous People and Activities and Archaeology).
- **Economics** – Impact on Local Economics as well as the direct Capital and Maintenance Costs, (including lifecycle operations).

Other key evaluation considerations included the need to stay within the Gardiner Expressway right-of-way, impacts to surrounding property, impacts on rehabilitation and maintenance activity and various engineering considerations.

## Evaluation of EA Alternative Solutions

### 1. Do-Nothing

The existing condition in the study area requires pedestrians and cyclists to cross at either Bathurst Street or June Callwood Park as there is no safe crossing of Fort York Boulevard within the Project corridor. This precludes implementation of a key goal of Project: Under Gardiner: to provide a continuous multi-use trail connection between Strachan Avenue and Spadina Avenue.

In the evaluation, the do-nothing option was not preferred as it does not enhance urban design quality, animation of public space or opportunities for linking cultural resources. It also maintains interrupted connections that impact motorists, pedestrians and cyclists and encourages signalized crossing queues. The do-nothing option affords no community benefits and was not pursued further.

### 2. New At-Grade Crossing

Two at-grade, signalized pedestrian and cycling crossings were selected as viable alternatives: 2a Crossing at Grand Magazine Street, and 2b Crossing mid-block between Grand Magazine and Ianuzzi Streets. While multiple alignments were reviewed, these two options best met the City's multi-use trail guidelines and transportation requirements regarding intersection separation distances from Bathurst Street needed to avoid traffic flow impacts.

While the most affordable and easy to implement, both the mid-block and Grand Magazine Street at-grade crossings performed worse than the grade-separated bridge options in the evaluation from safety, connectivity, public realm and social and health perspectives. They were found to be moderately preferred, with the potential to create new traffic conflicts due to sightline issues, and were not pursued further.

### 3. New Grade-Separated Bridge

A grade-separated bridge crossing over Fort York Boulevard was developed and examined with due consideration for the Gardiner Expressway structure, landing areas, clearance requirements, bridge design code, accessibility and the need to minimize private property acquisitions. It is anticipated that this structure would be constructed of wood, with a width ranging from approximately 6.0 to 7.8 metres and a span of approximately 150 metres. It would feature a switch-back design at the southeast landing and a straight connection at the northwest landing.

The bridge option was found to improve safety for pedestrians and cyclists without impacting traffic operations on Fort York Boulevard. The bridge affords the greatest opportunity for connectivity with Fort York Historic Site and waterfront destinations while creating a unique public space and novel views to and from Fort York.

Both the Project team and the public favoured a grade-separated crossing during the Alternative Solutions phase of the EA study process. Consequently, the grade-separated pedestrian and

cycling bridge emerged as the preferred Alternative Solution and was carried forward to the alternative design phase.

#### 4. New Grade-Separated Tunnel

Two tunnel alternatives were deemed feasible once a number of considerations were taken into account, such as available land for tunnel entrances and exits, and the location of Gardiner columns and underground footings. Both tunnels would be approximately 4.5 metres wide, situated approximately six metres beneath the ground. The lengths of the tunnels would vary from approximately 150 metres to 250 metres. Both tunnels would feature a gradual straight connection at the northwest entrance/exist. The connection in the straight tunnel option (4a) takes the form of a gradual straight connection near Bathurst Street, while the switchback tunnel (4b) features a switch-back design.

The evaluation found that while both tunnel options would improve safety as a grade-separated crossing, they would have the greatest impact on the heritage landscape and underground utilities in the study area. They would also feature the highest cost for construction and ongoing maintenance. The new tunnels would also negatively impact views, and pose sightline limitations as users would be completely disconnected from the Project corridor and public space above. As such, the tunnel solutions were least preferred in the evaluation and were not carried forward.

#### Evaluation of EA Alternative Designs

The focus of the Alternative Design process centred on providing alignments within the 35-metre width of the Gardiner right-of-way to minimize heritage, private property and ongoing operations and maintenance costs, and address switchback concerns from cyclists. Physical constraints were also considered, including Gardiner footings and columns and existing buildings. Of paramount importance was the relationship between the proposed bridge and the existing Gardiner Expressway from the perspectives of urban design, safety and future maintenance. This included a number of City criteria such as the need to:

- coordinate work with the F.G. Gardiner Expressway Strategic Rehabilitation Program
- include a minimum 5.5 metre clearance over Fort York Boulevard
- access bents and columns for long-term maintenance programs including additional costs where access is constrained
- confirm bridge closure requirements during rehabilitation
- consider rainfall events and Gardiner drainage
- confirm the bridge, including ramp components, is compliant with the Canadian Highway Bridge Design Code, as amended by the Ministry of Transportation Structural Manual, as well as requirements under the Accessibility for Ontarians with Disabilities Act

Consequently, the merits and limitations of a design option #1 – bridge over Fort York Boulevard suspended on Gardiner Expressway columns (Figure 5) – were compared to a design option #2 – a grounded bridge supported by new columns (Figure 6).

Both bridges would be designed to enhance connectivity and meet accessibility standards and bridge code. While both would impose a premium for ongoing Gardiner rehabilitation and maintenance work, the suspended bridge would have the greatest impact to the maintenance program. These and other differences in the design and impact of each are outlined below, along with the resulting recommendation for the suspended bridge as the preferred EA alternative.

## 1. Suspended Bridge

The estimated \$5.0 to \$6.0 million suspended bridge option would consist of a 150-metre-long bridge with a 6.0 to 7.8-metre-wide deck narrowing to 3-metre-wide deck for the southeast switchback landing. It would have a vertical clearance of 5.5 metres above Fort York Boulevard.

The bridge would be suspended from cables connected with a friction-clamp assembly to the Gardiner Expressway columns. Telescoping horizontal struts to the columns would provide lateral support while provisions are made for cable mesh guards and handrails designed to building code, sufficient lighting as well as the provision of way-finding signage at key gateways to the bridge. Continuous steel beams would line each side of the bridge and be attached by steel hangers to Gardiner columns. At the southeast (switchback) end of the bridge crossing, steel trusses would be supported on transfer beams that bear on the columns below.

Access at the northwest side of Fort York Boulevard would be provided by a gradually inclining slope, while a stairway and switchback landing would connect the bridge to the multi-use trail at the southeast side of the boulevard.

When tested against the evaluation lenses, the suspended bridge was found to be equal to the grounded bridge from a transportation point-of-view, but preferred from urban design and environmental perspectives. The suspended bridge would minimize ground disturbance in an area that include heritage and archaeological resources. More importantly, the design would reference the Gardiner structure itself, would be consistent with the heritage context of the area and support the overall ambitions for the Project.

The greater impacts on Gardiner Expressway operations and maintenance and additional costs of the suspended bridge option required further study. The suspension components are challenging from an engineering perspective and need to satisfy City, Ministry of Transportation, Building Code and other regulatory requirements. This includes the need to provide sufficient residual capacity in the Gardiner structure to address potential future increases in load-bearing needs.

Following further analysis by the Project team and Blackwell Engineering, the suspension of a pedestrian and cycling bridge from Gardiner Expressway columns was determined to be feasible. This will need to be confirmed through detailed design, which will be undertaken in accordance with the Canadian Highway Bridge Design Code CSA-S6 2015, the Ministry of Transportation Structural Manual, as well as Ontario Building Code 2012, where applicable.

**Figure 5** Suspended bridge option plans and renderings: (i) plan, (ii) rendering looking east and (iii) rendering looking southwest

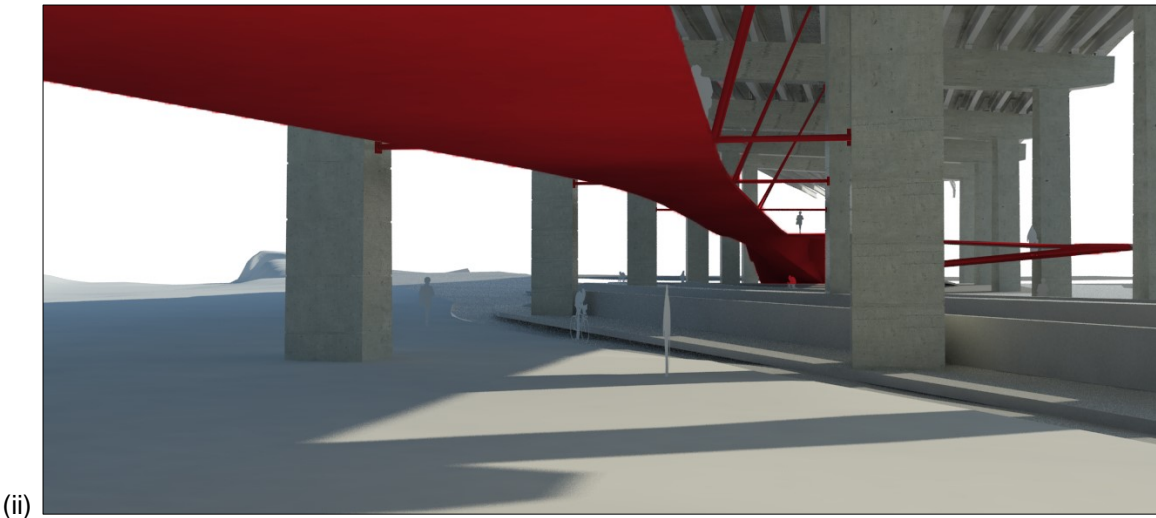
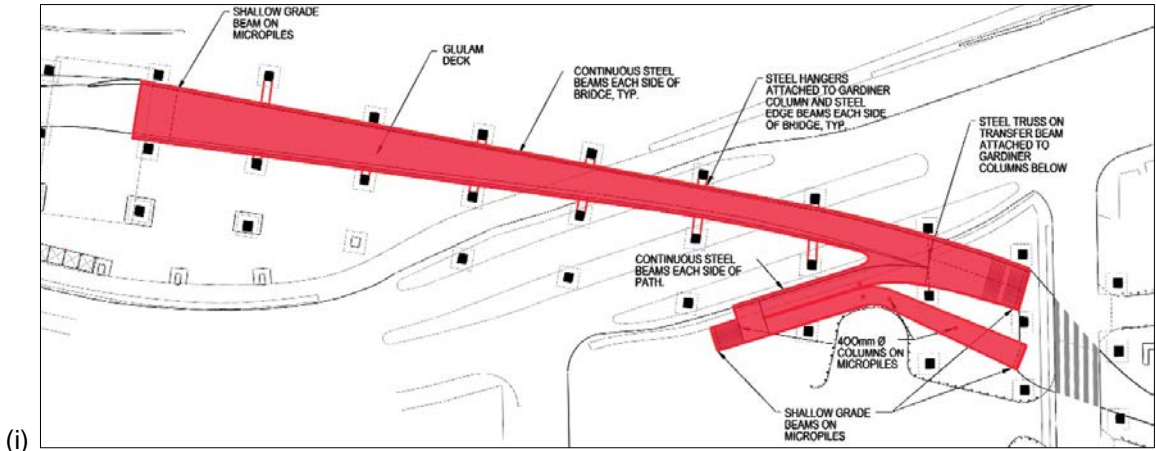
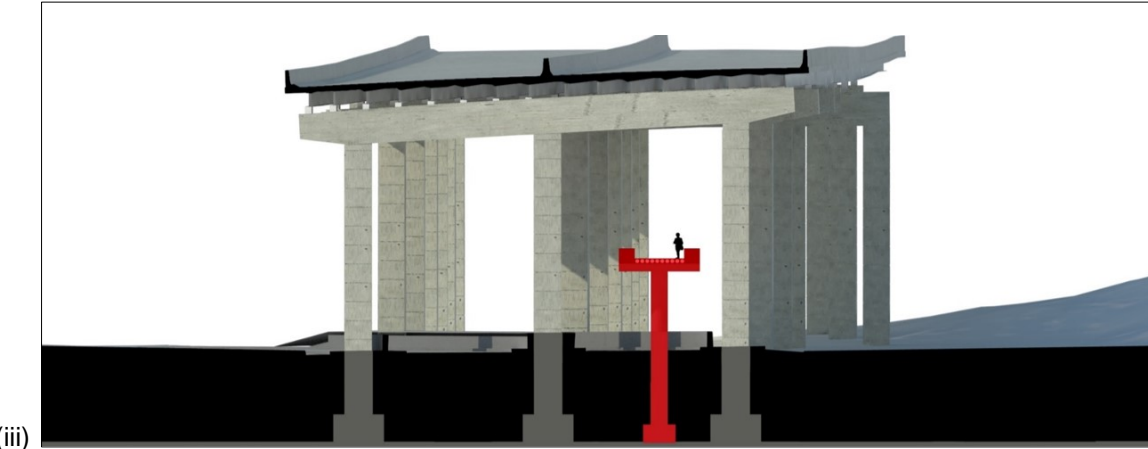
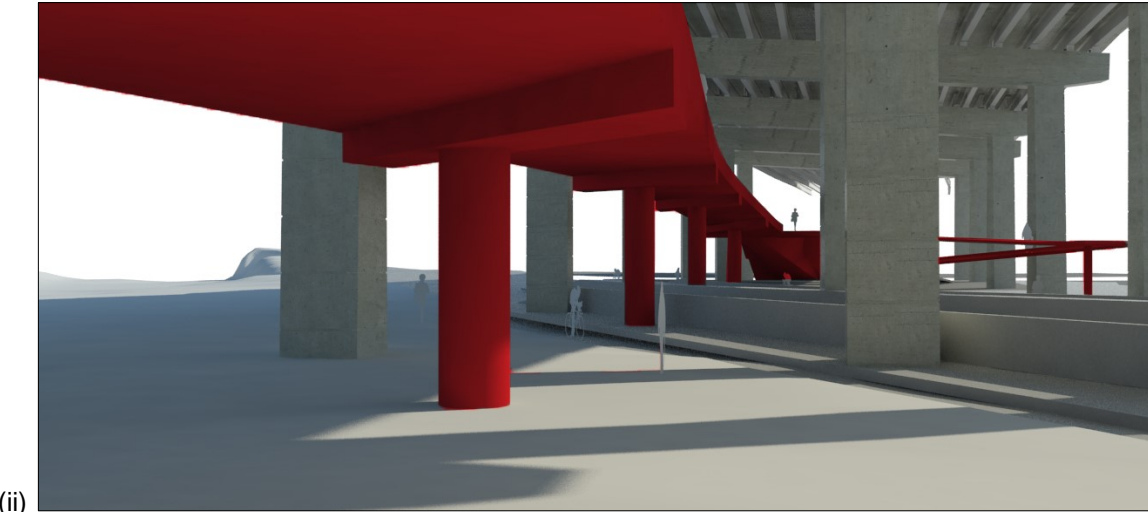
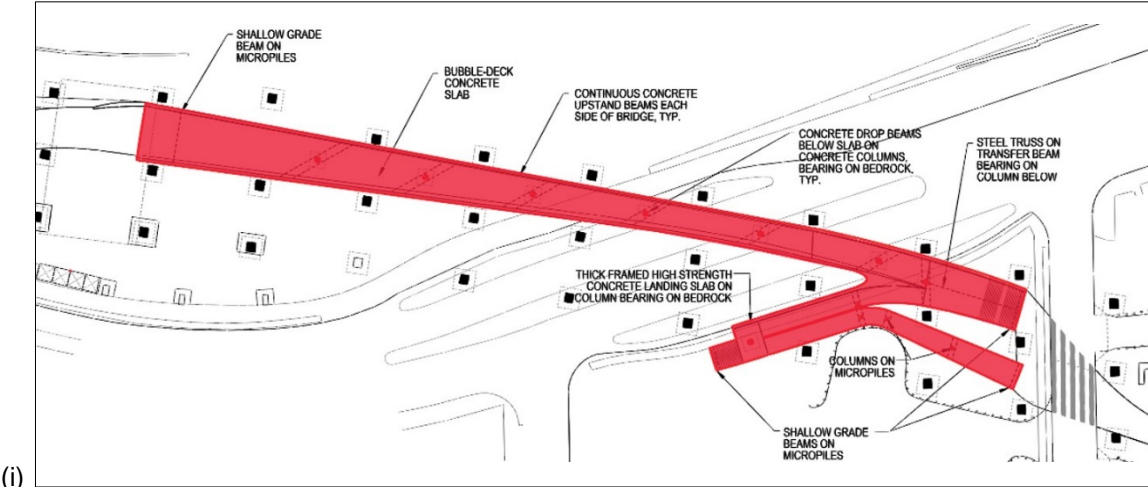




Figure 6 Grounded bridge option plans and renderings: (i) plan, (ii) rendering looking east and (iii) section



## 2. Grounded Bridge

The estimated \$5.5 to \$6.5 million grounded bridge option would consist of a 150-metre-long bridge supported on six shallow-grade support beams on micropiles. The bubble deck would consist of a concrete slab with continuous concrete upstand beams on each side of the bridge as well as concrete drop beams below slab on concrete columns bearing on bedrock. At the switchback end, steel trusses would be supported on transfer beams that bear on the columns below.

As with the suspended bridge option, access at the northwest side of Fort York Boulevard would be provided by a gradually inclining slope, while a stairway and switchback landing would connect the bridge to the multi-use trail at the southeast side of the boulevard.

More affordable and less challenging to maintain and operate, the grounded bridge crossing was preferred from an economics point-of-view, equally preferred for transportation, but less preferred for urban design and environmental considerations. Since it is not physically attached to the Gardiner Expressway, the grounded bridge would present fewer constraints on the Gardiner structure and the ongoing maintenance program. But the grounded bridge option would offer a more conventional design that does not align with ambitions for the Project. Though designed as lightly as possible, its columns would impact underground utilities and soils, and create a secondary set of columns to the expressway structure.

### **Recommended Alternative Design**

There are a wide range of pedestrian and cycling bridge precedents in Toronto and elsewhere, with design quality ranging from basic to "landmark." The Donor and the design team want to create a unique, signature bridge for the area that attracts visitors, is functional and admired by the local community and is contiguous with the unique architecture of the Gardiner Expressway. This report therefore recommends Council endorsement of the suspended pedestrian and cycling bridge crossing as the preferred Design Alternative for the Schedule "C" Municipal Class EA for Project: Under Gardiner.

The recommended bridge will be made of fibre-encapsulated wood and will feature a friction-clamp assembly to Gardiner columns. The suspended bridge will span 150 metres below the elevated Gardiner platform, within the existing right-of-way. At the west end of the bridge, vertical movement will be provided by a straight landing connection that uses a gradual five per cent grade incline, while on the east end, stairs and a switchback landing (also with a five per cent gradual slope) will link to the multi-use pathway extending eastward to Spadina Avenue.

The design of the gradual incline and stair features at the western and eastern ends as well as the overall architectural design of the bridge will be subject to further discussion with Waterfront Toronto's Design Review Panel during detailed design.

## **Public Consultation**

The public consultation requirements of the Municipal Class EA were met as part of this study. The program involved three Stakeholder Advisory Committee (SAC) meetings as well as two Public Information Centres (PIC) held at key decision points during the EA, including Problem-Opportunity Statement, Alternative Solutions and Alternative Design phases. The dedicated project web site at [www.projectundergardiner.ca](http://www.projectundergardiner.ca) acted as an information and exchange resource. In addition, several public walks led by Park People introduced members of the public to constraints and opportunities associated with the design options.

SAC meetings were held on January 11, March 22 and May 19, 2016. PICs were held on April 7 and May 31, 2016. Highlights of public feedback on the EA study are summarized below as:

- support for a fully accessible multi-use trail and continuous connection through the study area
- support for a fully accessible pedestrian and cycling crossing of Fort York Boulevard between Fleet and Bathurst Streets
- strong preference for a suspended bridge crossing versus a tunnel, at-grade or grade-separated grounded solution
- concern about the cost of a grade-separated crossing, wind impacts, air quality impacts and potential for pedestrian-cyclist conflicts
- desire for the bridge crossing to be available to users during scheduled maintenance
- concern about the impact of the suspended bridge on the Gardiner structure and maintenance program

## **Cost**

The estimated capital cost of constructing the suspended pedestrian and cycling bridge is between \$5.0 million and \$6.0 million. This cost estimate will be refined and finalized during detailed design and tendering. Funds for project implementation form part of the Project: Under Gardiner capital program.

The costs of ongoing operations and maintenance will be confirmed once detailed designs are produced, along with the additional impact on maintenance associated with the Gardiner Expressway.

## **Conveyance of Private Property**

The west landing of the bridge occurs within lands currently owned by the City. The east bridge landing is proposed on lands beneath the Gardiner Expressway which are not currently owned by the City but that comprise part of lands municipally known as 70 Iannuzzi Street. The lands under the Gardiner Expressway were proposed as open space landscaped area in the context of the development. The property owner is working with City Planning to convey these lands for nominal consideration and at no cost to the City as a condition of condominium approval of a 15-storey residential building being constructed at this address.

This report requests City Council authorization to accept the land based on the current Record of Site Condition (RSC) and Certificate of Property Use (CPU). City staff have undertaken a review of current environmental documents and obligations applicable to these lands which were submitted in support of the associated residential development – CPU # 0720-9C3HUZ and RSC # 212054. The review indicates that the lands proposed to be transferred meet Community use standards through a Ministry of Environment and Climate Change approved Risk Assessment and Certificate of Property use process. The Ministry of Environment and Climate Change approved process includes ongoing obligations to the future landowner. City Staff are satisfied that the land may be accepted for Community use in its current condition and that doing so will not result in significant maintenance costs for the Project: Under Gardiner.

### **Municipal Class EA Conclusion**

At-grade, grade-separated bridge, and grade-separated tunnel Alternative Solutions were evaluated as part of an EA study to identify the location, design, and function of a pedestrian and cycling crossing across Fort York Boulevard within the Project corridor. A fully accessible suspended bridge spanning Fort York Boulevard between Fleet Street and Bathurst Street is recommended as the preferred Alternative Design that best meets City policies, Project objectives and the EA study lenses.

Pending Council endorsement of the recommended Alternative Design, a Notice of Study Completion will be issued and an Environmental Study Report filed in the public record for a minimum 30-day review period in accordance with the Municipal Class EA process. Detailed design of the bridge will commence following the filing of the Environmental Study Report. Mitigation plans will be put in place to limit impacts associated with construction and operations. Construction of the bridge will follow with anticipated completion by July 2017.

### **Next Steps**

Should Council endorse the recommendations in this report, a number of steps will be taken in response to the Municipal Class EA for Fort York Boulevard Crossing including:

- completion and filing of the EA study in the public record for 30 days in accordance with the Environmental Assessment Act
- detailed design of the bridge as part of core projects design submission
- engineering and technical analysis
- tendering as part of overall construction project tendering
- implementation by July 2017, in coordination with ongoing Gardiner Expressway rehabilitation and maintenance work

## **4. Air Quality Assessment**

In a separate study to the Environmental Assessment for the pedestrian and cycling crossing of Fort York Boulevard, Dillon Consulting is undertaking an air quality (AQ) assessment for the Project: Under Gardiner study area in consultation with Toronto Public Health. The AQ assessment work involves a three-step process:

1. **Monitoring** – Representative samples of a number of compounds including Nitrogen Dioxide, PM2.5 and some volatile organic compounds (VOCs) will be collected at selected locations over a period of one to two weeks. Monitoring is anticipated to begin in July once Gardiner rehabilitation work permits access to the area.
2. **Modelling** – Based on the findings from the monitoring work, Dillon Consulting will develop the AQ modelling program in consultation with the City's Environment and Energy Division and Public Health.
3. **Air Quality Characterization** – A comparative review and analysis of data from existing Ministry of Environment and Climate Change and City monitoring stations will compare the air quality characteristics of the Project area with those in other areas of the city.

The information collected and analyzed through this work will be used to understand AQ conditions in the study area and determine the extent and nature of design changes or mitigation measures that may be necessary.

## 5. Initiatives to Advance Youth Employment

As part of the December 2015 decision to accept the Donor gift, Council requested that City staff identify ways to advance the City's workforce development objectives through Project: Under Gardiner. Specifically, Council requested that partners consider opportunities to recruit job-ready prospects and to hire and train candidates to further the City's workforce development objectives. Council identified the City of Toronto's Partnership to Advance Youth Employment (PAYE) program as one option for achieving these objectives.

Waterfront Toronto will incorporate PAYE into its procurement process, through its Waterfront Toronto Employment Initiative (WTEI) in order to support youth employment opportunities associated with the Project. WTEI works directly with developers, contractors, sub-contractors and commercial tenants to connect unemployed and underemployed jobseekers with employment and training opportunities generated by waterfront projects. WTEI partners are able to access skilled, professional candidates in a wide range of fields, working with an extensive network of employment service and training providers to meet the needs of both employers and jobseekers.

Successful proponents meet with Waterfront Toronto and WTEI representatives to develop a Workforce Development Plan that may include opportunities for registered apprenticeships, customized recruitment and skill training initiatives as well as other learning, networking and skill development initiatives. More information regarding the WTEI initiative is available from:

[www.waterfronttoronto.ca/opportunities/waterfront\\_toronto\\_employment\\_initiative](http://www.waterfronttoronto.ca/opportunities/waterfront_toronto_employment_initiative)

## **6. "The Bentway"**

This report seeks Council endorsement for "the Bentway" as the official name for Project: Under Gardiner, as selected through a public competition.

In December 2015, Waterfront Toronto and Bespoke Communications launched a four-month "Reclaim the Name" campaign to solicit public input in naming the Project through outreach to schools, social media, a project website, a drop-in pavilion, a brainstorming toolkit, public meetings as well as site tours. By March, the campaign had produced close to 900 potential names from the community. Four finalists were selected from these submissions by a jury of community leaders, volunteers and citizens: "the Bentway," "the Artery," "the Canopy" and "Gathering Place."

Members of the public had the opportunity to register their choice from among the four finalist during a 10-day online voting period that closed on May 9. Due to online voting irregularities, a public run-off vote was held from May 26 to 30 to select from the two names that had received the most votes: "the Bentway" and "the Artery". On June 6, 2016, "the Bentway" was announced as the top choice for the Project as a result of a vote of 845 to 488.

The Bentway is inspired by the column-and-beam structures, known as "bents," that frame the space under the Gardiner Expressway. The name, like the space being transformed, is unique to Toronto. The name will be rolled out through a marketing, branding and communications campaign over the coming months. This campaign will be carefully coordinated with Fort York National Historic Site.

## **CONCLUSION**

The recommendations in this report advance planning for a new signature public space for Toronto, developed through a unique public-private funding partnership. The \$25 million donation by the Judy and Wilmot Matthews Foundation represents a visionary investment in city building that will benefit all Torontonians.

Considerable work remains to be accomplished before the anticipated July 2017 opening. Detailed design on Project: Under Gardiner will be undertaken and additional technical analysis will be completed prior to the start of construction anticipated for this fall.

A further report on the proposed non-profit entity to program, operate and maintain the Project will be provided to Executive Committee by the end of 2016, once the appropriate legal agreements and detailed plans have been developed. The intention is to create a viable Project governance model that provides the partners with appropriate oversight and participation while also providing the non-profit entity with the autonomy to leverage additional funding and implement best-in-class programming, operations and maintenance. City staff will continue to work collaboratively with the partners to ensure the shared vision for the Project is realized over the long term.

The Waterfront Secretariat has prepared this report in consultation with a number of City divisions, including Economic Development and Culture; Transportation Services; Engineering and Construction Services; Toronto Office of Partnerships; Parks, Forestry and Recreation; Legal Services; City Planning; Corporate Finance; and Real Estate Services.

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## SIGNATURES

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Giuliana Carbone  
Deputy City Manager, Cluster A

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John W. Livey, F.C.I.P.  
Deputy City Manager, Cluster B

## Appendices

1. Post Construction Plan – Term Sheet
2. HR&A Study

## Appendix 1 Post Construction Plan – Term Sheet

### **Post Construction Plan pursuant to Section 12.1 of the Memorandum of Understanding dated December 22, 2015 among Judy and Wilmot Matthews Foundation, City of Toronto and Toronto Waterfront Revitalization Corporation (the “MOU”)**

#### **Recitals**

1. Capitalized terms, unless otherwise defined herein, will have the meanings ascribed to them in the MOU.
2. Section 12.1 of the MOU provides that the parties develop a Post Construction Plan (the “**Plan**”) to address post-construction programming, operation, and maintenance and seek Toronto City Council approval of the Plan. Following such approval, the parties will amend the MOU accordingly, and the Foundation will fund the balance of the Initial Donation.
3. The parties have now developed such a Plan which includes, among other things, a short term financial commitment from the City and the creation of a not-for-profit corporation (the “**Non-Profit Entity**”) that will seek registered charity status, eventually replace the role of the Foundation and actively pursue programming, operation and maintenance of the Project.
4. The parties have agreed that the Plan will reflect that governance for the Project will be approached from the philosophy that initial needs will differ from the eventual long term ongoing operation of the Project. Below are the terms and conditions of the Plan.

#### **The Lands**

1. The City’s rights and obligations with respect to the real property will continue to be as more particularly set forth in Section 6.2(c) of the MOU. In addition, the improvements constructed on lands owned by the City will be retained by the City, subject to such rights of removal as may be required by the City to facilitate work referenced in the aforementioned Section 6.2(c). The City will enter into agreements with the Non-Profit Entity permitting the lands owned by the City to be used for Project purposes subject to the limitations identified in the MOU. These agreements will cover matters such as maintenance, liability and insurance. There is also a geographic area of mutual influence surrounding such lands and the parties will work together for the mutual benefit of the Project with the stakeholders in those Lands. The Non-Profit Entity will enter into similar agreements with the owners of private lands (lands not owned by the City).

#### **City/Fort York**

1. The City’s Waterfront Secretariat and the City’s Partnership office will continue to play a key role in coordination of the City’s ongoing participation in the Project.



2. The parties acknowledge that the first phase of the Project will be constructed on lands which are part of the Fort York National Historical Site plus a trail connection to Spadina Avenue (construction on a mix of City and private lands).
3. While Fort York and the Project have different missions, the shared site presents significant opportunities for the City, through its Fort York museum, and the Non-Profit Entity to build a close and integrated working relationship and carry out a high level of collaboration in the co-ordination of programming and the areas of event management, operation and maintenance.

### **Additional Phase of the Project**

1. The City, Toronto Waterfront and the Design Team will continue in their roles with respect to the construction of all additional phases of the Project. During the construction of the additional Phases of the Project, the Foundation will advise the Steering Committee on design, branding, activation and public engagement activities.

### **Waterfront Toronto**

1. Subject to agreement on the terms of an Amendment to the MOU for the basis of the delivery of future work by Waterfront Toronto, Waterfront Toronto will continue the build out of the Project including playing the key role in design, approvals, procurement, and construction of future phases of the Project and, in consultation with the Foundation, Waterfront Toronto will also be responsible for public consultation related to capital improvements.
2. Waterfront Toronto will assist in managing relationships to the emerging network of waterfront public spaces and in facilitating the implementation of such network.

### **Non-Profit Entity**

1. A Non-Profit Entity will be incorporated, and the initial Board formed as soon as possible once the amendment to the MOU is executed.
2. The Non-Profit Entity will be run by a Board which initially may have a limited number of directors. Eventually the Non-Profit Entity will change the composition of its Board to include directors from the City of Toronto (specifically, two councillors from the City of Toronto Council in those wards in closest proximity to the Project, currently Wards 19 and 20), the Foundation, Waterfront Toronto, surrounding residential communities and other independent parties. It is intended that once the Non-Profit Entity is fully established, a majority of the directors will be not be from the City, Waterfront Toronto and the Foundation, taken together. The role of the Non-Profit Entity will be managing in the longer term the programming, operation and maintenance (“POM”) for all phases of the Project.
3. After completion of all phases of construction of the Project, the Foundation intends to assign in whole its interest in the MOU to the Non-Profit Entity after first obtaining the

City and WT's consent. Following such assignment, the role of the Non-Profit Entity will include replacing the Foundation representative on the Steering Committee.

4. For a period of up to 18 months, Artscape, a non-profit organization based in Toronto, may be retained to assist the Non-Profit Entity in developing and planning of POM.
5. Initially as assisted by Artscape and in the long term, the Non-Profit Entity will take the lead role in preparing for post-construction programming including providing a platform for a wide range of programming: festivals, markets, performances (theatre dance, music), community ideas, free artistic space, sports and recreation, and repose. There will also be larger exhibitions and signature events that will be commissioned (several times a year depending on budget).
6. The Foundation understands and agrees that from time to time there may be public events beyond those involving the City or Fort York that may occur in the vicinity of the Project. The Non-Profit Entity may need to coordinate its activities in delivering POM for the Project with those other public events.
7. The Foundation understands and agrees that from time to time the City may need to undertake repair, maintenance and/or rehabilitation work on the Gardiner Expressway above the Project area that could affect the POM for the Project.
8. The Non-Profit Entity will employ an executive director and appropriate support staff as needed for programming, operations, financial administration, communications and resource development.
9. The Non-Profit Entity will manage budgets for programming, operations and maintenance, and implement strategies related to marketing and communications and in respect of the those parts of the Project in proximity to the Fort York National Historic site in consultation with Fort York.
10. The Non-Profit Entity will enter into land access and other agreements with the City which will enable it, in turn, to operate the space and license it to other third parties in keeping with the Project purposes, subject to (i) the City's right to interrupt such uses for purposes identified in section 6.2(c) of the MOU; (ii) compliance with the City's obligations pursuant to the City of Toronto Act, 2006 and applicable City policies; and (iii) such other reasonable terms as may be required by the City to ensure the coordination of uses and projects in this area. In connection with the operation and maintenance of the Project, the Non-Profit Entity will explore the entering into of service agreements on a competitive basis with appropriate City divisions and/or other third parties.

## **POM**

1. The parties agree that for the Project to be successful, the Plan must include an ongoing standard of high quality POM with a budget based on best practices and relevant precedents and carried out in a fiscally responsible manner.

## **Funding**

1. The Foundation will provide the remaining donor contribution of \$20.5 million according to the following schedule:

31 July 2016	\$4,000,000
1 October 2016	\$8,500,000
1 June 2017	\$8,000,000

Funds will be held in the reserve fund specially created for this project.

2. The City will provide \$10 million in capital funding in 2017.
3. As a result of the City's capital contribution indicated above, \$10 million of the Foundation's contribution indicated above will be used to support the annual POM operating budget including the services of Artscape for an eight year start-up period, as per the following schedule (assumes a July 1 to June 30 fiscal year):

2016/17	\$2,000,000
2017/18	\$1,800,000
2018/19	\$1,600,000
2019/20	\$1,300,000
2020/21	\$1,000,000
2021/22	\$800,000
2022/23	\$750,000
2023/24	\$750,000

4. In addition to the \$10 million in POM funds made available by the City's capital contribution, the Foundation initially and the Non-Profit Entity thereafter will seek to secure additional funding for the annual POM operating budget from earned revenues, sponsorships and philanthropy.
5. In consideration of the City's capital contribution allowing for a portion of the donated funds to now be used for POM funding, the Non-Profit Entity will:
  - provide an annual report that will set out, among other things, in reasonable detail how much non-City money was received/raised in the prior year; and
  - remain at all times in operation, in good standing, and in compliance with all applicable laws including but not limited to corporate governance laws and income tax laws.
6. The parties agree to renegotiate the termination provisions of 13.1 of the MOU in light of this Plan. Such negotiation and amendments will be completed prior to the City entering

into any land access or other agreement with the Non-Profit entity contemplated by paragraph 11 of the title "Non-Profit Entity" above.

7. The parties acknowledge the need for sustainable and predictable funding for the project beyond the eight year start-up period. City Council will direct staff to work with the Non-Profit Entity to establish a viable long-term funding strategy by the end of June 2021.