

Rehabilitation of Western Channel Dockwall and Adjacent Waterfront Lands

Date: March 9, 2018

To: Executive Committee

From: Deputy City Manager, Cluster B; Deputy City Manager, Internal Corporate Services

Wards: 20

SUMMARY

This report provides recommendations that will implement two important capital improvement projects identified in the Bathurst Quay Streetscape and Public Realm Improvement Plan: the rehabilitation of the Western Channel dockwall; and the rehabilitation of open space at the Canada Malting property (5 Eireann Quay).

The Bathurst Quay Streetscape and Public Realm Improvement Plan was created per City Council direction related to the adoption of the Bathurst Quay Neighbourhood Plan in July 2017. From the City assets studied for improvement, the Improvement Plan proposed six distinct but overlapping near-term capital improvement projects, each with their own separate scope, approvals, timelines, budget, and funding sources. Two of these six proposed near-term capital improvement projects require Council direction related to funding and approvals.

The first project is the rehabilitation of the Western Channel dockwall. Due to deterioration from exposure to wind, ice and wave conditions, a significant portion of the dockwall has been closed to public access. In May 2014, Council adopted a recommendation to establish a capital project for the rehabilitation of the dockwall between the Portland Slip and the airport ferry slip, in order to restore public access and improve safety.

This dockwall rehabilitation project must proceed ahead of other planned improvement projects because of construction access and staging issues. The project has been estimated at \$7.72 million. Detailed design has been completed and construction can begin by Autumn 2018. In May 2014, Council directed the Toronto Port Lands Company to declare a \$3 million special dividend for this project. Additional funding includes a Ports Toronto commitment of \$0.5 million and City funding of \$1 million for this project. Staff recommend that the balance of the funding (\$3.22 million) be secured from the Environmental Liability Reserve Fund, a reserve established in 1994 for the remediation of City-owned central waterfront properties.

The second project is the rehabilitation of open space at the Canada Malting property, north of the Western Channel dockwall. A majority of the site is currently under-utilized, containing transportation uses and the remnants of a construction staging area. The project will almost double the public open space on the property (to approximately 2.5 acres or 1 ha), consistent with the property's Official Plan Open Space designation.

The project has been estimated at \$2.33 million for detailed design, environmental remediation and construction. \$1.132 million in funding has been secured from a Section 37 contribution. Also, Ports Toronto has committed \$0.6 million. Staff recommend that the balance of the funding (\$0.598 million) be secured from the Environmental Liability Reserve Fund. Over the next year staff will continue to seek additional funding from Section 37 and other sources (approximately \$1 million), so that the open space can be finished with landscape pavers (instead of limestone screenings).

Both projects are described further in the Comments section of this report.

RECOMMENDATIONS

The Deputy City Manager, Cluster B, and the Deputy City Manager, Internal Corporate Services, recommend that:

1. City Council authorize the transfer of \$3.220 million from the Environmental Liability Reserve Fund (XR1045) to the Facilities, Real Estate, Environment & Energy (FREEE) 2018 - 2027 Capital Budget and Plan under capital project #CCA229-14, the Western Channel dockwall project.
2. City Council authorize the Deputy City Manager, Cluster B, and the Deputy City Manager, Internal Corporate Services, to adjust the Facilities, Real Estate, Environment & Energy (FREEE) 2018 - 2027 Capital Budget and Plan by \$3.820 million, with cash flows of \$1.500 million in 2018 and \$2.320 million in 2019, for project #CCA229-14, the Western Channel dockwall project, funded through the following adjustments:
 - a. \$3.220 million from the Environmental Liability Reserve Fund (XR1045); and
 - b. \$0.600 million from the Toronto Port Lands Company (TPLC) to reflect TPLC's entire project dividend in FREEE's 2018 - 2027 Capital Budget and Plan.
3. City Council authorize the transfer of \$0.598 million from the Environmental Liability Reserve Fund (XR1045) to the Waterfront Revitalization Initiative 2018 - 2027 Capital Budget and Plan under capital project #CWR003-28, for costs associated with the rehabilitation of open space at the City-owned Canada Malting property.
4. City Council authorize the Deputy City Manager, Cluster B, and the Deputy City Manager, Internal Corporate Services, to adjust the Waterfront Revitalization Initiative 2018 - 2027 Capital Budget and Plan by \$1.198 million, with cash flows of \$1.198

million in 2019, for project #CWR003-28, the rehabilitation of open space at the City-owned Canada Malting property, funded through the following adjustments:

- a. \$0.598 million funding from the Environmental Liability Reserve Fund (XR1045); and
- b. \$0.600 million from a Ports Toronto contribution.

FINANCIAL IMPACT

The Western Channel dockwall project has been estimated at \$7.720 million. In 2014, City Council directed the Toronto Port Lands Company to declare a \$3.000 million special dividend for this project. Ports Toronto has committed \$0.500 million to the project, and \$1.000 million in City funding is currently reflected in the Facilities, Real Estate, Environment & Energy (FREEE) 2018 - 2027 Capital Budget and Plan. Staff recommend that the balance of project funding (\$3.220 million) be secured from the Environmental Liability Reserve Fund (XR1045), established in 1994 for environmental testing and the remediation of City-owned central waterfront properties (presently with \$3.818 million in uncommitted funds).

Currently, the FREEE 2018 - 2027 Capital Budget and Plan includes total project costs and funding of \$3.900 million for the Western Channel dockwall. The budgeted funding includes City funding of \$1.000 million, Ports Toronto funding of \$0.500 million and \$2.400 million pertaining to the Toronto Port Lands Company \$3.000 million special dividend. A budget amendment is required to reflect the remaining \$0.600 million in FREEE's 2018 - 2027 Capital Budget and Plan. Staff recommend that Council adjust FREEE's 2018 - 2027 Capital Budget and Plan with an increase of \$3.820 million in project costs, of which \$3.220 million will be funding transferred from the Environmental Liability Reserve Fund, and \$0.600 million will be the remaining portion of the Toronto Port Lands Company's special dividend, with adjusted cash flows of \$1.500 million in 2018 and \$2.320 million in 2019 for project #CCA229-14.

The rehabilitation of open space at the City-owned Canada Malting property has been estimated at \$2.330 million. \$1.132 million in funding has been secured from a Section 37 contribution. Also, Ports Toronto has committed \$0.600 million. Staff recommend that the balance of the funding (\$.598 million) be secured from the Environmental Liability Reserve Fund.

Currently, the Waterfront Revitalization Initiative 2018 - 2027 Capital Budget and Plan includes total project costs and Section 37 funding of \$1.132 million. Staff recommend that Council adjust the Waterfront Revitalization Initiative 2018 - 2027 Capital Budget and Plan with an increase of \$1.198 million in project costs, of which \$0.598 million will be transferred from the Environmental Liability Reserve Fund and \$0.600 million will be a Ports Toronto contribution, with an adjusted cash flow of \$1.198 million in 2019 for project #CWR003-28.

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

DECISION HISTORY

On November 30, 2009, Toronto City Council adopted a series of recommendations from the Deputy City Manager and Chief Financial Officer contained in a report entitled "Preservation of the Former Canada Malting Silos and Phased Development Plan for Silos Site - 5 Eireann Quay":

<https://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-24719.pdf>

At its meeting of January 26 and 27, 2011 City Council approved By-law 32-2011, to designate the property at 5 Eireann Quay (The Canada Malting Complex) as being of cultural heritage value or interest under Part IV of the Ontario Heritage Act. The designated property encompasses the majority of land east of Eireann Quay to the Portland Slip, south of the Waterfront Neighbourhood Centre to the lake. The site includes the Canada Malting Silos, the Silos Administration Building, as well as a baseball diamond, Ireland Park and the taxi corral. The By-law is available on the City website at:

<http://www.toronto.ca/legdocs/bylaws/2011/law0032.pdf>

On July 12, 2011, City Council adopted a series of recommendations from the City Manager contained in a report entitled "Toronto Port Authority Pedestrian Tunnel and Related Issues". With respect to the 5 Eireann Quay property, Council permitted Ports Toronto to move commercial parking, taxi queuing and other parking uses to the Canada Malting Site in exchange for a reciprocal lease arrangement with the City of Toronto's Parks, Forestry and Recreation division at the Ports Toronto-owned 8 Unwin Avenue property. Council also directed City staff to work with Ports Toronto to explore longer term solutions for traffic management in the Bathurst Quay community, including the potential use of City-owned lands. More information on this decision is available on the City's website at:

<https://www.toronto.ca/legdocs/mmis/2011/cc/bgrd/backgroundfile-39523.pdf>

In April 2014, City Council directed staff create a capital project for the rehabilitation of the Western Channel dockwall at a total cost of \$6.5 million, with \$3.0 million to be funded by the City (via a contribution from the Toronto Port Lands Company), and \$0.5 million from Ports Toronto. Remaining project costs were to be sought from funding partners at the Province of Ontario and the Government of Canada. Council also directed that ownership of the remaining "unpatented" portion of the dockwall structure be transferred to the City upon project completion. More information on this decision is available on the City's website at:

<https://www.toronto.ca/legdocs/mmis/2014/ex/bgrd/backgroundfile-68387.pdf>

At its meeting of July 7, 8 and 9, 2015 City Council considered a Status Report on the Bathurst Quay Neighbourhood Plan Study and adopted Preliminary Directions in relation to improving the open space network, parks and community facilities, and the Canada Malting property. The Status report is available on the City's website at:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.TE7.60>

On July 4, 2017, Toronto City Council adopted the Bathurst Quay Neighbourhood Plan, and directed City staff to provide an update report on an implementation and consultation strategy for near-term (i.e. 1-5 year) capital improvement projects recommended in the Bathurst Quay Neighbourhood Plan. This near-term strategy is known as the Bathurst Quay Streetscape and Public Realm Improvement Plan. More information on this decision is available on the City's website at:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.TE25.55>

COMMENTS

On July 4, 2017, City Council adopted the Bathurst Quay Neighbourhood Plan, and directed staff to create an inter-divisional, inter-agency master plan team to explore long-term options for revitalization of the City-owned Canada Malting property at 5 Eireann Quay. This planning process will explore the long-term potential for the integrated redevelopment of: rehabilitated silo structures; an expanded community centre with City of Toronto aquatic facility; a shared underground parking structure consolidating airport and community parking, as well as existing pick-up/drop-off functions; and, expanded waterfront open spaces. Work on this long-term master plan process will begin following the adoption of this report.

Council also requested, in advance of these long-term planning and implementation efforts, that City staff prepare a strategy for near-term streetscape and public realm improvements in the Bathurst Quay neighbourhood. That near-term strategy, known as the Bathurst Quay Streetscape and Public Realm Improvement Plan, proposed a total of six distinct but overlapping near-term capital projects, each with their own separate scope, approvals, timelines, budget, and funding sources. Two of these six proposed near-term capital improvement projects (described in detail below) are the subject of this report.

Rehabilitation of the Western Channel Dockwall

The Western Channel provides access to the Inner Harbour south of Eireann Quay (Bathurst Street south of Queen's Quay). The Western Channel dockwall structure was built in 1912 by the Toronto Harbour Commission. Due to deterioration from constant exposure to wind, ice and wave conditions, portions of the dockwall have been closed to public access. For construction access and staging purposes, dockwall rehabilitation is a necessary first phase of the six improvement projects proposed in the Bathurst Quay Streetscape and Public Realm Improvement Plan.

The City of Toronto and Waterfront Toronto completed a dockwall rehabilitation project along the adjacent Portland Slip in 2010. In 2013, a City engineering assessment confirmed that the dockwall at the south edge of the 5 Eireann Quay property is structurally sound, however, encapsulation and rehabilitation of the concrete cap is necessary to prevent further deterioration and to facilitate public access. In May 2014, Council adopted a recommendation to establish a capital project for this work. Also, Council recommended at the time that City staff investigate cost-sharing opportunities

with other levels of government, and that ownership of the remaining "unpatented" portion of the dockwall be transferred to the City upon completion of the work.

The project involves encapsulation of the existing dockwall within a new dockwall face, offset approximately 1.0 metre in front of the existing structure. Existing surface concrete will be replaced with a promenade walkway consistent with recent Portland Slip dockwall improvements, thereby providing a continuous water's edge link from the Martin Goodman Trail to both Ireland Park and planned open space improvements on the adjacent Canada Malting lands.

The total project cost for these repairs was originally estimated at \$6.5 million in 2014. Accounting for inflation and escalated project costs, the total project cost is currently estimated at \$7.72 million. Detailed design has been completed and construction can begin by Autumn 2018. The project is expected to take approximately twelve months to complete. City staff have investigated a number of potential cost-sharing opportunities with other levels of government, though have been unable to secure funding, and are proposing to utilize a reserve fund in order that this priority project may proceed.

In May 2014, Council directed the Toronto Port Lands Company to declare a \$3 million special dividend for this project. Also, Ports Toronto has committed \$0.5 million. In addition, the Facilities, Real Estate, Environment & Energy 2018 - 2027 Capital Budget and Plan includes \$1 million in funding.

City staff have identified an eligible reserve fund (Environmental Liability Reserve Fund #XR1045), established in 1994 for the testing, remediation and repair of City-owned central waterfront properties. That reserve presently has \$3.818 million in uncommitted funds. Staff are seeking Council approval to transfer \$3.22 million in eligible funds from the reserve fund in order to finance the balance of this capital project and begin construction in Autumn 2018.



Photo of restricted public access to Western Channel dockwall

Rehabilitation of Open Space on the Canada Malting Property

The Canada Malting property at 5 Eireann Quay is a City-owned 3.7 acre (1.5 ha) property. The property has been the subject of numerous re-use proposals over many years. It is presently occupied by transportation uses and the remnants of a construction staging area. These current uses bisect the site and prohibit through pedestrian access from the Martin Goodman Trail south to Ireland Park, the Silos Administration Building, and the water's edge; and further, create a general impression of disrepair in the heart of the Bathurst Quay neighbourhood. The vision of the Bathurst Quay Streetscape and Public Realm Improvement Plan, consistent with the property's Official Plan Open Space designation, is for an expansion of public open space for residents of the Bathurst Quay neighbourhood and waterfront visitors. The project will almost double the public open space on the property (to approximately 2.5 acres or 1 ha)

A concept plan has been prepared that involves the removal of airport short-stay parking and the construction staging remnants from the property. Further, the existing taxi corral will be reduced overall in size and enclosed by a modest fence with landscaping. A reconfigured surface parking lot with bus lay-by will be shared by airport, school, and community centre visitors, clients and staff. This reduction and rationalization of existing uses on the site affords the opportunity to expand and rehabilitate open spaces that will support new outdoor event programming on the waterfront. The project will improve access to Ireland Park and the water's edge, and create new seating, pedestrian-scaled lighting, community garden space, and other features, on a current brownfield site.

A Record of Site Condition approvals process (inclusive of environmental testing and monitoring, as well as remediation and risk assessment strategies) was started in December 2017. Detailed design will commence later in 2018 and involve consultation with stakeholders and the public. Construction will commence following the completion of necessary environmental approvals.

The project has been estimated at \$2.33 million for detailed design, environmental remediation and construction. To-date, \$1.132 million in funding has been secured from a Section 37 contribution, and Ports Toronto has committed \$0.6 million. Staff recommend that the balance of the funding (\$0.598 million) be secured from the Environmental Liability Reserve Fund. Over the next year staff will continue to seek additional funding from Section 37 and other sources (approximately \$1 million), so that the open space can be finished with landscape pavers (instead of limestone screenings).

Conclusion

With adoption of the recommendations contained in this report, City staff will begin implementation of the capital improvement projects contained in the Bathurst Quay Streetscape and Public Realm Improvement Plan, with construction starting on the Western Channel dockwall project in Autumn 2018. Other capital improvement projects contained in the Improvement Plan but not described in this report have separate municipal and/or partner funding previously secured, and do not require Council direction at this time.

On a go-forward basis, City staff will begin coordination of an inter-divisional, inter-agency master plan team for coordination of long-term capital project planning on the Canada Malting property. This work will be the subject of a future report to Council as appropriate.

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SIGNATURE

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ATTACHMENTS

Attachment 1 - Location of Western Channel Dockwall and 5 Eireann Quay Lands

Attachment 1:
Location of Western Channel Dockwall and 5 Eireann Quay Lands

