



## REPORT FOR ACTION

### Authority to Enter into Leases and Licences for Nominal Consideration for the Port Lands Flood Protection Project

**Date:** May 20, 2020

**To:** General Government and Licencing Committee

**From:** Executive Director, Corporate Real Estate Management

**Wards:** Ward 10 - Spadina-Fort York and Ward 14 - Toronto-Danforth

#### SUMMARY

---

The purpose of this report is to authorize staff to grant leases and licences for up to five years, for nominal consideration, to Waterfront Toronto and to utility providers, as required, for construction-related activities related to the Council approved Port Lands Flood Protection Project (the "PLFPP"). The PLFPP will be under construction until approximately 2024.

#### RECOMMENDATIONS

---

The Executive Director, Corporate Real Estate Management, recommends that:

1. City Council severally authorize each of the Executive Director, Corporate Real Estate Management and the Deputy City Manager, Corporate Services, in consultation with the Director, Waterfront Secretariat, to approve the grant of leases and licences of City of Toronto property ("City property") for up to five years, for nominal consideration, to perform work in connection with the Port Lands Flood Protection Project, to:
  - a. Waterfront Toronto, and,
  - b. Parties, approved by Waterfront Toronto, for the purpose of providing utilities.
2. City Council severally authorize each of the Executive Director, Corporate Real Estate Management and the Deputy City Manager, Corporate Services, to execute such leases and licences, and any ancillary documents on behalf of the City of Toronto.

## **FINANCIAL IMPACT**

---

There are no financial implications resulting from this approval. The leases and licenses contemplated for approval by delegated authority in this report are for nominal consideration. Funding for the construction of the PLFPP is provided to Waterfront Toronto by the three levels of government based on the terms defined in the Tri-Government Contribution Agreement.

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

## **DECISION HISTORY**

---

At its meeting on November 8, 2016, City Council directed the Mayor, the City Manager and the Deputy City Manager, Cluster B, to request the Government of Canada and the Province of Ontario to commit equal funding for the PLFPP. By approval of EX18.3, City Council directed staff to identify funding for the City of Toronto's one-third share of the PLFPP's cost after receiving the findings of the Port Lands Flood Protection due diligence review.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.EX18.3>

As part of the 2018 Budget process, City Council adopted the report of December 5, 2017 from the Deputy City Manager, Cluster B and the Acting Chief Financial Officer, titled "Port Lands Flood Protection". The report authorized the Deputy City Manager Cluster B, or his delegate, in consultation with the Acting Chief Financial Officer, to execute a Contribution Agreement with the Federal and Provincial governments and Waterfront Toronto for Port Lands Flood Protection, based substantially on terms attached to the report.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.BU39.1>

## **COMMENTS**

---

In May 2018, the City of Toronto (the "City") entered into a Tri-Government Contribution Agreement with Waterfront Toronto to construct the PLFPP. The PLFPP is currently under construction and completion is scheduled for 2024. The PLFPP is overseen by an Executive Steering Committee comprised of executive level staff from the City of Toronto, Waterfront Toronto, the Toronto and Region Conservation Authority and CreateTO.

As the PLFPP advances, it is becoming clear that multiple lease or licence agreements for nominal value are required. The Executive Director, Corporate Real Estate Management currently has authority to approve lease and licence agreements for less than market value for terms of up to one (1) year. To permit due diligence investigations and site preparation activities, the City has already entered into several licence

agreements with Waterfront Toronto through the City's delegated authority approval process for real estate matters. Many PLFPP components, however, require use of City-owned property for the duration of the PLFPP, currently targeted for completion in 2024.

Given the scale of construction activity associated with the PLFPP, a streamlined approvals process is recommended to mitigate the number of reports to City Council between now and PLFPP's anticipated completion in 2024. Since this infrastructure project has already received City Council endorsement, City staff recommend that authority be delegated to execute lease or licence agreements with Waterfront Toronto and various utility companies, as necessary, to allow them to undertake work associated with the PLFPP on City lands. Such leases and licences will be granted in the City's capacity as land owner, and will not impact any permits or approvals required for the work from the City in its regulatory capacity.

The City will be required to grant various leases or licences to Waterfront Toronto throughout the duration of the PLFPP permitting access for various activities, including but not limited to due diligence investigations, site preparation and construction activities. Currently, the City is in discussions with Waterfront Toronto with respect to lease and licence needs related to the Sediment and Debris Management Area ("SDMA") subproject, which requires widening and deepening the Don River north of Lake Shore Boulevard and constructing a dredging system to remove ongoing sediment and debris accumulation from the Don River. Construction of the SDMA is scheduled to begin in July, 2020, and as such, a licence for up to an additional five-year term will be required to allow Waterfront Toronto access onto City property. Further, the establishment of new parks south of Commissioners Street, River Park North and River Park South, may require leases or licences to Waterfront Toronto to facilitate construction.

The Waterfront Secretariat has been consulted on the contents of this report and agrees with the recommendation for a streamlined approvals process.

## **CONTACT**

---

Alison Folosea, Director, Transaction Services, Corporate Real Estate Management, 416-338-6943, [Alison.Folosea@toronto.ca](mailto:Alison.Folosea@toronto.ca)

David Stonehouse, Director, Waterfront Secretariat, City Planning Division, 416-392-8113, [David.Stonehouse@toronto.ca](mailto:David.Stonehouse@toronto.ca)

Ray Mickevicius, Director, Real Estate Law, Legal Services, 416-392-3912, [Ray.Mickevicius@toronto.ca](mailto:Ray.Mickevicius@toronto.ca)

**SIGNATURE**

---

Patrick Matozzo  
Executive Director, Corporate Real Estate Management

**ATTACHMENTS**

---

Appendix A - Map of Port Lands Flood Protection Project

## APPENDIX A - Map of Port Lands Flood Projection Project

### Port Lands Flood Protection What Are We Building?

