TORONTO

REPORT FOR ACTION

Ontario Place Redevelopment Update

Date: May 17, 2021 To: Executive Committee

From: Deputy City Manager, Infrastructure and Development Services

Wards: All

SUMMARY

This report provides an update on staff's engagement with the Province to date, as directed by Council, on the Province's multi-year process to redevelop Ontario Place, and recommends entering into a "Province of Ontario - City of Toronto Engagement on the Future of Ontario Place and Exhibition Place Terms of Reference" (ToR) to set up a structured engagement process on a go forward basis. Through this process, the City will work with the Province in a cooperative and coordinated manner on the next phases of the Ontario Place redevelopment to optimize the potential of the Ontario Place and Exhibition Place sites and to achieve outcomes that are consistent with the City's legacy of careful waterfront planning. The full ToR is attached as Appendix 1 to this report.

On January 18, 2019, the Province, led by the Ontario Ministry of Heritage, Sport, Tourism and Culture Industries (MHSTCI) and supported by Infrastructure Ontario (IO), declared its intention to identify potential private sector partners to support the comprehensive redevelopment of Ontario Place. Subsequently, on May 28, 2019, the Province launched a request for development concepts, the "Call for Development", requesting ideas from a potential partner (or partners) to deliver transformational change aligned with the Province's vision for the site as a "world-class, year-round destination with global appeal that would attract local, provincial and international visitors". The original deadline for submissions was September 3, 2019, later extended by the Province until September 24, 2019 (see Appendix 2 for documents issued by the Province). The Province has advised that it has concluded its Call for Development process and will soon be announcing the outcome.

On March 5, 2021, the Province also appointed former Toronto Police Chief Mark Saunders as a special advisor to Ontario Place, with a mandate to "work closely with the City of Toronto and Indigenous communities, as well as stakeholders and businesses involved in the redevelopment project" and indicated that the Province would be sharing additional information this spring (see Provincial news release at: https://news.ontario.ca/en/release/60584/province-appoints-mark-saunders-as-ontario-place-special-advisor).

At its May 14, 2019 meeting, City Council directed the City Manager and the Deputy City Manager, Infrastructure and Development Services to engage with the Province on their plans to redevelop Ontario Place. Specifically, City Council adopted a series of Guiding Principles for the Revitalization of Ontario Place that were recommended by Toronto-East York Community Council on April 24, 2019. The Guiding Principles were based on the Central Waterfront Secondary Plan themes of: Removing Barriers/Making Connections, Building a Network of Spectacular Waterfront Parks and Public Spaces, Promoting a Clean and Green Environment, Creating Dynamic and Diverse New Communities, and Openness and Transparency. Key elements of the Guiding Principles include (see Appendix 3 for the full list of Guiding Principles):

- Exploring opportunities to reduce the barrier effect of Lake Shore Boulevard West between Exhibition Place and Ontario Place.
- Exploring opportunities to consolidate surface parking in order to create a more walkable and transit-supportive environment.
- Securing and enhancing public access to the Ontario Place shoreline.
- Retaining Trillium Park and William Davis Trail as key place-making features.
- Consulting with Indigenous peoples on opportunities for Indigenous placemaking.
- Improving transit and access to, from and between Ontario Place and Exhibition Place.
- Including a mix of non-residential uses and activities that reflect Ontario Place's waterfront location and its status as a showcase and destination.
- Making decisions through a public process with full transparency of government decision-making processes.

In addition, Council requested staff to:

- Engage the Province of Ontario to develop a strategy to "jointly plan the future of Ontario Place and Exhibition Place in a collaborative, co-operative, and consultative manner with all stakeholders".
- In developing the joint strategy, consider the following matters, including: the Central Waterfront Secondary Plan and Festival Plaza Master Plan, Exhibition Place's Strategic Plan and emerging Master Plan, public transit initiatives and traffic congestion concerns, utility infrastructure capacity, cooperative approaches and operating efficiencies for both sites, and Heritage Statements of Significance.
- In consultation with the Province, develop a robust consultation process to engage residents of Toronto in the evaluation of potential options to revitalize Exhibition Place and Ontario Place.

Based on Council direction, City staff entered into discussions, under the parameters of the Toronto-Ontario Cooperation and Consultation Agreement, with staff from MHSTCI and IO, resulting in the development of draft Terms of Reference to govern engagement between the two parties on the future of the Ontario Place and Exhibition Place sites.

The Province's Ontario Place Call for Development was overseen by IO, an independent agency of the Government of Ontario and structured as a three-phase process:

- 1. In-market period and receipt of submissions to the Province;
- 2. Assessment of submissions; and
- 3. Confidential commercial negotiations and selection of a partner (or partners).

City staff did not participate in this process and have not, to date, had the opportunity to review the submissions of the participants that have been selected by the Province.

To date, staff have taken every opportunity to convey Council's direction and interests and inform the process, although ultimately it has been up to the Province to decide how to use the City's input. Staff have approached engagement to date with consideration for the Guiding Principles that Council adopted with respect to Ontario Place and Exhibition Place revitalization. Preliminary discussions have focused on:

- Development of the "Province of Ontario City of Toronto Engagement on the Future of Ontario Place and Exhibition Place Terms of Reference."
- Municipal planning approvals and related permitting processes.
- Opportunities to align Ontario Place redevelopment with adjacent opportunities at Exhibition Place, including site servicing, joint programming, last-mile transit solutions, and ongoing master planning at Exhibition Place.
- The need for the site's public realm to be planned holistically, to set the context for the site's islands and heritage, as well as waterfront access and connectivity.
- Management of cultural heritage resources, including buildings, landscapes and archaeological resources.
- Engagement of treaty and territorial partners as well as urban Indigenous communities, and opportunities for Indigenous design and programming.
- The importance of public and stakeholder engagement, review and input to support the planning and redevelopment of the site.

On a go forward, staff recommend entering into the "Province of Ontario - City of Toronto Engagement on the Future of Ontario Place and Exhibition Place Terms of Reference" (ToR) to set up a structured engagement process to work with the Province on the next phases of Ontario Place redevelopment with a view to optimizing the potential of the Ontario Place and Exhibition Place sites.

The proposed ToR sets out a framework for cooperation, coordination and engagement; it identifies opportunities for collaboration, detailing objectives, principles, roles and responsibilities, and outlines a governance structure to facilitate working together. The ToR would provide the City with a vehicle for structured engagement with the Province and set out an ongoing role for the City, including City and Exhibition Place staff.

Early issues that have been identified by MHSTCI staff as priority areas for collaboration in this next phase include:

- Site Planning, Permitting and Approvals
- Site Readiness / Conditions
- Land Requirements
- Ontario Place / Exhibition Place Linkages
- Communications and Stakeholder Engagement

 Other strategic opportunities related to joint priorities identified by the parties during the engagement process

Discussions are anticipated to result in an agreement between the City and Province on an approach to addressing these issues in a manner consistent with the shared objective and principles established through the ToR. Staff will report to Executive Committee and Council in the fourth quarter of 2021 with an update on City-Ontario engagement and a formal Toronto-Ontario agreement to optimally support the implementation of the Ontario Place redevelopment, while also advancing the long-term framework for physical change, and economic and program development at Exhibition Place. The agreement would include established responsibilities and commitments of the Province and City, including the process that will be utilized for Planning Act and Heritage Act approvals.

RECOMMENDATIONS

The Deputy City Manager, Infrastructure and Development Services recommends that:

- 1. City Council approve the proposed "Province of Ontario City of Toronto Engagement on the Future of Ontario Place and Exhibition Place Terms of Reference" as a means to continue and advance discussions with the Province of Ontario on the Ontario Place redevelopment.
- 2. City Council authorize the City Manager, in consultation with the City Solicitor, to enter into and execute the "Province of Ontario City of Toronto Engagement on the Future of Ontario Place and Exhibition Place Terms of Reference" contained in Appendix 1.
- 3. City Council request the Deputy City Manager, Infrastructure and Development Services to report back to Executive Committee in the fourth quarter of 2021 on a formal Toronto-Ontario agreement on the priority areas for collaboration on the Ontario Place redevelopment.
- 4. City Council request the Chief Planner and Executive Director, City Planning Division to report back to Executive Committee in the fourth quarter of 2021 on the process that will be utilized for Planning Act and Heritage Act approvals for the Ontario Place redevelopment.

FINANCIAL IMPACT

City Council approved the allocation of \$2 million to a corporate capital account for "Ontario Place Development Plans" through the 2015 Capital Budget. To date, approximately \$300,000 has been spent to support the Exhibition Place Master Plan process, including identifying opportunities to connect to Ontario Place. Funds from this account will be required for two temporary positions to support ongoing engagement

with the Province, and for any required technical studies. Additional costs will be identified and reported through the 2022 budget process.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial implications as identified in the Financial Impact Section.

DECISION HISTORY

On September 30, 2020, City Council adopted *TE18.42 Exhibition Place Master Plan - Phase 1 Proposals Report* which directed City Council to rely on the findings of the Phase 1 Proposals Report to: a) inform future conversations with the Province regarding the joint revitalization of Ontario Place and Exhibition Place; and b) inform future consultations with Metrolinx regarding the Ontario Line.

http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.TE18.42

On May 14, 2019, City Council adopted *EX5.1 Ontario Place/Exhibition Place Revitalization* which directed City staff to engage the Province in developing a joint strategy to plan the future of Ontario Place and Exhibition Place in a collaborative, cooperative, and consultative manner with all stakeholders, and adopted 5 Guiding Principles for the revitalization of Ontario Place.

http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2019.EX5.1

On May 14, 2019, City Council received for information *TE5.27 Ontario Place Revitalization - Results of Subcommittee Consultation, Guiding Principles and Next Steps* which considered feedback from the public that came through the Subcommittee on Ontario Place established by the Toronto and East York Community Council. http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2019.TE5.27.6

On May 14, 2019, City Council adopted *PB5.4 Inclusion on the City of Toronto's Heritage Register - 955 Lake Shore Boulevard West - Ontario Place*, which added Ontario Place to the City's Heritage Register in accordance with a Statement of Significance outlining the reasons for inclusion.

http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.PB5.4

COMMENTS

Government of Ontario - Redevelopment of Ontario Place - Call for Development Process

On May 28, 2019, the Province released a Call for Development for Ontario Place directing interested applicants to make their submissions to KPMG/Colliers International, the consultants retained by IO to manage the process. The Call for Development process was developed and managed entirely by the Province as a request for development concepts, without input from or involvement by the City.

The original deadline for submissions was September 3, 2019, later extended by the Province until September 24, 2019 (the Call for Development document issued by the

Province is attached as Appendix 2). Under the Call for Development, concepts for the Ontario Place site were subject to the following parameters, provided to the participants by the Province:

- The areas available for development include the Ontario Place islands, mainland, pods, and the Cinesphere.
- Proposals could be for a portion of the site or for the entire site.
- The Province's intent to maintain 7.5 acres of park land. Submissions that propose the use of any part of Trillium Park will be required to develop new park land of an equivalent size at the site.
- Development will be through ground lease arrangements; land sale will not be considered.
- Residential uses for the site will not be considered.
- A casino will not be considered.
- Proposals that require capital investments for planning, design or construction from the province will not be considered.
- Proposals that require operating grants from the province will not considered.

On December 2, 2020, the Province released *Reconnecting Ontarians: Re-emerging as a Global Leader,* a plan for recovery in the Heritage, Sport, Tourism and Culture industries, which noted the redevelopment of Ontario Place as "Action Item #1" and further stated that "As we modernize the grounds, key heritage and recreational features will remain, such as the Cinesphere, the pods, Trillium Park and the William G. Davis Trail".

City of Toronto - Province of Ontario Engagement

Based on City Council's direction from May 2019, City staff entered into discussions with staff from MHSTCI to advance Council's directions within the context of the Province's Call for Development process. Specifically, staff:

- Provided pertinent City studies and reports related to the Ontario Place redevelopment, including the Central Waterfront Secondary Plan, Exhibition Place Strategic Plan, Exhibition Place Cultural Heritage Landscape Assessment, Waterfront Transit Network Plan, 2011 Festival Plaza Master Plan, as well as other relevant planning guidelines of City-wide applicability. These documents were also included in the Province's Data Portal for access by all participants during the Call for Development Process.
- Conveyed City Council's adopted Guiding Principles for the Revitalization of Ontario Place, based on the Central Waterfront Secondary Plan.
- Provided an overview of the Exhibition Place Master Planning process, highlighting issues that will have implications for Ontario Place development.
- Shared details of the City's public engagement through the Subcommittee on Ontario Place's consultation, stressing the importance of engaging with stakeholders in a collaborative, co-operative and consultative manner.
- Provided feedback on the Province's proposal evaluation/assessment framework and criteria (as described in the publicly-available Call for Development). Staff noted

key elements from the City's perspective based on the Council-adopted Guiding Principles, including:

- Alignment of the proposal with Council-approved land use planning policy.
- Alignment with Heritage Statements of Significance for both sites.
- Potential to animate the site on a year-round basis, including programming for local and regular use of the site.
- Potential to be a catalyst for the entire precinct, including Exhibition Place and the Toronto waterfront.
- Public access, including to the water's edge.
- Preservation of significant parkland and open public spaces, including Trillium Park and William Davis Trail.
- Expanding and building upon the Indigenous place-making in Trillium Park.
- Protection of and enhancement of the natural environment and minimizing of lake filling.
- Environmental and economic resilience.
- Promotion of culture and tourism.
- Potential to collaborate with Exhibition Place and the City of Toronto.
- Coordination with other waterfront initiatives, including those led by City divisions and agencies and Waterfront Toronto.
- Willingness to engage broadly and substantively with the public.

Through these discussions, staff were able to convey Council's direction and interests, although ultimately it was up to the Province to decide how to use the City's input. The Province has stated that the City's input has been considered and has been valuable in its process to date.

Proposed City of Toronto - Province of Ontario Engagement

The Province of Ontario had signalled that its Call for Development process was underway and commercial negotiations were ongoing. They approached the City about setting up a formal engagement process to form a collaborative partnership to optimize the potential of the Ontario Place and Exhibition Place sites.

The Province engaged the City in developing a proposed Terms of Reference (ToR) for this engagement. The proposed ToR (attached as Appendix 1 to this report) represent an opportunity to directly engage with the Province on its redevelopment plans for Ontario Place, and enable discussions and consideration of, among other things:

- The City and the Exhibition Place Board of Governors' framework for physical change, and economic and program development at Exhibition Place (encompassed in the Exhibition Place Master Plan adopted by City Council and the Board of Governors of Exhibition Place).
- Enhanced connectivity of and access to the waterfront and other attractions, through improved transit links and revitalized and expanded open spaces and parks.
- Conservation of significant cultural heritage resources.
- Featuring Indigenous design and programming opportunities at both sites.
- Economic development in the immediate and surrounding area and economic sustainability.

- Job creation through construction and future operations.
- Environmental sustainability, and resiliency for the Ontario Place and Exhibition Place properties/sites.
- Identifying and advancing joint planning initiatives and opportunities to leverage synergies between both sites.

The proposed ToR sets out a framework for cooperation, coordination and engagement; it identifies opportunities for collaboration, detailing objectives, principles, roles and responsibilities, and outlines a governance structure to facilitate working together. The ToR would provide the City with a vehicle for structured engagement with the Province and set out an ongoing role for the City, including City and Exhibition Place staff, while also identifying key priority areas for collaboration related to the redevelopment process. Further details about the Terms of Reference are provided below.

Terms of Reference - Highlights

Scope of Work

The Scope of Work outlined in the proposed ToR includes:

- Implementation of an Ontario Place site-wide development strategy, which will take into account:
 - The Province-led delivery model.
 - Provincial legislative requirements under the Ontario Heritage Act.
 - Planning approvals and related permitting needs.
 - Site preparation works, including a site servicing solution at, across, and to the site.
 - Land requirements, including transfer/acquisition and contemplated future conveyance for parks, roads, utility easements and other works.
- Alignment of Ontario Place redevelopment with adjacent opportunities, including last mile transit solutions from the Ontario Line and connections between Ontario Place and Exhibition Place, as well as connections to public spaces, parks, trails and the broader waterfront.
- Coordinating, where applicable/appropriate, with the master planning at Exhibition Place.
- Engagement and consultation with treaty, territorial partners, urban Indigenous communities, stakeholders, and the public.

In addition, the City and Province may explore together other strategic opportunities related to other joint priorities identified during the engagement process.

Alignment of Terms of Reference with Council's Direction

City Council adopted a number of directions in May 2019 that were intended to inform the Province's redevelopment process; these have informed the proposed ToR. The following provides a high-level overview of the ToR's alignment with key Council directions.

Joint Planning

City Council directed staff to "Develop a strategy to jointly plan the future of Ontario Place and Exhibition Place in a collaborative, co-operative, and consultative manner with all stakeholders". The ToR will serve to facilitate the City and Province working together on the next phases of the Ontario Place redevelopment by providing a vehicle for structured engagement, setting out an ongoing role for the City, with City and Exhibition Place staff participating in the Executive Steering Committee, Secretariat and Technical Working Groups to optimize collaboration. In addition, the ToR will provide the means for City staff to promote the Guiding Principles adopted by City Council, and build on Council's legacy of careful waterfront planning.

Matters for Consideration

City Council directed that a joint strategy with the Province include various "matters for consideration", including key City planning documents and processes (e.g. the Central Waterfront Secondary Plan, approved Exhibition Place Strategic Plan and the Exhibition Place Master Plan adopted by City Council in September of 2020, along with next steps to advance the Master Plan), transit, infrastructure and operational considerations, and Heritage Statements of Significance. The proposed ToR are aligned with the matters identified by City Council, with many explicitly identified in the document, including consideration of municipal planning approvals and related permitting needs, and legislative requirements related to heritage.

Guiding Principles

As noted above, City Council adopted a series of "Guiding Principles for the Revitalization of Ontario Place" based on the themes in the Central Waterfront Secondary Plan. Key principles, including coordinated planning and complementary programming, synergies between the Ontario Place and Exhibition Place sites, enhanced connectivity and waterfront access, improved transit links and expanded open space and parks, are clearly reflected in the ToR.

The Province has also made public commitments to retain the Cinesphere, the pods, Trillium Park and the William G. Davis trail, in keeping with the Council-endorsed principles calling for their preservation. The Background section of the proposed ToR also references the Province's 2019 Ontario Budget commitment and the Call for Development documents which called for the site to be a year-round destination and indicated that residential developments or casinos would not be considered, in keeping with Council's vision that the site include a mix of non-residential uses and activities.

Council's vision of Indigenous placemaking is addressed through the commitment to "Feature Indigenous design and programming opportunities at Ontario Place and Exhibition Place through engagement and co-creation with Indigenous communities". The Province has committed to fulfill its Duty to Consult with Indigenous communities.

The ToR also include commitments to transparency and fairness of process (under "Shared Objective and Principles"), while also recognizing that the Province controls the procurement process.

Exhibition Place

City Council's direction clearly recognizes the interconnectedness of the Ontario Place and Exhibition Place sites, calling for consideration of existing plans and plans under development for Exhibition Place, and for the realization of natural synergies between the two sites, including with regard to infrastructure, parking, maintenance, transit and operations and programming. The ToR has been drafted to explicitly recognize these opportunities, and the Exhibition Place CEO and staff are included as members on the Executive Steering Committee and the Secretariat intended to support engagement going forward.

Heritage

City Council's May 2019 decision on Ontario Place / Exhibition Place Revitalization included listing Ontario Place on the City of Toronto's Heritage Register. The ToR explicitly references alignment with the Province's "Standards and Guidelines for the Conservation of Provincial Heritage Properties," and indicates that the "Ontario Place Statement of Cultural Heritage Value" will be used to support redevelopment planning.

Consultation

The ToR includes "Engagement of the Public/Other Stakeholders" as one of the Shared Objectives and Principles and contemplates joint consultation with the City where appropriate. The Province has indicated that it also has a broader mandate to consult province-wide, and that it will lead consultations with treaty, territorial partners and urban Indigenous communities in accordance with its Duty to Consult.

Implementation Considerations

Rules of Engagement

The engagement process will be guided by the applicable principles and provisions of the Toronto-Ontario Cooperation and Consultation Agreement (T-OCCA), renewed in September 2019, and will operate within the T-OCCA framework. This includes confidentiality provisions which would apply to the Executive Steering Committee and the working groups established under the ToR. While participants in the engagement would be bound by the confidentiality obligations contained in T-OCCA, any information created or provided in connection with the ToR would still be subject to disclosure under the requirements of the Freedom of Information and Protection of Privacy Act, where applicable.

Project Governance

The ToR provides for an Executive Steering Committee to serve as a forum for strategic-level discussions between Provincial and City staff and their respective agencies (Infrastructure Ontario and Exhibition Place). Membership would be as follows:

Province	City
 Province's Special Advisor Deputy Minister, MHSTCI Assistant Deputy Minister, Transformation and Delivery Office, MHSTCI President & CEO, Infrastructure Ontario Vice President, Commercial Advisory and Strategy, Infrastructure Ontario 	 City Manager Deputy City Manager, Infrastructure & Development Services Chief Executive Officer, Exhibition Place Chief Planner and Executive Director, City Planning

The ToR also envisions the use of technical working groups with representatives from the City, Exhibition Place, and Provincial ministries and agencies to advance the work of the project. Initial working groups are proposed to focus on:

- **Site Planning, Permitting and Approvals** Establishing a process for planning approvals and related permitting.
- **Site Readiness / Conditions** Engaging regarding site servicing upgrades and preparation works required for the broader Ontario Place / Exhibition Place precinct.
- Land Requirements Establishing a collaborative approach to align land ownership requirements to deliver the Ontario Place development concept.
- Ontario Place / Exhibition Place Linkages Pursuing shared priorities / opportunities to improve access to and connections between Ontario Place and Exhibition Place as a single precinct, including "last mile" transit solutions from the Ontario Line, complementary programming / parking, and other integration measures that meet mutual objectives.
- Communications and Stakeholder Engagement Exploring opportunities to jointly engage the public and key stakeholders.

Working group membership would be determined jointly by the City and Province as appropriate, and the groups would take direction from and report to the Executive Steering committee. A Secretariat of staff from MHSTCI, Infrastructure Ontario, the City, and Exhibition Place will develop a work plan to govern engagement activities and coordinate between the working groups and Executive Steering Committee as required.

Timelines

The Province has advised that it has concluded its Call for Development process and will soon be announcing the outcome, including details of the preferred concepts. It is proposed that principle-based discussions by the Executive Steering Committee and technical working groups proceed under the ToR, with a view to execution of a formal Toronto-Ontario agreement on priority areas for collaboration, including a co-ordinated approvals strategy for planning and development, environmental assessment, and heritage. Following execution of this agreement, the Province would sign ground leases with successful participants from its Call for Development process targeted for execution by the end of 2021/early 2022.

Report Backs

Staff will report back to Executive Committee and Council at key decision points as required. The next report back is planned in the fourth quarter of 2021 with an update on City-Ontario engagement and a formal Toronto-Ontario agreement; staff will also report on the process that will be utilized for Planning Act and Heritage Act approvals. In addition, City staff will work with Exhibition Place staff to update the Exhibition Place Board of Governors as appropriate.

Conclusion

The proposed ToR would leverage City and Ontario resources and expertise to enhance cooperation and work towards achieving the best outcomes for both Ontario Place and Exhibition Place. The Executive Steering Committee, Secretariat and working groups established under the ToR would serve as forums through which Council priorities and direction will be considered and advanced. Once the ToR is executed, the governance structure will be formalized and principles-based discussions framed around priority areas will commence, culminating with a Toronto-Ontario agreement.

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SIGNATURE

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ATTACHMENTS

- Appendix 1: Province of Ontario City of Toronto Engagement on the Future of Ontario Place and Exhibition Place Terms of Reference
- Appendix 2: Province of Ontario Call for Development Document
- Appendix 3: City Council Adopted Guiding Principles for the Revitalization of Ontario Place