

East Harbour Transit Oriented Communities Proposal: Conclusion of Negotiations and Draft Plan of Subdivision, and Approach to Next Stage

Date: June 4, 2024

To: Executive Committee

From: Deputy City Manager, Infrastructure Services

Wards: Ward 14

SUMMARY

This report presents the outcome of negotiations with the Province and Cadillac Fairview related to the East Harbour Transit Oriented Community (TOC) development. In addition, the report seeks City Council approval to conclude a series of agreements based on the negotiated terms and advises Council of the Chief Planner's intention to issue Draft Plan of Subdivision approval subject to conditions (Draft Plan Conditions). The report also seeks City Council authority to continue discussions with the Province and Cadillac Fairview on an emerging proposal to adjust the current ratio of employment and residential permissions by increasing the amount of mixed use and residential development at East Harbour.

An essential element for the East Harbour TOC development is the East Harbour Transit Hub (the Transit Hub). The Transit Hub is a priority project for the City and the Province. Along with other major infrastructure investments in the area, the Transit Hub will be an economic catalyst creating opportunities for new employment and housing development in the broader area, as well as being essential for the East Harbour TOC development. City Council provided direction in April 2022 confirming City priorities for the East Harbour TOC, including the negotiated community benefits and affordable housing. Based on this direction, City staff have negotiated an overarching approach with the Province and Cadillac Fairview that effectively addresses City interests and requirements at East Harbour.

The East Harbour TOC development is based on terms outlined in a Contribution Agreement between the Province and Cadillac Fairview. The City is not a party to the Contribution Agreement and is restricted in its ability to negotiate given the key terms pre-determined by the Contribution Agreement. The Contribution Agreement establishes several Conditions Precedent (CPs) to be satisfied in order for Cadillac Fairview to release \$300 million in cash and in-kind contributions to the City. The majority of the CPs relate to actions to be taken by the City, while certain other CPs relate to actions to be taken by the Provincial government and Metrolinx. Cash

contributions will flow through the Province to the City according to the terms of the Contribution Agreement.

In April 2022, following City Council's approval of negotiating direction, the Province issued a Ministerial Zoning Order (MZO) to give effect to the TOC, granting Cadillac Fairview residential development permissions of 302,000 square metres (3.25 million square feet) at East Harbour. With the introduction of residential development at East Harbour, City staff have been guided by an overarching objective to create a liveable, functional mixed-use community, with appropriate supportive community services and facilities, parks and open space, affordable housing, and transportation and servicing infrastructure. Key objectives for City staff have been to ensure City interests are properly reflected in the terms of agreements with the Province and Cadillac Fairview, and to effectively manage financial and other risks to the City. This includes a focus on limiting the impact of the TOC development on the remaining employment lands on the site and in the vicinity as directed by City Council.

As noted above, this report outlines the terms of several key agreements required by the CPs and seeks City Council authority to conclude and execute the agreements:

- A Site-Specific TOC Agreement between the City and the Province to set out the CPs and the manner in which the CF funds will flow to the city, details respecting Provincial and City funding commitments for infrastructure works and governance terms for the delivery of the Broadview Eastern Flood Protection project and the Broadview Avenue extension;
- A Development Agreement between the City, Cadillac Fairview and the Province related to requirements for the delivery of in-kind contributions including a community centre and two childcare centres and other aspects of the TOC development;
- An Affordable Housing Agreement between the City and Cadillac Fairview establishing the key terms for the delivery of 215 affordable housing units for 99 years at East Harbour; and
- Amendments to the existing Section 37 Agreement to reflect changes in the location and timing of the delivery of certain benefits.

The report also outlines conditions related to the Draft Plan of Subdivision and a Pre-Servicing Agreement with Cadillac Fairview. These also relate to CPs identified in the Contribution Agreement.

The New Deal between the City and Province includes terms regarding two key infrastructure projects in East Harbour – the Broadview Avenue Extension north of the rail corridor to Eastern Avenue, and the Broadview Eastern Flood Protection project. The New Deal outlines commitments to funding for the delivery of these City infrastructure projects and provides direction relating to the design approach as well as roles and responsibilities of the City and the Province. This report provides more detail on an updated approach to implementing the Broadview Eastern Flood Protection project.

The outcomes of negotiations described in this report are based on Cadillac Fairview's existing East Harbour master plan. The master plan reflects 926,000 square metres (10 million square feet) of employment development approved by City Council in 2018 and the addition of 302,000 square metres (3.25 million square feet) of residential development approved through the Provincial MZO in 2022.

Cadillac Fairview's previous employment conversion request as part of the recent Municipal Comprehensive Review is being considered by Planning and Housing Committee in June 2024 to coincide with this broader East Harbour TOC report. That report recommends the maintenance of the employment lands at East Harbour, except for the particular sites where the MZO provides for residential development.

While Cadillac Fairview has confirmed their commitment to concluding these negotiations, in late May 2024, Cadillac Fairview informed the Province and the City that with market conditions related to the office development and the costs of financing the East Harbour development, it intends to pursue with the Province further changes to the employment lands to allow more mixed use and residential development.

The City has been clear throughout these TOC negotiations that any future change in the balance of residential and employment permissions on the East Harbour site will require additional affordable housing and other community benefits. This report seeks guidance for City staff discussions with the Province and Cadillac Fairview. City staff will report back to City Council with further information on the Cadillac Fairview proposal as it becomes available and will seek any required City Council direction.

Several initial City conditions are fundamental to this discussion and should be articulated to the Province and Cadillac Fairview as discussions begin. City staff recommend that City Council endorse several key conditions related to any changes to allow more residential development:

- Depending on the proposed density increase, City Council has set a target of 20% of all new housing units as affordable housing on the same 99 year affordability period as the affordable housing provided for the first part of the East Harbour TOC;
- The provision of additional community benefits at a rate of up to 10% on the new development, depending on what the market can bear
- A firm commitment to the protection of employment development, the phasing of employment development to coincide with residential development, and a specific approach to develop the film sector at East Harbour
- A commitment to fully integrate the Keating Lands into the revised East Harbour master plan and to acquire the lands to support important benefits, including an increase in affordable housing and expanding the Community Recreation Centre.

RECOMMENDATIONS

The Deputy City Manager, Infrastructure Services recommends that City Council:

1. Authorise the City Manager, in consultation with the Chief Planner and Executive Director, City Planning, the Executive Director, Transit Expansion, General Manager, Transportation Services and the City Solicitor to conclude negotiations and enter into and execute a site-specific Transit Oriented Communities agreement with the Province of Ontario as represented by the Minister of Infrastructure and the Ontario Infrastructure and Lands Corporation, including provisions relating to the transfer of funding provided by Cadillac Fairview and the Province for the construction of new City infrastructure and coordination of infrastructure projects in the area, based on the terms outlined in *Attachment 2* and such other terms and conditions satisfactory to the City Manager, on condition that the Contribution Agreement between the Province and Cadillac Fairview (the "Owner") is amended as necessary to ensure consistency with the terms of site-specific Transit Oriented Communities Agreement and that the Transit Services/ Operating Agreement has been entered into between Metrolinx and Cadillac Fairview, and to enter into any such ancillary or related agreements, amendments, extensions and renewals as may be necessary, on such terms and conditions as are satisfactory to the City Manager in consultation with the above named City officials, all in a form satisfactory to the City Solicitor.
2. Authorize the City Manager in consultation with the Deputy City Manager, Infrastructure Services and the City Solicitor to conclude negotiations and execute Project Delivery Agreements with Waterfront Toronto, on terms and conditions satisfactory to the Deputy City Manager, Infrastructure Services, and in a form satisfactory to the City Solicitor, for the full implementation of the Preferred Design of the Broadview Eastern Flood Protection project Environmental Assessment, including completion of design and construction, subject to City Council budget approvals.
3. Authorise the City Manager, in consultation with the Chief Planner & Executive Director, City Planning, the General Manager, Parks, Forestry and Recreation, the General Manager, Children's Services and the City Solicitor to conclude negotiations, enter into and execute a Development Agreement with Cadillac Fairview and the Province of Ontario as represented by the Minister of Infrastructure and the Ontario Infrastructure and Lands Corporation to secure among other matters two childcare centres and a community recreation centre, based on the terms outlined in Attachment 3 and such other terms and conditions satisfactory to the City Manager and in a form satisfactory to the City Solicitor.
4. Authorise the City Manager, in consultation with the Executive Director, Housing Secretariat, the Chief Planner and Executive Director, City Planning and the City Solicitor to conclude negotiations, enter into and execute an Affordable Housing Agreement with Cadillac Fairview and its related nominees/corporations and the Province of Ontario as represented by the Minister of Infrastructure and the Ontario Infrastructure and Lands Corporation based on the terms outlined in *Attachment 4* and such other terms and conditions satisfactory to the City Manager and in a form satisfactory to the City Solicitor, and to enter into and execute any ancillary and related

site-specific affordable housing agreements in consultation with the Executive Director, Housing Secretariat, the Chief Planner and Executive Director, City Planning and the Chief Financial Officer all in a form satisfactory to the City Solicitor, but only provided that the aforementioned agreements are able to be registered on title and binding on successor owners, to the satisfaction of the City Solicitor.

5. Authorize the Executive Director, Housing Secretariat in consultation with the Chief Financial Officer and Treasurer and City Solicitor to execute any security or financing documents as they relate to the Affordable Housing Agreement with Cadillac Fairview and its related nominees/corporations and the Province of Ontario as represented by the Minister of Infrastructure and the Ontario Infrastructure and Lands Corporation and any site-specific affordable housing agreement, or any other documents required to facilitate the affordable housing development and related activities, construction and secure conventional financing, where required, including any postponement, confirmation of status, discharge or consent documents where and when required during the term of the applicable affordable housing agreement, as required by normal business practices, and provided that such documents do not give rise to financial obligations on the part of the City that have not been previously approved by City Council, all in a form satisfactory to the City Solicitor, but only provided that the aforementioned agreements are able to be registered on title and binding on successor owners, to the satisfaction of the City Solicitor.

6. In accordance with the delegated approval under By-law 229-2000, as amended, be advised that the Chief Planner and Executive Director, City Planning or delegate intends to approve the Draft Plan of Subdivision as generally illustrated in Attachment 6d subject to:

a) the conditions as generally listed in Attachment 6e which, except as otherwise noted, must be fulfilled prior to final approval and the release of the Plan of Subdivision for registration; and

b) any such revisions to the proposed subdivision plan or any such additional modified conditions as the Chief Planner and Executive Director, City Planning may deem to be appropriate to address matters arising from the on-going technical review of this development.

7. Notwithstanding Chapter 415-28 of the Municipal Code, authorize the conveyance of Phase 2 parkland, being Block 11 on the Draft Plan of Subdivision shown on Attachment 6d to occur prior to issuance of the final building permit for any building within Phase 2 of the Plan of Subdivision.

8. Notwithstanding Section 415-26B of the Municipal Code, authorize the conveyance of Block 26 on the Draft Plan of Subdivision containing infrastructure to service Block 11 on the Draft Plan of Subdivision, as shown on Appendix 6, Attachment 6d, to the satisfaction of the General Manager of Parks, Forestry and Recreation and the City Solicitor.

9. Authorize the appropriate City officials to enter into a limiting distance agreement, if necessary, with the Owner of the lands to address the relationship between the future

development on Block 4 and Block 26 of the Draft Plan of Subdivision as shown on Appendix 6, Attachment 6d, and determine that the facilitation of appropriate municipal servicing and associated land ownership be due consideration, all to the satisfaction of the General Manager, Parks, Forestry and Recreation, in consultation with the City Solicitor.

10. Authorize the General Manager, Parks, Forestry and Recreation, the General Manager, Transportation Services and the Executive Director, Corporate Real Estate Management to accept the conveyance of the East Harbour Flood Protection Landform and Buffer Zone, including the portion of Street E that traverses the East Harbour Flood Protection Landform, on terms acceptable to the General Manager, Transportation Services, General Manager, Parks, Forestry and Recreation and the Executive Director, Corporate Real Estate Management in consultation with the City Solicitor which may include a restrictive covenant in favour of the Toronto Region Conservation Authority or other form of encumbrance with the purpose of protecting the structural integrity of the flood protection landform.

11. Approve development charge credits or exemptions for the proposed development at East Harbour as follows:

a) A development charge credit against the Parks and Recreation component of the development charges for the design and construction by the Owner of the Above Base Park Improvements to the satisfaction of the General Manager, Parks, Forestry & Recreation; the development charge credit shall be in an amount that is the lesser of the cost to the Owner for the design and construction of the Above Base Park Improvements as approved by the General Manager, PFR, and the Parks, and the Recreation component of development charges for Phases 2 and 3 respectively, payable for the development in accordance with the City's Development Charges By-law, as may be amended from time to time;

b) A development charge credit against the Storm Water Management component of the Development Charges applicable to the development, for the design and construction by the Owner of the eligible upsizing of stormwater infrastructure to the satisfaction of the Chief Engineer and Executive Director, Engineering and Construction Services; the development charge credit shall be in an amount that is the lesser of the eligible cost to the Owner of the eligible upsizing the stormwater infrastructure and the Storm Water Management component of the development charges payable for the development as approved by the General Manager, Toronto Water, in consultation with the Chief Planner and Executive Director, City Planning in accordance with the City's Development Charges By-law, as may be amended from time to time, to a maximum of \$3.3 million;

c) A development charge credit against the Sanitary Sewer component of the Development Charges applicable to the development, for the design and construction by the Owner of the eligible upsizing of sanitary infrastructure to the satisfaction of the Chief Engineer and Executive Director, Engineering and Construction Services; the development charge credit shall be in an amount that is the lesser of the eligible cost to the Owner of the eligible upsizing the sanitary infrastructure and the Sanitary Sewer component of the development charges payable for the development as approved by

the General Manager, Toronto Water in accordance with the City's Development Charges By-law, as may be amended from time to time, to a maximum of \$1.4 million.

d) A development charge credit against the Transit component of the development charge for the design and construction by the Owner of the eligible Toronto Transit Commission base infrastructure within the Broadview Avenue Extension right of way to the satisfaction of the Toronto Transit Commission but only as necessary to address costs incurred by the Owner in excess of \$5 million in relation to this work; the development charge credit shall be in an amount that is the lesser of the eligible cost to the Owner of constructing the transit base infrastructure within the Broadview Avenue Extension right of way that is above \$5 million, as approved by the Toronto Transit Commission and the Transit component of the development charges payable for the development in accordance with the City's Development Charges By-law, as may be amended from time to time.

e) A development charge exemption for the Community Recreation Centre and the portions of any building containing a Child Care Facility or alternate community use.

12. Authorize the City Manager in consultation with the Chief Financial Officer and Treasurer, Chief Engineer and Executive Director, Engineering and Construction Services, General Manager, Parks, Forestry & Recreation, and the City Solicitor, to enter into and execute appropriate agreements to secure the development charge credits or exemptions as identified in Recommendation 11(a) - (e) in appropriate agreements.

13. Authorise the Deputy City Manager, Infrastructure Services to negotiate and enter into an agreement between the City and the Owner to reimburse the Owner for the eligible design and construction costs to a value of \$10 million for the East Harbour Flood Protection Landform, as approved by the Toronto and Region Conservation Authority and the Director, Waterfront Secretariat, and upon acceptance by the City, the reimbursement will be funded through a development charge credit against the East Harbour Port Lands Flood Protection and/or a development charge credit against the Storm Water Management component of the Development Charge payable for the development in accordance with the City's Development Charges By-law, as may be amended from time to time and/or through the approved budget for Broadview Eastern Flood Protection.

14. Accept deviations from the City's Policy for Accepting Potentially Contaminated Lands to be Conveyed to the City under the Planning Act (2015) for the East Harbour lands being 21 Don Valley Parkway, 30 Booth Avenue and 375 and 385 Eastern Avenue, as set out below:

a) Exempt the conveyance of lands comprising the future widening of the Don Roadway, being Block 13 on the Draft Plan of Subdivision shown on Attachment 6d, from the Policy for Accepting Potentially Contaminated Lands to be Conveyed to the City under the Planning Act (2015), or as may be amended, and authorize City staff accept the conveyance of such lands in its current physical condition.

b) Exempt the conveyance of lands for future parks (Blocks 10, 11 and 26) and the East Harbour Flood Protection Landform (Blocks 15 and 25) as shown on the Draft Plan of Subdivision in Attachment 6d from the application of Sections 5.1.2, 5.4.3, and 5.4.5 of the Policy for Accepting Potentially Contaminated Lands to be Conveyed to the City under the Planning Act (2015), or as may be amended, and any other sections that may be required to implement the conditions of draft plan approval, and authorize City staff to accept the conveyance of such lands that may be subject to Risk Management Measures that require ongoing monitoring of groundwater by the City and/or vapour mitigation during construction, following conveyance for such lands.

c) Exempt the conveyance of lands for future public roads as shown on the Draft Plan of Subdivision in Attachment 6d from the application of Sections 5.1.2, 5.4.3, and 5.4.5 of the Policy for Accepting Potentially Contaminated Lands to be Conveyed to the City under the Planning Act (2015), or as may be amended, and any other sections that may be required to implement the conditions of draft plan approval, and authorize City staff to accept the conveyance of such lands that may be subject to Risk Management Measures that require ongoing monitoring of groundwater by the City and/or vapour mitigation during construction, following conveyance for such lands.

15. Authorise the City Manager in consultation with the Chief Planner and Executive Director, City Planning, the General Manager, Transportation Services and the City Solicitor to conclude negotiations, enter and execute a TTC Infrastructure Agreement with the Owner and the TTC to secure the construction by the Owner of base transit right of way improvements within Broadview Avenue between the rail corridor and Lake Shore Boulevard East on such terms and conditions satisfactory to the City Manager and in a form satisfactory to the City Solicitor.

16. If the Committee of Adjustment approves minor variances as described in the Implementing Agreements Section of this report, require the Owner to enter into an Amended and Restated Section 37 Agreement, pursuant to Section 37 of the Planning Act (as it read the day before the date Section 1 of Schedule 17 of the COVID-19 Economic Recovery Act, 2020, came into force), to amend the existing Section 37 Agreement registered on title to the lands to implement the Committee's decision, all to the satisfaction of the City Solicitor and the Chief Planner and Executive Director, City Planning.

17. Request the Toronto Port Lands Company Board of Directors to authorize any agency approvals necessary to enable the delivery and, once completed, the conveyance to the City of Broadview Avenue from the East Harbour lands to Lakeshore Boulevard East on Toronto Port Lands Company lands.

18. Direct staff to request that CreateTO, acting on behalf of Toronto Port Lands Company, negotiate and enter into a licence agreement for construction access and laydown with Cadillac Fairview Corporation Limited over portions of Toronto Port Lands Company lands, being described in PIN 21077-0147, located south of the TOC lands, which are necessary to enable delivery of the TOC development and improvements described in this report.

19. Delegate to the Executive Director, Corporate Real Estate Management the authority to approve, in consultation with the General Manager, Transportation Services, all necessary transactions required to effect the acquisition, and lease or licence if required, by the City of Toronto from the Toronto Port Lands Company of lands required to effect the extension of Broadview Avenue and such other road allowance extensions, as may be required, from the TOC lands to Lake Shore Boulevard East, at nominal consideration, upon the satisfaction of all requirements imposed upon the Owner in respect of same, and that such authority include the negotiation and execution of all agreements and documents as may be reasonably required to give effect thereto the terms of which shall be consistent with the intent set out herein and the financial parameters determined and approved by Council.

20. Authorize the appropriate City officials to enter into a limiting distance agreement, if necessary, with the Owner of the lands, to address the relationship between the 4C Building and the new City-owned Community Recreation Centre only and determine that a commensurate portion of the value of the Community Recreation Centre being constructed by the Owner to be due consideration.

21. Authorise the Deputy City Manager, Development and Growth Services and the Deputy City Manager, Infrastructure Services to engage in discussions with the Province and Cadillac Fairview related to Cadillac Fairview's request for further changes to land use permissions at East Harbour, based on the following initial conditions:

a) The provision of 20% of all new housing units as affordable housing for a term of 99 years and depending on the density increase in the area and on the same terms as the affordable housing provided for the first part of the East Harbour TOC

b) The provision of additional community benefits at a rate of up to 10% on the value of new development.

c) A firm commitment to the protection of employment development at East Harbour, the phasing of employment development to coincide with residential development, and a specific approach to develop the film sector at East Harbour

d) A commitment to fully integrate the Toronto Port Lands Company owned Keating Lands into the revised East Harbour master plan and to acquire the lands to support important benefits, including an increase in affordable housing and expanding the Community Recreation Centre.

22. Request the Deputy City Manager, Development and Growth Services and the Chief Planner and Executive Director, City Planning to report back to City Council on the results of the discussions with the Province and Cadillac Fairview and to seek appropriate negotiating authorities as required.

23. Authorize the appropriate City officials to take such actions as are necessary to implement City Council's decision.

FINANCIAL IMPACT

The East Harbour TOC proposal includes benefits that will come to the City in the form of cash and in-kind contributions from Cadillac Fairview. The TOC proposal and the East Harbour Transit Hub also rely on major infrastructure investments by the City and the Province. The New Deal between the City and the Province also includes terms to advance the delivery of two major related City infrastructure projects, namely the extension of Broadview Avenue and the Broadview Eastern Flood Protection project north of the East Harbour site.

Contributions to the City

The East Harbour TOC proposal is based on terms outlined in a Contribution Agreement between the Province and Cadillac Fairview. The City is not a party to the Contribution Agreement and has been restricted in its ability to negotiate given that the key terms were pre-determined by the Province and Cadillac Fairview. This agreement establishes Conditions Precedent (CPs) that must be undertaken, to the satisfaction of Cadillac Fairview to release approximately \$300 million in cash and in-kind contributions to the City. The following table outlines the major elements of the \$300 million contribution negotiated between the Province and Cadillac Fairview, in consultation with the City. The contribution will be made by Cadillac Fairview via the Province to the City and in two tranches valued at \$100 million and \$200 million:

Table 1: Cash and In-kind Contributions from Cadillac Fairview to the City

Contributions (\$M)*	Tranche 1	Tranche 2	Total
In-Kind Contributions			
Affordable Rental Housing (215 Units)	37.35	59.40	96.75
2 Childcare Facilities (62 pupils each)	13.40	20.10	33.50
Contribution to Childcare Reserve Fund	0.50	0.50	1.00
Community Recreation Centre		112.20	112.20
Broadview Ave. Base TTC Infrastructure	5.00		5.00
Library Contribution Offsite	2.50		2.50
Public Art		2.00	2.00
Cash Contributions			
Cash Contributions**	41.25	5.80	47.05
Total In-Kind and Cash Contributions	100.00	200.00	300.00

* Estimated costs as of 2022

***Includes contribution of \$4.5 million toward Broadview Avenue Extension and \$42.55 million toward Broadview Eastern Flood Protection*

The current TOC proposal by Cadillac Fairview will not be subject to future Community Benefits Charges on the basis that the site is subject to a zoning by-law that was passed under the previous Section 37 density bonusing regime. It is anticipated that Inclusionary Zoning (IZ) will not apply to the site. City staff have clearly articulated that any future change in the proportion of residential and employment development compared to the current MZO permissions will require additional community benefits with affordable housing being a key priority.

Cadillac Fairview is bound by the existing Section 37 agreement which secures community benefits with an escalated value of approximately \$64 million. The release of these benefits is linked to the employment development on the East Harbour site. The benefits include:

Table 2: Section 37 Contributions

Contribution	Value (\$M)
Public Art	10.50
Public Realm Improvements on the Flood Protection Landform	1.00
Incubator Employment Space (incl fit up)	14.60
Cultural Community Space (incl fit up)	29.25
Offsite Affordable Rental Housing Contribution	5.00
Community Services and Facilities	3.50
Total Contribution	\$63.85

Cadillac Fairview will deliver site-specific and local infrastructure including a number of new public streets including the Broadview Avenue Extension south of the rail corridor to Lake Shore Boulevard East, servicing improvements, parkland and the East Harbour Flood Protection Landform on the East Harbour site.

Contributions by the City

The City is investing close to \$1 billion in infrastructure projects to support the establishment of the future East Harbour Transit Hub. This includes the City's share of towards the Transit Hub as part of the City's SmartTrack program, an estimated \$14.7 million in development charges credits to Cadillac Fairview for growth-related infrastructure, an estimated \$140 million for the extension for the Broadview Avenue below the rail corridor and north to Eastern Avenue, and \$200 million for the Broadview Eastern Flood Protection project. These infrastructure projects are also required to

enable the development south of the rail corridor and create a significant benefit for the East Harbour TOC development and future development in the area.

This report seeks approval of development charge credits for some of the eligible growth-related infrastructure work and services Cadillac Fairview will undertake. Consistent with the City's practice, the value of the DC credits will be the lesser of the respective service component of the development charges payable to which the works relates, and the eligible cost of the works as approved by the City, currently estimated to be \$14.7 million. This includes an agreed amount of \$10.0 million for the flood protection landform and estimates of \$3.3 million for storm water management upgrades, and \$1.4 million for sanitary sewer upgrades. Should Cadillac Fairview undertake the above base park improvements for the on-site parks, this report seeks approval of Development Charge credits for the lesser amount of the cost of delivering those improvements and the cost of the parks component of the development charges payable subject to terms to the satisfaction of the General Manager of Parks, Forestry and Recreation. If the Owner's costs for base transit infrastructure along Broadview exceed \$5 million, additional costs will be covered through a development charge credit mechanism. It is unlikely that costs will exceed \$5 million.

As noted, in accordance with the terms of the New Deal, the City has agreed to fund the delivery of the Broadview Avenue Extension north of the rail corridor to Eastern Avenue. The estimated cost of this project is currently reflected in the 2024-2033 Capital Budget and Plan. However, the final costs of the project have not been confirmed as the Province is still engaged in property negotiations with the landowner and design work is ongoing. Any adjustments to the budget for updated cost assessments and/or funding contributions from third-party cost-sharing opportunities will be brought forward through future Budget process.

Additionally, the City's share of the design and delivery of the Broadview Eastern Flood Protection project is the lesser of 50% of the total costs and \$200M. This represents the full extent of the City's commitment on the Broadview Eastern Flood Protection. The City has included \$57 million towards Broadview Eastern Flood Protection project in the 2023-2032 Capital Plan. Funding for the additional \$143 million required to achieve the City's full \$200 million commitment will be prioritized through the 2025 Budget process, subject to refinement of project cash flow estimates and further review of funding sources, including but not limited to, unlocked funding from the upload of the Gardiner Expressway and Don Valley Parkway through the New Deal.

The future operating budget impacts of the above noted infrastructure, including the in-kind contributions under the TOC agreement and the Section 37 agreement, will be addressed in future year City budgets as required.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the information as presented in the Financial Impact Section.

DECISION HISTORY

See Attachment 1.

COMMENTS

Background

In 2018, Council adopted the Unilever Precinct Secondary Plan and associated Zoning By-laws to establish a major new Employment Area at East Harbour. In 2021, City Council approved proceeding with the construction of the SmartTrack Station at East Harbour, an important investment to unlock future development. The East Harbour SmartTrack Station along with the East Harbour Ontario Line station will form the East Harbour Transit Hub (Transit Hub). The Transit Hub is a priority project for the City. Along with other major infrastructure investments in the area, the Transit Hub will be an economic catalyst creating opportunities for new employment and housing development in the broader area, as well as being essential for the East Harbour TOC development.

In April 2021, the Province announced a Transit Oriented Communities (TOC) commercial partnership with Cadillac Fairview for the East Harbour lands that proposes a mixed-use community on the lands. In April 2022, the Province issued a Ministerial Zoning Order (MZO) to give effect to the TOC, granting Cadillac Fairview residential development permissions in addition to the employment development previously approved by the City.

The residential uses envisioned for the TOC are not permitted on the lands which are designated Core and General Employment Areas in the Official Plan. In August 2022, Cadillac Fairview submitted an employment area conversion request for the lands to be considered as part of the City's Municipal Comprehensive Review. A staff report providing recommendations on the conversion request was considered at the October 26, 2023 Planning and Housing Committee and deferred to be considered at the same City Council meeting as this East Harbour Transit Oriented Communities Report. The conversion request report is scheduled to be reconsidered at the June 13, 2024 Planning and Housing Committee meeting. The Official Plan Amendment, if approved by City Council, will allow a conversion from Employment Areas to Mixed Use Areas only for the portions of the East Harbour lands that have residential permissions granted by the MZO.

The East Harbour TOC proposal is based on terms outlined in a Contribution Agreement between the Province and Cadillac Fairview. The City is not a party to the Contribution Agreement and has been restricted in its ability to negotiate given the key terms were pre-determined by the Contribution Agreement. The Contribution Agreement establishes several Conditions Precedent (CPs) to be satisfied in order for Cadillac Fairview to release \$300 million in cash and in-kind contributions to the City. A majority of the CPs relate to City actions or approvals, including the execution of a number of agreements and the commencement of construction of enabling infrastructure required for the development of the Transit Hub and the TOC.

City Council provided direction in April 2022 confirming the City's priorities as they relate to the East Harbour TOC. Following City Council direction, City staff provided input an overarching approach with the Province and Cadillac Fairview that effectively addresses City interests and requirements at East Harbour. More specifically, the City provided input that Cadillac Fairview's contributions would comprise cash and in-kind contributions including 215 affordable housing units for 99 years, two childcare centres and a community recreation centre (CRC), along with additional contributions toward community services and facilities, and financial contributions for the City's enabling infrastructure projects for the Transit Hub beyond the scope of the East Harbour subdivision.

While the enabling infrastructure is critical to the development of the TOC, the City's priority is to advance the Transit Hub and related enabling infrastructure to unlock employment potential and development in the broader area.

This report follows from the report to City Council in April 2022 and presents the outcome of negotiations with the Province and Cadillac Fairview related to the East Harbour TOC development. In addition, the report seeks City Council approval to conclude a series of agreements based on the negotiated terms. The report also outlines the proposed draft plan of subdivision and the conditions the Chief Planner and Executive Director City Planning anticipates including in the draft plan approval. Finally, the report also seeks City Council authority to continue discussions with the Province and Cadillac Fairview on an emerging proposal for further mixed use and residential development at East Harbour.

East Harbour TOC Development Proposal

The East Harbour TOC site is located at the northeast corner of Lake Shore Boulevard East and the Don Valley Parkway, south of the Metrolinx rail corridor. South of the East Harbour site is the Toronto Port Lands Company (TPLC) Keating Lands and Lake Shore Boulevard East. North and east of the site are lands owned by Enbridge and the Booth Yards owned by the City of Toronto; west of the site is the Don Valley Parkway and the Don River.

The total area of the site is approximately 15.1 hectares within the 24.3-hectare Unilever Precinct. The existing uses on site are the Cinespace Film Studio at 30 Booth Avenue and low to mid rise industrial buildings. The property identified as 21 Don Valley Parkway formerly contained the Unilever Soap Factory Building which has been demolished.

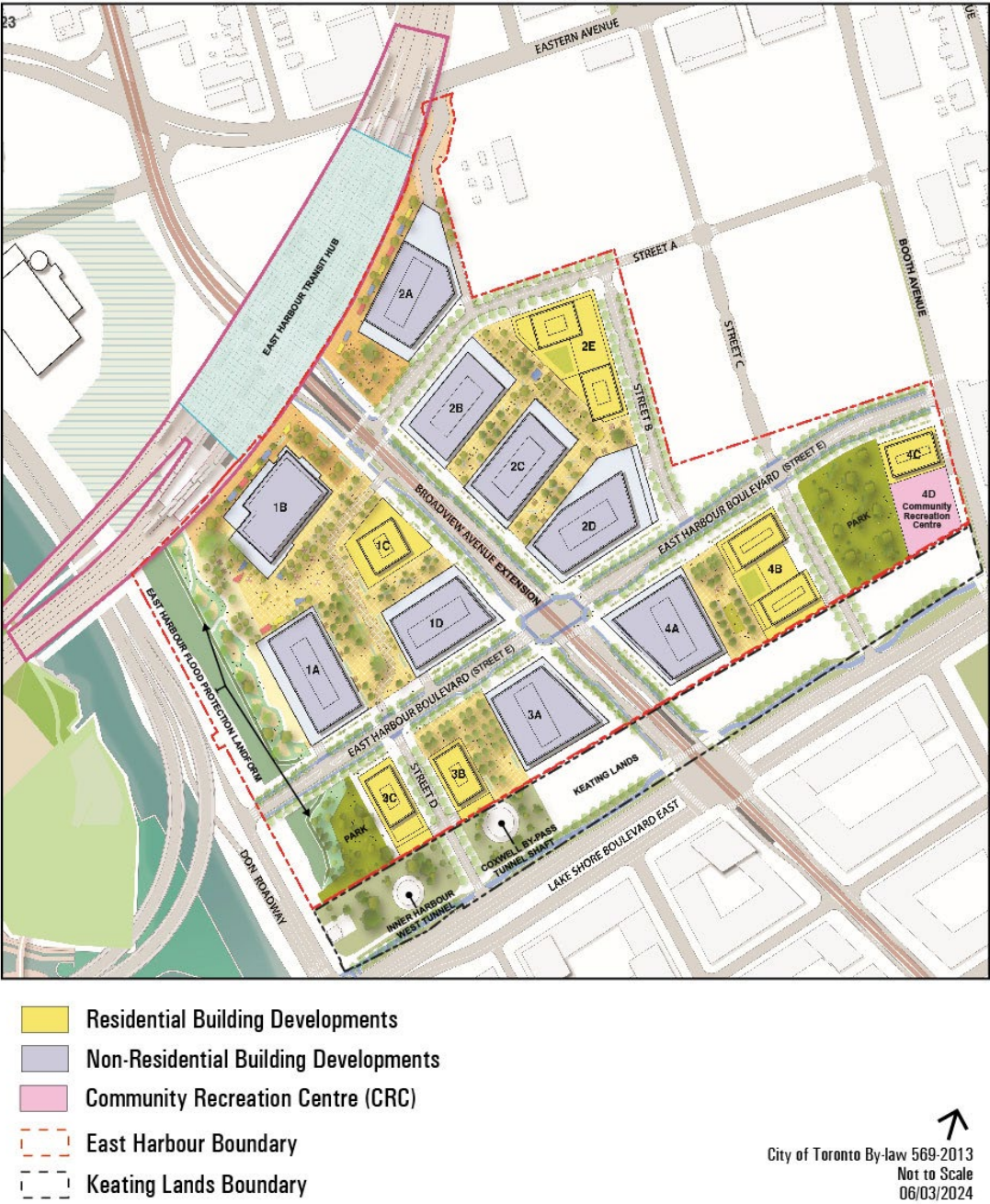
The East Harbour TOC proposal has been advanced by the Province within the context of the legislative framework provided by the Building Transit Faster Act, the Transit Oriented Communities Act, and Minister's zoning powers under the Planning Act. The proposal comprises eight mixed use/residential towers and nine office towers. The Provincial MZO dated April 2022, introduced 302,000 square metres (3.25 million square feet) of residential development, or approximately 4,300 residential units, to the 926,000 square metres (10 million square feet) of employment development previously approved by the City as part of the Unilever Precinct Secondary Plan.

Table 3: East Harbour TOC Proposal Statistics

East Harbour Project Statistic	Value
Gross Site Area	37.3 acres
Residential Area	302000m2
Non-Res / Employment Area	926000m2
Community-Recreation/Childcare Area	9300m2
Total Area	1,237,300m2
Parkland / Open Space	1.7 acres
Building Heights	120 – 210 metres (approx. 34 – 70 storeys)
Number of units	4,300

The East Harbour TOC master plan layout shown in Figure 1 illustrates key elements of the development including the street network, residential and non-residential buildings including the community recreation center and parks, POPS and open space including the East Harbour Flood Protection Landform. The figure also shows the relationship of the TOC with the Transit Hub and Keating Lands.

Figure 1: East Harbour Transit Oriented Communities Proposal



City Council Negotiating Mandate Update

In 2021 City Council directed staff to engage with Cadillac Fairview and the Province on the TOC proposal to advance City interests to the greatest extent possible within the framework created by the Province. The negotiating mandate was further defined by City Council in April 2022. Over the last several years, City staff have negotiated with the Province and Cadillac Fairview to shape the development proposal in a manner that would protect City interests and align with the policy objective of creating a livable, functional, and complete transit-oriented community. The following sections describe the outcome of negotiations as they relate to securing City interests.

With respect to process, the City retains its planning authority beyond the rezoning through the MZO. The approvals of the draft plan of subdivision and all site plan applications remain with the City for approval and will generally follow the City's standard process. Proposed conditions of draft plan approval for Phase 1 and 2 of the subdivision reflect provisions of the MZO with respect to the timing of delivery of infrastructure commensurate with the development of the buildings within those phases. Phases 3 and 4 conditions revert back to the City's standard approach to timing of infrastructure. The introduction of new residential permissions will potentially impact phasing. Parties have therefore committed that consideration of changes to the East Harbour master plan, including the emerging proposal for further mixed use and residential development at East Harbour, will be subject to discussion among the three parties prior to further action being taken.

The introduction of more than 7,000 new residents at East Harbour, above the already expected 50,000 workers, required a robust community benefits package to support the development of a complete community. Cadillac Fairview will deliver the existing Section 37 agreement commitments for public art and public realm improvements on the flood protection landform, incubator employment space and cultural community space, offsite affordable rental housing and community services and facilities as generally reflected in applicable site-specific Zoning By-law, subject to minor revisions as identified in this report.

Through the terms of the Contribution Agreement, Cadillac Fairview will also provide additional benefits to the City via the Province amounting to approximately \$300 million in cash and in-kind contributions, subject to meeting the CPs. The City, through the negotiations, ensured that the first priority was to secure the provision of affordable housing as well as community facilities and services to support a new residential community, with the residual net cash amounts to be allocated by the City to the Broadview Eastern Flood Protection project and the Broadview Avenue Extension north of the rail corridor to Eastern Avenue.

City staff have also negotiated a Provincial contribution to the delivery of the Broadview Eastern Flood Protection project as part of the New Deal between the City and the Province. As part of the TOC and as is typical with all development, Cadillac Fairview will also deliver site-specific, local and regional infrastructure including a number of roads such as Broadview Avenue Extension south of the rail corridor to Lake Shore Boulevard East, servicing improvements, parkland and the flood protection landform on the East Harbour site. Per the City policies and procedures Cadillac Fairview will be reimbursed for eligible costs through development charge credits.

Overview of Conditions Precedent

The Contribution Agreement between the Province and Cadillac Fairview established a number of CPs that must be met for Cadillac Fairview to release its \$300 million in cash and in-kind contributions to the City. A majority of the CPs involve City actions or approvals, including the execution of a number of agreements and the commencement of construction of enabling infrastructure required for the development of the Transit Hub and the TOC. The table below provides a summary of the Conditions Precedent as currently set out in the Contribution Agreement. Several of these conditions do not require formal Council authority, while others require City Council authority for staff to conclude agreements outlining terms.

Table 4: East Harbour Conditions Precedent (as set out in the Contribution Agreement)

To release Tranche 1 \$100M (cash and in-kind) <ul style="list-style-type: none"> • Daycare 1 (\$13.4M) • Daycare reserve fund (\$0.5M) • Library contribution offsite (\$2.5M) • Affordable housing (\$37.35M) • TTC base infrastructure (\$5M) • Cash (\$41.25M) 	
1	City and Metrolinx to acknowledge that Cadillac Fairview's proposed rail safety measures are sufficient
2	City and Cadillac Fairview to enter into a Pre-Servicing Agreement and a Municipal Infrastructure Agreement to advance enabling infrastructure required to support the East Harbour Transit Hub and East Harbour development.
3	The Toronto and Region Conservation Authority (TRCA) and the City to confirm the design of the East Harbour Flood Protection Landform is satisfactory and that the landform, in conjunction with the Broadview Eastern Flood Protection project are sufficient to allow the lifting of the Holding provision on the site
4	City to grant conditional approval of the Draft Plan of Subdivision to facilitate a phased approach to the development of the East Harbour TOC.
5	City to provide written confirmation of the approval of the Port Lands and South of Eastern Transportation and Servicing Master Plan Environmental Assessment confirming the Broadview extension, including the alignment and cross-section
6	City to provide written confirmation of approval of Cadillac Fairview's proposed approach to environmental requirements for conveyances
7	CreateTO, the City and Cadillac Fairview to conclude an Access Agreement to allow permanent and temporary access across the Keating Lands for the extension of Broadview Avenue, underground services, construction gate access points, contractor parking, and other elements deemed necessary for the development of East Harbour

8	Province to provide zoning permissions for 3.25 million square feet of residential development
9	Province, City and Cadillac Fairview to conclude an Affordable Housing Agreement
10	City, Province and Cadillac Fairview to conclude a Development Agreement related to required community services and facilities, parkland dedication and other planning matters
11	Province and City to conclude a Site-Specific TOC Agreement that sets out the Conditions Precedent for the transfer of funding and the intergovernmental obligations respecting the Broadview Eastern Flood Protection project and the Broadview Avenue Extension
12	Cadillac Fairview and the City to amend the existing Section 37 Agreement and implement changes to the By-Law to reflect the modifications to location and timing as a result of the introduction of residential permissions to the East Harbour TOC
13	Province to provide evidence that construction has commenced on the East Harbour Transit Hub and flood protection north of the rail corridor will be completed before the Transit Hub is operational
14	Province to provide evidence that construction has commenced on the East Harbour Transit Hub by October 1, 2025
To release Tranche 2 \$200M (cash and in-kind) <ul style="list-style-type: none"> • Daycare 2 (\$20.1M) • Daycare reserve fund (\$0.5M) • Public Art (\$2.0M) • CRC (\$112.2M) • Affordable Housing (\$59.4M) • Cash (\$5.8M) 	
15	City to provide evidence that contracts are in place to deliver, by a particular date, the Broadview Avenue Extension and the Broadview Eastern Flood Protection Project to coincide with the delivery of the East Harbour Transit Hub
16	City to provide evidence that construction of the Broadview Avenue Extension and the Broadview Eastern Flood Protection project north of the rail corridor has commenced, by a particular date.

City staff are working with the Province and Cadillac Fairview to address all of the CPs, some of which require City Council authority.

Implementing Agreements

The following sections provide a high-level overview of the negotiated terms of each of the implementing agreements with detailed terms included in attachments to this report.

1. Transit Oriented Communities Agreement with the Province

The Transit Oriented Community Site Specific Agreement ("TOC Agreement") will be an agreement between the City and the Province, as represented by the Ministry of Infrastructure and the Ontario Infrastructure and Lands Corporation. This Agreement establishes CPs related to the transfer of Cadillac Fairview's cash contribution from the Province to the City. This funding will initially be paid by Cadillac Fairview to the Province pursuant to their Contribution Agreement, and then in turn to the City pursuant to the TOC Agreement.

The CPs that govern the release of Cadillac Fairview's cash payments under the current Contribution Agreement are summarised above. They are also set out in Attachment 2. As discussed, they include requirements related to the execution of several other agreements with Cadillac Fairview, the issuance of subdivision conditions, and the commencement of construction of off-site infrastructure works, among other matters.

Meeting the CPs, to the satisfaction of Cadillac Fairview, will trigger a requirement for Cadillac Fairview to release cash and in-kind contributions in two tranches, as described above. If the CPs are not satisfied in a timely manner in accordance with the Contribution Agreement, the City risks losing the tranche value(s).

In the event Cadillac Fairview does not pay the Province the funds (if it takes the position that the CPs have not been satisfied or simply does not pay), the City will not have direct recourse against Cadillac Fairview. On this basis, the Province through the TOC Agreement will agree to use reasonable commercial efforts to enforce Cadillac Fairview's obligations under the Contribution Agreement. This means the City will be relying on the Province to enforce the Contribution Agreement, as it does not have a direct contractual relationship with Cadillac Fairview in this respect.

The ability to satisfy the Tranche 1 CPs is either within the full control of the City or requires the City to reach agreement with the Province and/or Cadillac Fairview. The City will ensure that it receives confirmation of satisfaction regarding the Tranche 1 CPs from Cadillac Fairview prior to signing the TOC agreement. This will ensure that the City is not at risk of a determination that the Tranche 1 CPs were not duly satisfied.

The Tranche 2 CPs require the City to enter into construction agreements for and commence construction on both the Broadview Avenue Extension and BEFP projects by specific dates. The City is entering into agreements with Metrolinx to design and construct the Broadview Avenue Extension. The City will, through Waterfront Toronto, be responsible for the construction of the BEFP project. The Province's obligation through pending agreements with the City is to acquire the necessary lands to allow for construction.

The City had some concern around its ability to satisfy the Tranche 2 CPs by specific dates. With respect to its construction agreement with Metrolinx, it is difficult to predict when two parties will come to terms on an agreement. In the absence of a construction

agreement, it is also difficult to commit to a construction commencement date for the Broadview Avenue Extension. The City was also concerned about its ability to commence work on both infrastructure projects given that the Province is tasked with acquiring lands necessary for these projects, and such acquisitions remain outstanding.

Following extensive discussions with the Ministry of Infrastructure, Ministry of Transportation and Metrolinx, the Deputy Minister of Infrastructure and the City Manager signed a non-binding letter of intent in an attempt to address the City's concerns. It is understood that Infrastructure Ontario, Metrolinx and Cadillac Fairview concur with the content of the LOI and that the LOI expresses their intention to enter into the TOC Agreement on terms including those in the LOI. With the commitments in the letter, City staff are satisfied that the risk to the City will be minimized.

Among other matters, the LOI indicates the Province's intention to commit the Province to ensuring that Metrolinx will sign a construction contract with the City and commence work on BE no later than October 1, 2025, that the Contribution and TOC agreements will be amended to reflect this new date in the Tranche 2 CPs, and that the commitment to this date will be made by Metrolinx in the Broadview Avenue Extension design agreement.

The City in the TOC Agreement, and the Province in the Contribution Agreement, will each have a one time right to require an extension of this date by 90 days for each of the Tranche 2 CPs. The LOI also indicates an intention that Metrolinx and the City will sign the design agreement and a property acquisition agreement for the Broadview Avenue Extension by June 27, 2024. These commitments will assist in mitigating the risk associated with the City not being able to satisfy the CPs within the necessary timelines. Should a judicial (or quasi-judicial) proceeding or event beyond Metrolinx's control affect the commencement of the BE work, the Province has agreed to convene the City, the Province and Metrolinx to negotiate a path to resolving funding or liability issues that may result.

As noted, the Province is also tasked with acquiring the lands for the BEFP project. The City's ability to fully construct the project will be limited until such time as these lands are acquired. The Province has indicated its intention to deliver these lands to the City by July 1, 2025 to allow for the construction of the BEFP to coincide with the completion of the Transit Hub. City staff are seeking clarity that Cadillac Fairview will be satisfied that construction of the BEFP project has commenced if the construction is limited to City-owned lands. As of the date of this report, the City has not obtained confirmation in writing that work on public land alone will suffice to demonstrate commencement.

The Contribution Agreement includes one Condition Precedent that does not involve the City. It requires that a GO Transit Services Operating Agreement be entered between CF and Metrolinx. On this basis, it is recommended that the TOC Agreement not be signed until such time as this GO Agreement has been executed and the TOC Agreement should contain an acknowledgement that this CP has been met.

The TOC Agreement also details the parties' respective financial responsibilities for funding the Broadview Avenue Extension and the BEFP. The Broadview Avenue Extension will be entirely funded by the City (including land acquisition costs). The cost

of land and construction for BEFP will be shared between the City and Province, with the City's contribution to be capped at 50% of the shared costs to a maximum of \$200M. In the event the overall costs of the BEFP project exceed \$600M, the City and Province will agree to consider further funding equalization opportunities. The Province and City are actively seeking a contribution from the federal government for this project.

The TOC Agreement also includes a reconciliation approach whereby the CF funds will be held in escrow until the earlier of all costs having been incurred and an earlier date agreed to by the Province and the City, and will be used in the event the City owes the Province for the purpose of equalizing payments (again only to a limit of \$200M total). Following such reconciliation, the remaining CF funds will flow to the City.

The TOC Agreement provides a process for design and construction coordination across the different major infrastructure projects, and a dispute resolution process to address disagreements among the Parties.

The City agrees that Cadillac Fairview will not pay community benefits charges and to indemnify Cadillac Fairview to a limit of \$50 million in the event they are made to pay in the future. The lands are not subject to community benefits charges by operation of transition provisions in the Planning Act on the basis of the existing site-specific zoning bylaw which contains section 37 requirements. The in-kind contributions and cash contributions in this agreement flow from the commercial deal between the Province and Cadillac Fairview. On this basis, CBCs should not be charged for the development subject to this report.

In the event the City unilaterally chooses to remove density permissions (such that they are reduced below the MZO permissions), so as to adversely affect the density, it will have to repay the Province the aggregate amount of funds paid and cost of construction of the in-kind contributions.

City staff are seeking City Council authority to conclude negotiations and enter an agreement with the Province based on the terms outline in Attachment 2, TOC Site Specific Agreement.

2. Development Agreement with the Province and Cadillac Fairview

This is an agreement between the Province, City and Cadillac Fairview to secure the provision of community facilities and establish City requirements for their delivery. The Development Agreement also outlines terms for other matters associated with the East Harbour TOC development. These benefits are intended for the purpose of advancing a complete community in an area that previously had no residential permissions. Because the site is subject to a zoning by-law with respect to the employment uses containing Section 37 provisions, it is not subject to the Community Benefits Charge requirements of the Planning Act. As noted, the benefits to be secured through the Development Agreement were negotiated with the Province and Cadillac Fairview and form a part of their Contribution Agreement.

As part of its development, Cadillac Fairview will design, construct, finish and convey to the City two non-profit licensable childcare facilities and a community recreation centre.

Attachment 3 outlines the terms of the Development Agreement, including the City's terms for the delivery of the childcare centres and community recreation center. This includes the location of the facilities, timing of delivery, processes to finalise the design and community consultation where required, and construction requirements. It also includes terms respecting acceptance and assumption, conveyance, warranty, replacement reserve fund, financial securities and leases. Specific terms related to the integration of the community recreation centre with Cadillac Fairview's residential building on quadrant 4 are also reflected.

It is possible that as a result of the interface between the residential building and community recreation centre on quadrant 4, a limiting distance agreement may be required between the City and Cadillac Fairview. It is recommended that City Council authorize the limiting distance agreement and determine that a commensurate portion of the value of the community recreation centre being constructed by Cadillac Fairview be due consideration. A second limiting distance agreement may be required for development in Quadrant 3 adjacent to one of the parkland sites. This report seeks Council authority to enter into a limiting distance agreement for the interface between Blocks 4 and 26 of the Draft Plan of Subdivision, as further identified in Attachment 6. Should other limiting distance agreements be required to address other adjacencies, those agreements should be made for fair market value.

There is currently no statutory authority authorizing the Development Agreement to be registered on title to bind successor owners. Cadillac Fairview and the City are working with the Province toward a solution that will enable this agreement to be registered on title to the lands and bind successor owners. This agreement will not be signed until such time as the City has obtained the requisite authority to register the agreement on title.

The Development Agreement will confirm Cadillac Fairview's commitment respecting financial contributions to fund public art, childcare facilities reserve fund and capital upgrades to the Queen Saulter, Jones and/or Riverdale branches of the Toronto Public Library. The Development Agreement will also detail Cadillac Fairview's obligations on other matters such as the submission of a Transportation Demand Management Plan to increase mode share for active forms of transportation and transit; Air Quality, Noise and Vibration studies and compliance with the City's Toronto Green Standard as well as opportunities for a district energy system that will target zero emissions.

Cadillac Fairview requested an exemption from DCs payable in respect of the childcare facilities and the community recreation centre. Cadillac Fairview will design, construct, finish, equip, and commission two childcare facilities, which will be leased to the city for a period of 99 years. Given the length of the leases, and as part of the overall negotiations, City staff support a DC exemption for the square footages of both childcare centers.

Similarly, Cadillac Fairview will deliver and convey to the City a community recreation centre with a total interior area of approximately 6,364 square metres and recreational facilities such as a swimming pool, gymnasium, fitness spaces, and multi-purpose spaces. City staff support a DC exemption for the CRC square footage as the facility will be in City ownership.

Through this agreement all parties confirm the applicability of the Unilever Precinct Secondary Plan including its future design guidelines and commit to prioritising film-friendly development given the site is in the vicinity of existing and expanding film uses.

On the basis of the above and the detailed terms in Attachment 3, Staff seek City Council authority to conclude negotiations and enter into the Development Agreement.

3. TTC Infrastructure Agreement

This is an agreement between the City, Toronto Transit Commission and Cadillac Fairview requiring Cadillac Fairview to construct TTC streetcar infrastructure as part of the construction of the extension of Broadview Avenue within the East Harbour site. It contains specifications regarding TTC's requirements for its infrastructure, details regarding financial security, an upset limit and warranty, among other matters. Cadillac Fairview will be providing this as an in-kind contribution to a limit of \$5 million. Any reasonable excess costs will be covered by the City through a DC credit mechanism.

This agreement shall be registered with priority on title and be binding on successor owners, to the satisfaction of the City Solicitor, but only provided that the aforementioned agreement is able to be registered on title and binding on successor owners, to the satisfaction of the City Solicitor.

4. Affordable Housing Agreement

The East Harbour TOC will include a minimum 215 affordable rental housing units for an affordability period of 99 years. This amounts to 5% of the total permitted residential gross floor area on the East Harbour Lands and represents 10% of the expected number of condominium units to be developed at East Harbour.

The units will be owned, administered, and maintained by the landowner for a period of 99 years at the Official Plan income-based definition, which broadly aligns with the Development Charges Act definition of affordable rental housing. The units are to be constructed alongside market units in the same building to ensure that the delivery of affordable housing keeps pace with the rest of the residential housing.

The Master Affordable Housing Agreement will contain the terms and conditions associated with the delivery of affordable housing including rent, unit mix, design, location, construction, operation, maintenance and the need for subsequent building specific agreements. Staff seek City Council authority to conclude negotiations and enter into the Master Affordable Housing Agreement on the basis of the terms outlined in Attachment 4.

Given that the provision of a diverse range of housing options is essential to building sustainable and inclusive communities, it must be noted that any additional residential permissions proposed for East Harbour above these current permissions will require additional contributions toward affordable housing and other community benefits.

Cadillac Fairview and the City are working with the Province toward a solution that will enable this agreement to be registered on title to the lands, and bind successor owners. This agreement will not be signed until such time as the City has obtained the requisite authority to register the agreement on title.

5. Amended S37 Agreement

The provisions contained in the existing Zoning By-law and the East Harbour Master Section 37 Agreement (October 5, 2018) (the "Original Section 37 Agreement") remain in effect for the site, linked to the non-residential density. When Cadillac Fairview purchased this property, it became subject to the Section 37 obligations contained in the applicable Zoning By-law and the Original Section 37 Agreement and will provide these benefits in addition to those secured through the further agreements for the East Harbour TOC.

The Original Section 37 Agreement requires several key community benefit contributions which includes,

- A Cultural Community Space of 2,800 square metres, leased to the City for 25 years
- An Employment Incubator Space of 1,400 square metres, leased to the City for 25 years
- A minimum of \$1 million for public realm improvements on top of the Flood Protection Landform
- An offsite affordable housing contribution of \$5.0 million
- \$10.5 million for public art
- \$3.5 million for libraries, daycares, parks or other priorities identified by the City
- \$1.2 million for Cultural Community Space Fit-out
- \$0.6 million for Incubator Space fit-out

The applicable Zoning By-law and Original Section 37 Agreement also secure a number of items as legal conveniences, including: POPS and pedestrian connections, various public realm improvements, the construction of the East Harbour flood protection landform (subject to reimbursement as outlined in this report), a construction management plan, and area-specific design guidelines.

Modifications to the timing of delivery and the location of specific benefits are required to reflect the addition of residential permissions and location of parks and POPS through the MZO, and the associated impact on the design and phasing of the East Harbour development. The demolition of the soap factory also requires the relocation of the Employment Incubator Space, which was originally anticipated to be located within that building. The proposed changes do not alter the substantive obligations or total financial value associated with the secured community benefits.

Cadillac Fairview will seek minor variances to the applicable Zoning By-law to address the updating of the timing and location of these benefits, consistent with Table 5 below. The location and size of the POPS and pedestrian connections will also need to be amended to be consistent with the revisions in the MZO and which will also be the subject of a minor variance application. Staff are seeking instruction from Council through this report to enter into an amending Section 37 agreement to secure the

updated timing and location of benefits in the event the Committee of Adjustment approves that minor variance application.

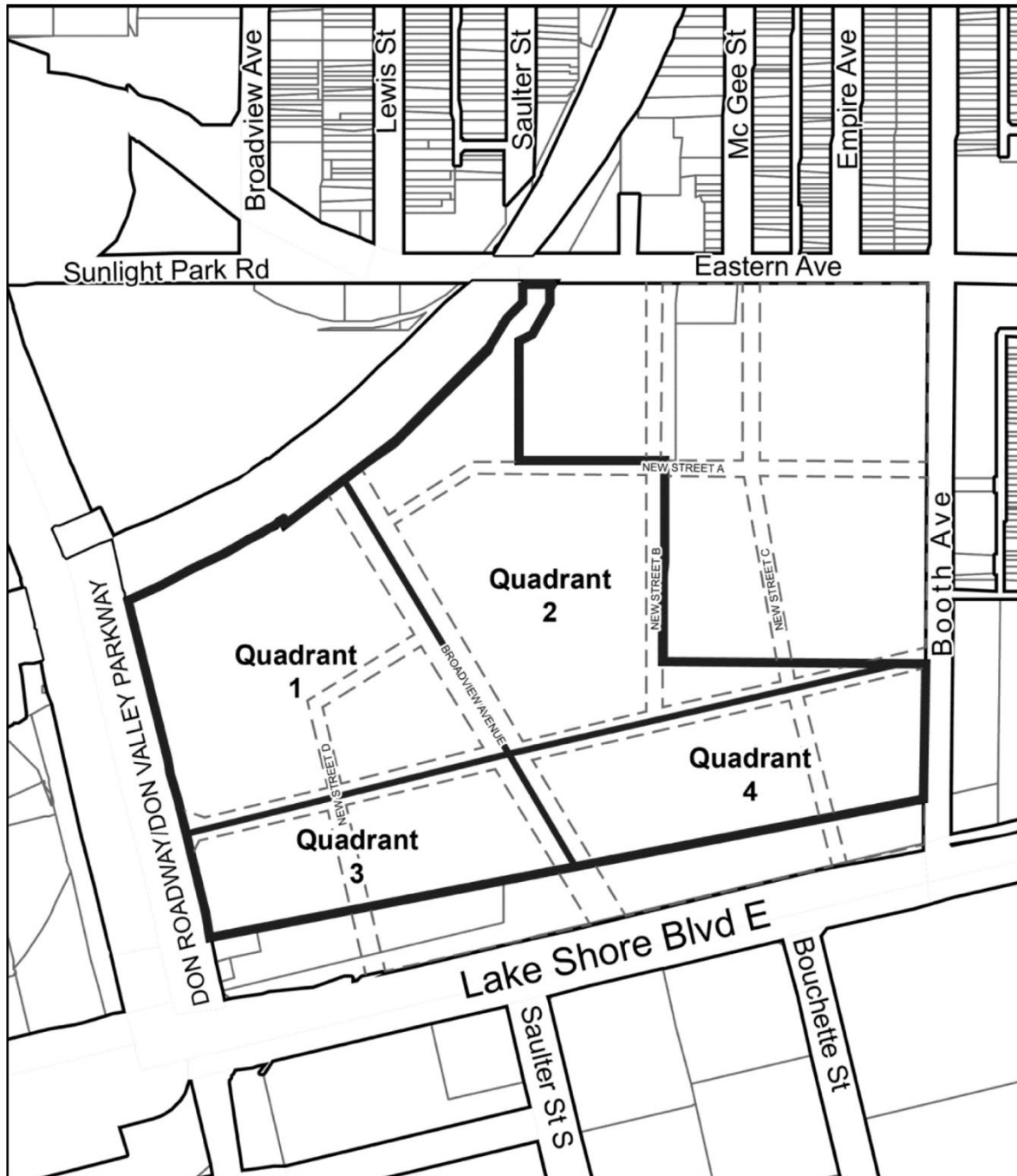
Table 5: Modifications to the Section 37 Agreement

Development Phase (CF Proposal)	Community Benefits to be Provided by the Owner (CF Proposal)	Development Phase (Previous)	Community Benefits to be Provided by the Owner (Previous)
Quad 1 (Phase 1A & 1B)	1.Design and construction of the Incubator Space. 2.Monetary contribution towards the fit-out of the Incubator Space 3.Design and construction of public realm improvements on the Flood Protection Landform 4.Provision of public art	Phase A	1. Design and construction of incubator space. 2. Monetary contribution towards the fit-out of the Incubator Space 3. Design and construction of public realm improvements on the Flood Protection Landform
		Phase C	1. Provision of public art 2. Design and construction of Cultural Community Space 3. Monetary contribution towards the fit-out of the Cultural Community Space 4. Monetary contribution to the City for community services and facilities 5. Design and construction of public realm improvements on the Flood Protection Landform

Development Phase (CF Proposal)	Community Benefits to be Provided by the Owner (CF Proposal)	Development Phase (Previous)	Community Benefits to be Provided by the Owner (Previous)
Quad 2 (Phase 4)	<ul style="list-style-type: none"> 1.Provision of public art 2.Monetary contribution to the City for off-site affordable rental housing. 3.Design and construction of Cultural Community Space 4. Monetary contribution towards the fit-out of the Cultural Community Space 5. Monetary contribution to the City for community services and facilities. 	Phase B	<ul style="list-style-type: none"> 1. Provision of public art 2. Monetary contribution to the City for off-site affordable rental housing.
Quad 3 (Phase 2)	<ul style="list-style-type: none"> 1. Provision of public art 2. Monetary contribution to the City for off-site affordable rental housing. 3. Monetary contribution to the City for community services and facilities. 	Phase D	<ul style="list-style-type: none"> 1. Provision of public art 2. Monetary contribution to the City for off-site affordable rental housing. 3. Monetary contribution to the City for community services and facilities. 4. Design and Construction of the Community Recreation Centre

Development Phase (CF Proposal)	Community Benefits to be Provided by the Owner (CF Proposal)	Development Phase (Previous)	Community Benefits to be Provided by the Owner (Previous)
Quad 4 (Phase 3)	1.Provision of public art 2. Monetary contribution to the City for community services and facilities.	Phase E	1. Provision of public art 2. Design and construction of Cultural Community Space 3. Monetary contribution towards the fit-out of the Cultural Community Space 4. Monetary contribution to the City for community services and facilities 5. Design and construction of public realm improvements on the Flood Protection Landform

Figure 2 : Quadrant Map



Toronto
Quadrant Map

21 Don Valley Parkway, 30 Booth
Avenue, 375 and 385 Eastern Avenue

File # 16 270078 STE 30 SB

-  Subject Site
-  Future Streets


 City of Toronto By-law 569-2013
 Not to Scale
 05/29/2024

6. Keating Lands agreement

Cadillac Fairview has requested a licence agreement with the Toronto Port Lands Company ("TPLC") to secure temporary access rights across the TPLC Keating Lands. This is for the purpose of constructing the Broadview Avenue Extension between Street E and Lake Shore Boulevard East, installation of underground services, construction gate access points, constructor parking, and other necessary works related to the East Harbour TOC.

The Keating Lands are a largely vacant horizontal strip of land with remnant rail spurs. It is located north of Lake Shore Boulevard East and immediately south of the East Harbour TOC. CreateTO is responsible for administering existing TPLC contracts and any future agreements for the Keating Lands. The extension of required road allowances, including Broadview Avenue south of the TOC to Lake Shore Boulevard East requires the eventual transfer of portions of the Keating Lands from TPLC to the City.

Cadillac Fairview will be responsible for the construction of the Broadview Avenue Extension between Lake Shore Boulevard East to just south of the Transit Hub and all costs of related to the extension of Broadview Avenue through the Keating lands including construction, remediation, and the payment of the Provincial Land Transfer Tax. Upon completion and when all conditions imposed by the City have been satisfied, TPLC will convey the portion(s) of the Keating Lands required for the extension to the City at nominal consideration. A further report and bylaw opening and dedicating the Broadview Avenue Extension will be brought forward at a later date.

The City acknowledges the need for landowner coordination to facilitate the development of the East Harbour Transit Hub and the Unilever Precinct more broadly. Therefore, Staff recommend that Council direct CreateTO to enter the Keating Lands Agreement with Cadillac Fairview.

Subject to this direction, CreateTO will enter into an agreement to facilitate access for construction to allow the extension of Broadview Avenue and services down to Lake Shore Boulevard East. The agreement will also address the need for coordinated access to the lands by the City and others for City priority projects such as the Don River Central Waterfront Wet Weather Flow Project (Coxwell Phase completion in 2024 and Inner Harbour West Phase commencement in 2029) and Waterfront Toronto's Lake Shore Boulevard East Public Realm project.

Enabling Infrastructure

The development potential at East Harbour is being supported by a series of major transit, transportation, and flood protection infrastructure projects currently underway in the area. The East Harbour TOC will leverage these regionally significant infrastructure initiatives to develop transit-oriented land uses adjacent to the Transit Hub. Key enabling infrastructure components are described below.

1. East Harbour Transit Hub

The Transit Hub is a priority project for the City and the Province as it will be an economic catalyst in the area. It will support the East Harbour TOC development, serve existing and new development in the area, and serve as a gateway to the Port Lands redevelopment that will create new housing and employment areas.

The East Harbour Transit Hub will be constructed as a multi-modal Transit Hub and transfer station for the GO Lake Shore East corridor, the GO Stouffville corridor and the Ontario Line subway. The planned 504 Broadview streetcar line extension is expected to have a streetcar stop at the station in the future.

The Broadview Avenue Extension will have a 43 metre right-of-way for the underpass under the future Transit Hub and rail bridge structure, punching through the existing rail berm to connect south to Lake Shore Boulevard East.

The Transit Hub design is currently undergoing a value engineering exercise to assess key engineering, cost and design elements. It is currently at the 30% design stage. The station is anticipated to be open in late 2028.

2. Broadview and Eastern Flood Protection

Implementation of the Broadview Eastern Flood Protection project is an essential component in removing the East Harbour area from the regulatory flood plain. It is required to enable the opening of the first buildings of the East Harbour TOC project, the East Harbour Transit Hub and Broadview Extension, and protects neighbourhoods in the surrounding area and downstream.

The project will deliver a Flood Protection Landform extending from Eastern Avenue south along the east side of the Don Valley Parkway and Don River to the Metrolinx Lake Shore East rail embankment. The projects will integrate with the broader flood protection infrastructure constructed in the area including the Port Lands Flood Protection project and the flood protection work undertaken to protect the West Don Lands and other precincts west of the Don. The East Harbour Flood Protection Landform, to be located south of the rail berm and to be delivered by Cadillac Fairview, will also form part of the overall flood protection infrastructure for the area.

Based on previous City Council direction, the City was committed in principle to delivering Phase One of a proposed two-step phased implementation approach to Broadview Eastern Flood Protection with a total estimated cost of \$171 million. The City's existing share of the Broadview Eastern Flood Protection project was \$57 million, approved through the City's 2023-2032 Capital Budgeting and Planning process. This

represented one third of the cost of the project, with contributions from Cadillac Fairview and the Province providing the remainder.

Following a Provincial review of flood protection options north of the rail corridor, and further estimates of construction and property acquisition costs, the Province proposed an accelerated approach to implementation that would see the full Broadview Eastern Flood Protection project constructed in the near-term. City and Provincial officials agreed that building the full Environmental Assessment approved landform would provide a better result and cost less over time than a phased approach. Through this report, City staff are seeking authority to enter into a Delivery Agreement with Waterfront Toronto to deliver the full Broadview Eastern Flood Protection project.

Through the New Deal between the City and the Province, the City has committed to contribute a maximum of \$200 million toward the cost of the project, and further committed to manage the delivery of the project. Waterfront Toronto will act as the City's delivery agent. Of the City's \$200 million contribution, \$57 million has been funded in the City's 10 Year Capital Plan, while the remainder \$143 million will be prioritized through the 2025 Budget process, subject to refinement of project cash flow estimates and further review of funding sources.

The City's share will be offset by a portion of the Cadillac Fairview cash contribution defined in the East Harbour TOC. The Province will also contribute \$200 million or more as required and will be responsible for land acquisition. Further details about the project, background, design and construction are included in Attachment 5.

3. Broadview Avenue Extension and Base TTC Infrastructure

In January 2024, the City of Toronto completed the Broadview Avenue Extension Municipal Class Environmental Assessment (Broadview Avenue MCEA) that included the Broadview Avenue Extension between Eastern Avenue and Lake Shore Boulevard East, and a new east-west Street at East Harbour between Don Roadway and Booth Avenue. Through this process City officials worked closely with Metrolinx and relevant stakeholders, including Cadillac Fairview, to confirm the cross-section and Right-of-Way dimensions for Broadview Avenue extension from Eastern Avenue to Lake Shore Boulevard.

These streets will improve area connectivity, prioritize space for surface transit and people and cyclists; allow motor vehicle access, create green streets, and provide space for vehicle parking lay-bys to accommodate a variety of curbside activities. The alignment and right-of-way width for these streets as identified in the MCEA have been reflected in the Draft Plan of Subdivision and individual site plan applications.

As indicated in Attachment 6d, the design and delivery of the Broadview Avenue extension has been divided into three segments: Eastern Avenue south to the rail berm, under the rail berm (Transit Hub) and from south of the rail berm to Lake Shore Boulevard East. The segments will be designed and constructed in a coordinated manner from Eastern Avenue to Lake Shore Boulevard. The City has committed in principle through the New Deal to fund the design and construction of the Broadview Avenue Extension under the rail berm (excluding the underpass structure which is

funded through SmartTrack and delivered as part of the Transit Hub) and north of the rail corridor to approximately 80m north of Eastern Avenue. This work will be done by the Metrolinx's Alliance contractor that is also designing and constructing the Transit Hub. Design is advancing to 30 percent per a Letter Agreement entered into earlier this year with Metrolinx, and the City is currently negotiating a further design agreement to advance design to 100 per cent. A construction agreement would follow once design work is further advanced and there is more certainty on the design and cost. Cadillac Fairview has committed to design and construct the Broadview Avenue Extension from south of the rail berm to Lake Shore Boulevard East. Cadillac Fairview will also ensure coordination with the Metrolinx work under the rail berm.

As noted, in accordance with the terms of the New Deal, the City has committed to fund the delivery of the Broadview Avenue Extension north of the rail corridor to Eastern Avenue, currently at an estimated cost of \$140 million, including property acquisition costs. This amount is currently reflected in the 2024-2033 Capital Plan. The final costs of the project have not been confirmed as the Province is still engaged in property negotiations with the landowner. A portion of the Cadillac Fairview cash proceeds will also be applied to this project. Adjustments to the budget for updated cost assessments and other cost-sharing opportunities will be brought forward as part of a future Budget process. City staff are working with Metrolinx and their Alliance to reduce the costs associated with the road extension.

The Broadview Avenue Extension through the East Harbour site will be designed and constructed to include base TTC infrastructure within the transit right-of-way to enable interim TTC bus operations and also allow for the implementation of TTC streetcar infrastructure (e.g., tracks, catenary) at a later date by the TTC with minimal construction disruption. Design and construction of the base TTC transit infrastructure is the responsibility of Cadillac Fairview, with costs earmarked within their funding contribution.

Draft Plan of Subdivision

The previous owner of the East Harbour lands submitted an application for a Plan of Subdivision in 2016 to advance the orderly development of employment uses on the East Harbour site (Subdivision Application No. 16 270078 STE 30 SB). Through the subdivision process, the existing site will be sub-divided into development blocks, public streets, public parks and the East Harbour Flood Protection Landform.

As outlined further in Attachment 6e, as the delegated authority, the Chief Planner intends to issue draft plan of subdivision approval in accordance with the requirements under the Planning Act, and applicable City policies. Through this report, staff are seeking City Council approval where required to facilitate the implementation of certain draft Plan of Subdivision conditions.

Specifically, staff are seeking authority to accept the conveyance of lands within the East Harbour plan of subdivision subject to exemptions to the City's Policy for Accepting Potentially Contaminated Lands to be Conveyed to the City as a Condition of a Development Application Approval in accordance with the following:

- Due to the potential impact on critical and existing underground hydro infrastructure, Staff request City Council approval to deviate from City policy in accepting the conveyance of potentially contaminated lands for the future widening of the Don Roadway.
- Facilitating the timely advancement of the Transit Hub and related enabling infrastructure requires early release for construction for Phase One of the Plan of Subdivision. The Ministry of Environmental, Conservation and Parks has not issued a final approval of Cadillac Fairview's proposed remediation plan for the site. Based on an assessment by the City's peer reviewer and discussions with MECP, City staff are prepared to accept Cadillac Fairview's proposed risk management approach, subject to some conditions, financial securities and payment for future monitoring if required. On this basis, staff seek City Council authority to accept the conveyance of lands for public parks, roads and the Flood Protection Landform that may be subject to Risk Management Measures that require ongoing monitoring of groundwater by the City.

The MZO applicable to the site provides for an exemption for Phase 1 (Quadrant 1) from the requirement that all development be located on lands fronting a public street with servicing installed to the property line. It is anticipated that the MZO may be amended to provide this exemption for Phase 2 (Quadrant 3). The Draft Plan Conditions have been structured accordingly to allow the construction of infrastructure to occur concurrently with development within these phases.

As outlined in Attachment 6, staff are also seeking authority regarding the terms and timing of parkland dedication.

Based on the above and Council direction, the Chief Planner and Executive Director, City Planning through the authority in the Planning Act intends to approve the Draft Plan of Subdivision for East Harbour as generally illustrated in Attachment 6d. Final approval and registration will follow the fulfilment of the applicable conditions in Attachment 6e.

Development Charges

In February 2023, Cadillac Fairview requested consideration of development charges (DC) credits for infrastructure to be designed and constructed by Cadillac Fairview within and external to East Harbour that will service the Transit Hub, the first phase of East Harbour development and other areas beyond East Harbour. Most of the requested DC credits were not consistent with the Local Service Policy and Guidelines (as adopted by Council as part of the Development Charges Background Study).

The eligible infrastructure to be delivered by Cadillac Fairview, and for which DC Credits will be provided, include above base park improvements (ABPI), external below grade Infrastructure (sanitary and storm water systems), transit infrastructure costing over 5 million dollars and the East Harbour Flood Protection Landform. Staff consider it beneficial to the City for Cadillac Fairview to complete these works as part of the East Harbour Phase 1 works as they represent critical enabling infrastructure or reduce future construction disruption.

1. Above Base Park Improvements (ABPI)

Consistent with the City's standard practice, the Parks and Recreation component of the Development Charges may be credited to the Cadillac Fairview in exchange for Above Base Park Improvement upon agreement with the City. The development charge credit shall be in an amount that is the lesser of the cost to the Cadillac Fairview of installing the Above Base Park Improvements, as approved by the City, and the Parks and Recreation component of Development Charges payable for the development in accordance with the City's Development Charges By-law, as may be amended from time to time. Cadillac Fairview will be required to enter into an agreement with the City to provide for the design and construction of the improvements and will be required to provide financial security to ensure completion of the works.

2. Below Grade Services (Stormwater & Sanitary)

The Broadview Avenue Extension will be the collector spine for underground services for East Harbour and adjacent properties. Cadillac Fairview, as part of its Phase 1 works, requested DC credits for upsizing East Harbour sanitary and stormwater infrastructure to accommodate additional capacity. Staff support the provision of DC credits for incremental costs associated with any upsizing of sanitary and stormwater pipes beyond the necessary capacity for the development permitted by the MZO and the City's zoning.

Staff are recommending that City Council provide the applicant with a development charge credit against the applicable storm water management and sanitary sewer component of the development charges payable for the proposed development for the design and construction by Cadillac Fairview of the eligible upsizing of stormwater or sanitary sewer infrastructure, as approved by the City. The development charge credits shall be in an amount that is the lesser of the eligible cost to Cadillac Fairview of the upsizing of the stormwater and sanitary infrastructure and the respective component of the development charges payable for the development to a maximum of \$3.3 million in the case of stormwater and \$1.4 million in the case of the sanitary sewer. Consistent with the City's local service policy, the portion that may be eligible for DC credit shall be the difference between the cost of the storm or sanitary sewer pipe size requested by the City and the estimated cost to install the "determined need" for the development, and an additional 10 percent investigations, testing and engineering fee. Only material (not labour) costs of the sewers and related appurtenances will be included in the calculation.

3. East Harbour Flood Protection Landform

As anticipated in the City's Don Mouth Naturalisation and Port Lands Flood Protection Environmental Assessment, the East Harbour Flood Protection Landform is a component of a larger flood proofing system required to protect the wider Unilever Precinct and portions of the Port Lands (717 acres) east and south of the Don River, currently at risk of flooding. The primary purpose is to provide flood protection rather than maximize development potential of adjacent properties.

The Original Section 37 Agreement for East Harbour defines the obligations for the East Harbour Flood Protection Landform, requiring the Owner to construct the East Harbour Flood Protection Landform at its sole expense. In 2018, when authorizing City Staff to enter into the Original Section 37 Agreement, Council approved a reimbursement to the owner for its actual eligible costs of the construction of the East Harbour Flood Protection Landform to a maximum of \$4.5 million. The Original Section 37 Agreement acknowledges Council's discretion to agree to a higher amount. In the 2022 DC Background Study, the East Harbour Flood Protection Landform was escalated by 26% to \$5.7M. Given further recent escalations, costs of the East Harbour Flood Protection Landform based on the 90% design submission significantly exceed this amount. Given the unique nature of the infrastructure and its role in advancing a broader City interest, staff consider a City contribution up to \$10 million is appropriate, which would be funded through a development charges credit against the storm water management component of the development charges payable, in an amount that is the lesser of the amount of the creditable costs or the storm water management component of the development charges payable, in accordance with the City's standard practice, and/or through the approved budget for the Broadview Eastern Flood Protection project.

4. Transit

Significant transit, cycling and pedestrian infrastructure is required to support East Harbour. The Broadview Avenue Extension through the East Harbour site will be designed and constructed to include base TTC infrastructure within the transit right-of-way. The inclusion of this infrastructure will improve area connectivity and prioritize space for surface transit in the area. It will enable TTC to run bus operations in the interim and implement TTC streetcar infrastructure (e.g., tracks, catenary) in the future.

The design and construction of the TTC base infrastructure will be funded by Cadillac Fairview as part of the TOC in-kind contribution, to a maximum cost of \$5 million. Staff are recommending that Council provide Cadillac Fairview with a development charge credit against the Transit component of the development charges payable for the proposed development for overages beyond \$5 million, subject to validation of the overage by the TTC and the City's standard practice respecting development charges credits. If the costs fall below \$5 million, the remaining balance up to \$5 million will be returned to the City to be redirected toward other infrastructure or community benefits. Terms to implement this are included in the TTC Infrastructure Agreement.

Pre-Servicing Agreement

The City's priority is to advance the Transit Hub and related enabling infrastructure to unlock employment potential and development in the broader area. Metrolinx has set a target date of 2028 for the completion and delivery of the Transit Hub. To meet this completion date will require the construction of the BEFP project, the Broadview Avenue extension and servicing. To facilitate this, the City has agreed to enter into a Pre-Servicing Agreement with Cadillac Fairview to facilitate the expeditious construction of services for Phase 1 works at East Harbour.

The Pre-Servicing Agreement for East Harbour is formally a subdivision agreement as it is being required as a condition of the Draft Plan of Subdivision, pursuant to Section

51(26) of the Planning Act. The agreement will cover matters related to the construction of the servicing in Phase 1 of the plan of subdivision until the East Harbour Plan of Subdivision Agreement is executed, at which time the subdivision agreement will prevail. While the Pre-Servicing Agreement would facilitate an early release for construction of services, no services will be accepted, nor can lands be conveyed to the City until registration of the subdivision agreement.

In securing the conditions of draft plan of subdivision approval for Phase 1, the Pre-Servicing Agreement contemplates construction works advancing prior to the acceptance of the Risk Assessments by the MECP and in advance of the issuance of Certificates of Property Use (CPUs), subject to certain conditions, as outlined above.

Agreement for Municipal Infrastructure Improvements

The development of East Harbour and the Transit Hub will require infrastructure improvements, both internal and external to the East Harbour site, to support the proposed development.

The proposed external infrastructure improvements include new watermains, sanitary sewers, sanitary forcemains, and storm sewers, as well as an interim sanitary pumping station, storm outfall, and catch basin disconnect works. These external improvements are planned along Lake Shore Boulevard East, Logan Avenue, Saulter Street, Commissioners Street, and Eastern Avenue.

To facilitate the timely delivery of the required external infrastructure improvements, the City will require Cadillac Fairview to enter into an agreement for municipal infrastructure improvements prior to the Release for Construction of services for Phase 1. A necessary Draft Plan of Subdivision condition will be imposed to secure this requirement.

Implementation and Next Phase Discussions

Following City Council direction on the matters raised in this report, City staff will work with the Province and Cadillac Fairview to finalize and execute the various agreements related to the East Harbour TOC. Cadillac Fairview is expected to seek early release for construction in the near term to begin the first phases of development.

Cadillac Fairview has indicated its commitment to conclude this phase of negotiations. In late May 2024, Cadillac Fairview informed the Province and the City that with challenging market conditions related to office development and the costs of financing the East Harbour development, they intend to pursue further conversion of some of the employment lands to mixed use to allow more residential development.

The City has been clear throughout these TOC negotiations that any future change in the balance of residential and employment permissions on the East Harbour site would require additional community benefits. This report seeks further direction for City staff to discuss this matter with the Province and Cadillac Fairview. City staff will report back to City Council with further information on the Cadillac Fairview proposal as it becomes available and will seek any required City Council direction.

Before engaging in any further conversations with Cadillac Fairview on further changes to land use permissions, City staff recommend that City Council endorse several key conditions to guide City staff in such discussions. All discussions will need to consider the specific nature of the Cadillac Fairview proposal and an understanding of market conditions in applying these conditions:

- Going forward, City Council has set a target of 20% of all new housing units as affordable housing on the same terms as the affordable housing provided for the first part of the East Harbour TOC. This target will guide City staff.
- An increased residential population at East Harbour will require additional community facilities. Going forward, the City should expect to receive additional community benefits at a rate of up to 10% on the new development.
- The City should seek a firm commitment from Cadillac Fairview to protect and advance employment development at East Harbour. The City should look for a commitment to the phasing of employment development to coincide with residential development, and a specific approach to support and develop the film sector at East Harbour
- The City should seek a commitment from Cadillac Fairview to fully integrate the Keating Lands into the revised East Harbour master plan and to acquire the lands to support important benefits, including an increase in affordable housing and expanding the Community Recreation Centre.

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SIGNATURE

Will Johnson
Deputy City Manager

ATTACHMENTS

1. Decision History
2. TOC Agreement Terms
3. Development Agreement Terms
4. Affordable Housing Terms
5. Broadview and Eastern Flood Protection Study Area and Land Ownership
 - a) Environmental Assessment Preferred Alternative (2021)
 - b) Flood Protection Landform 60% Design (May 2024)
6. East Harbour TOC, Draft Plan of Subdivision
 - a) Location Map
 - b) Phasing Plan
 - c) Master Plan Framework
 - d) Draft Plan of Subdivision
 - e) Conditions of Draft Plan of Subdivision

ATTACHMENT 1: DECISION HISTORY

On February 24, 2016, Planning and Growth Management Committee adopted PG10.7 The Preliminary Report on First Gulf's application for an Official Plan Amendment for their initial development concept on the former Unilever Soap Factory site. City staff were directed to prepare a community consultation work plan with the Ward Councillor, integrating economic development considerations, and to report back to the Planning and Growth Management Committee on a recommended process to undertake comprehensive planning for the precinct in collaboration with the applicant, landowners, and stakeholders.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.PG10.7>

On March 28, 2017, City Council adopted PG18.6 Status Update Report on the Unilever Precinct Planning Study, and related zoning amendment and subdivision applications. City staff were directed to commence the Eastern and Broadview Flood Protection, Municipal Class Environmental Assessment, and to report to the Government Management Committee on active investigations to consolidate municipal yard functions, including those provided out of the Booth Yard.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.PG18.6>

On December 5, 2017, City Council adopted PG24.1 Unilever Precinct Planning Study and East Harbour Application Review - Update. The report provided updated information on First Gulf's revised development proposal, and information regarding ongoing public consultation activities.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.PG24.1>

On March 26, 2018, City Council adopted, as amended, PG 27.3 21 Don Valley Parkway, 30 Booth Avenue, and 375 and 385 Eastern Avenue - Proposed Modifications to Official Plan Amendment 231 Site and Area Specific Policy (SASP) 426. The report recommended modifications to SASP 426 to modernize the language of that SASP in support of continued employment land use in that area, to be forwarded to the Minister of Municipal Affairs for approval.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.PG27.3>

On April 27, 2018, the Mayor and the Minister of Municipal Affairs and Housing and Minister of Natural Resources and Forestry entered into the Protocol Regarding the Lower Don Special Policy Area ("Protocol"), which applies to the lands affected by the existing flood plain. The Protocol is intended to address land use planning and development approvals in the Lower Don Special Policy Area in a manner that is consistent with the Provincial Policy Statement.

On June 26, 2018, City Council adopted, as amended, PG30.5 Unilever Precinct Planning Study Secondary Plan and Planning Framework for an office employment hub supported by transit, flood protection and other infrastructure. The Secondary Plan is in full force and effect.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.PG30.5>

On July 23, 2018, Council also adopted associated Zoning By-laws for the developer owned portion of the Precinct to enable their proposed East Harbour development, having received the necessary land use policy approvals associated with SASP 426 on July 20, 2018 via correspondence from the Ministry of Municipal Affairs and Housing and the Ministry of Natural Resources and Forestry. The Zoning By-laws are in full force and effect.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.MM44.121>

On January 29, 2020, City Council adopted, as amended, EX12.3 Toronto-Ontario Transit Partnership - Status Update, which included the Ontario-Toronto Memorandum of Understanding on Transit-Oriented Development ("MOU on TOD", now known as the "MOU on TOC") as Attachment 1. The MOU on TOC established a series of shared objectives for TOC and identified the roles and responsibilities of the City and Province for TOC specific to the Province's Subway Program.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.EX12.3>

On February 2, 2021, City Council adopted EX20.2 Advancing the SmartTrack Stations Program, which updated terms to be incorporated into a revised Agreement in Principle to advance the SmartTrack Stations Program. The East Harbour Transit Hub is a SmartTrack Station.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.EX20.2>

On April 8, 2021, City Council adopted IE20.11 Broadview and Eastern Flood Protection Environmental Assessment, directing staff to finalize the Environmental Study Report and issue a Notice of Study Completion, to be placed on the public record for minimum 30 day review period. Staff were also directed to initiate cost-sharing and implementation discussions with stakeholders and report back to the Infrastructure and Environment Committee with a funding and implementation strategy.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.IE20.11>

On May 5, 2021, City Council adopted, as amended, EX23.3 Provincial Transit-Oriented Communities Program, which reaffirmed its position on the Employment Areas land use designation on the lands south of Eastern Avenue and supported the identification of this area as a Provincially Significant Employment Zone (PSEZ).

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.EX23.3>

On July 14, 2021, City Council adopted PH25.16 East Harbour Transit Oriented Communities Proposal, which provided direction to staff on the City's objectives and priorities in negotiations with the Province and Cadillac Fairview on the East Harbour TOC proposal, and directed staff to report back to Council in December 2021 on the progress on negotiated conditions related to the Province's and Cadillac Fairview's request to establish zoning certainty, including any financial terms and the next steps on planning approvals for East Harbour.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.PH25.16>

On October 18, 2021, Planning and Housing Committee adopted a motion requesting City Staff to report to the November 25, 2021, committee meeting on the current planning and development context of the East Harbour Transit Oriented Communities proposal. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.PH27.13>

On November 25th, 2021, the Planning and Housing Committee received PH29.13 East Harbour Transit Oriented Communities proposal that describes the proponent-led planning and public consultation processes and outlines how City staff have been working to identify and advance City interests for the East Harbour TOC proposal.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.PH29.13>

On December 1, 2021, the Economic and Community Development (ECD) Committee adopted motions related to the Overview on Employment Lands in the Area South of Eastern Avenue to acknowledge the importance of Core Employment Areas and General Employment Areas to the protection of existing and development of new studio and production space across the City of Toronto.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.EC26.14>

On December 15th, 2021, City Council adopted, as amended, TE29.17: Transit Oriented Communities Update (Preliminary Report), which provided an update and preliminary planning comments on several TOC proposals. Staff were directed to establish a City-led review of the East Harbour TOC proposal through the creation of a local working group, in consultation with the Ward Councillor.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.TE29.17>

On January 26, 2022, Executive Committee referred Item EX29.4: Assessment of the East Harbour Transit Oriented Communities Proposal to the Deputy City Manager, Infrastructure and Development Services to advance negotiations. The report outlined the status of negotiations with the Province and Cadillac Fairview, provided the City's preliminary comments on the East Harbour Revised Master Plan, and identified City interests requiring immediate resolution.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.EX29.4>

On April 6 and 7, 2022, City Council adopted, as amended, terms and approaches to be incorporated into drafting of Implementing Agreements between the City, the Province and Cadillac Fairview to facilitate the development of the East Harbour TOC, including that the City Manager continue to advocate for a greater degree of affordable housing in East Harbour to acknowledge the City's investments in transit infrastructure in East Harbour. <https://secure.toronto.ca/council/agenda-item.do?item=2022.EX31.5>

On April 8, 2022, the Minister of Municipal Affairs and Housing enacted a Minister's Zoning Order per Ontario Regulation 329/22 (MZO) for the East Harbour lands. The MZO permits residential uses on specific portions of the East Harbour lands up to a maximum of 302,000 square metres, in addition to the existing employment development permissions.

On July 19, 2022 City Council adopted Item IE 31.14 Broadview Avenue Extension Environmental Assessment Report recommending endorsement of the preferred design for the Broadview Avenue Extension and new Street E.

<https://www.toronto.ca/legdocs/mmis/2022/ie/bgrd/backgroundfile-227973.pdf>

On July 19, 2022, City Council adopted EC31.32 - Applications to the Imagination, Manufacturing, Innovation and Technology Property Tax Incentive Program. This report

provided recommendations on the evaluation of Cadillac Fairview's application to the IMIT program, which was recommended to be reviewed by Council in conjunction with the overall East Harbour implementing agreements.

<https://secure.toronto.ca/council/agenda-item.do?item=2022.EC31.32>

On June 14 and 15, 2023, City Council adopted EX5.2 - SmartTrack Stations Program - Provincial Funding Update, including acceptance of provincial funding up to \$226 million toward the costs of the SmartTrack Stations Program (the "Provincial Funding") on the terms and conditions set out in the Provincial Funding Term Sheet attached as Attachment 1 to the supplementary report.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.EX5.2>

On September 6, 2023, City Council adopted Item EX7.2: Urgently Building More Affordable Homes which included a direction for the Deputy City Manager, Development and Growth Services, to establish a pilot project in Ward 14-Toronto Danforth, for all active development applications, including East Harbour to establish a target goal for the number of affordable units to be achieved. <https://secure.toronto.ca/council/agenda-item.do?item=2023.EX7.2>

On October 26, 2023, Planning and Housing Committee deferred consideration of Item PH7.10 - Our Plan Toronto: Recommendations on the East Harbour Employment Area Conversion Request - Final Report and directed the Chief Planner and Executive Director, City Planning to report to a future meeting of the Planning and Housing Committee on Conversion Request 041 respecting the lands known in 2022 as 21 Don Valley Parkway, 30 Booth Avenue, and 375-385 Eastern Avenue (East Harbour) so that this final report on the employment area conversion is considered by City Council at the same time as the East Harbour Transit Oriented Communities Report.

[Agenda Item History - 2023.PH7.10 \(toronto.ca\)](https://secure.toronto.ca/council/agenda-item.do?item=2023.PH7.10)

City Council on December 13, 14 and 15, 2023, adopted CC13.2 - Ontario-Toronto New Deal Agreement, including approval in principle of the terms of the Ontario-Toronto New Deal Working Group Term Sheet.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.CC13.2>

On May 14, 2024, Executive Committee adopted EX14.1 - Consolidated Reporting on the East Harbour Transit Oriented Community Negotiations directing City staff to report to Executive Committee on all aspects of the East Harbour Transit Oriented Community negotiations and amending Council Procedures to allow the Executive Committee to hold any statutory hearing required under the Planning Act for the subdivision application for East Harbour.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.EX14.1>

ATTACHMENT 2: TOC AGREEMENT TERMS

- This agreement between the Province and the City stipulates terms for the release of Cadillac Fairview's cash and in-kind contributions from the Province to the City.
- The first Tranche Contribution is equal to \$100 million value (\$46,250,000 in cash and \$53,750,000 in in-kind) and the second Tranche is equal to \$200 million value (\$5,800,000 in cash and \$194,200,000 in in-kind contributions).
- In the event Cadillac Fairview does not pay the Province the funds, the Province will use reasonable commercial efforts to enforce Cadillac Fairview's obligations under the Contribution Agreement.
- The Conditions Precedent to the Tranche 1 funding are as follows:

City and Metrolinx to acknowledge that proposed rail safety measures are sufficient
City and Cadillac Fairview to enter into a Pre-Servicing Agreement to advance enabling infrastructure required to support the East Harbour Transit Hub and East Harbour development.
The Toronto and Region Conservation Authority (TRCA) and the City to confirm the design of the Flood Protection Landform is satisfactory and that the FPL, in conjunction with the Broadview Eastern Flood Protection project are sufficient to allow the lifting of the Holding provision on the site
City grants conditional approval of the Draft Plan of Subdivision to facilitate a phased approach to the development of the East Harbour TOC.
City to provide written confirmation of the approval of the Port Lands and South of Eastern Transportation and Servicing Master Plan Environmental Assessment confirming the Broadview extension, including the alignment and cross-section
City to provide written confirmation of approval of Cadillac Fairview's proposed approach to environmental requirements for conveyances
CreateTO, the City and Cadillac Fairview to conclude an Access Agreement to allow permanent and temporary access across the Keating Lands for the extension of Broadview Avenue, underground services, construction gate access points, contractor parking, and other elements deemed necessary for the development of East Harbour
Province to provide zoning permissions for 3.25 million square feet of residential development
Province, City and Cadillac Fairview to enter into an Affordable Housing Agreement

City and Metrolinx to acknowledge that proposed rail safety measures are sufficient
City, Province and Cadillac Fairview to enter into a Development Agreement related to required community services and facilities, parkland dedication and other planning matters
Province and City to conclude a Site-Specific TOC Agreement that sets out the Conditions Precedent to the transfer of funding and the intergovernmental obligations respecting the Broadview Eastern Flood Protection project and the Broadview Avenue Extension
Cadillac Fairview and the City to amend the existing Section 37 Agreement and implement changes to the By-Law to reflect the modifications to location and timing as a result of the introduction of residential permissions to the East Harbour TOC
Province to provide evidence that construction has commenced on the East Harbour Transit Hub by October 1, 2025

- The TOC Agreement will not be signed until such time as the City has confirmation from Cadillac Fairview that it is satisfied that all other Tranche 1 conditions precedent have been satisfied.
- To address a stand-alone CP in the Contribution Agreement requiring that a Transit Services Operating Agreement be executed between Cadillac Fairview and Metrolinx prior to the release of any funding, the City will not sign the TOC Agreement until this agreement has been fully executed by the parties.
- Any reference to a Tranche 1 CP being satisfied by a particular date will be a date on or after the date of execution of the TOC Agreement.
- The conditions precedent to the Tranche 2 funding are as follows:

City to provide evidence that contracts are in place to deliver, by October 1, 2025, the Broadview Avenue Extension and the Broadview Eastern Flood Protection Project to coincide with the delivery of the East Harbour Transit Hub
City to provide evidence that construction of the Broadview Avenue Extension and the Broadview Eastern Flood Protection north of the rail corridor has commenced, by October 1, 2025.

- The Province will preclude Metrolinx from proceeding with the punch through of the rail berm required to build the East Harbour Transit Hub and extend Broadview Avenue to Lake Shore Boulevard East until the BEFP project provides sufficient flood protection.
- The Province will commit to ensuring that Metrolinx will sign a construction contract with the City and commence work on BE no later than October 1, 2025 subject to (a) the City and Metrolinx having entered into a property acquisition agreement and a

design agreement by June 27, 2024 and a construction agreement in sufficient time for Metrolinx to incorporate the BE scope into the Project Alliance Agreement for the construction of the East Harbour Transit Hub, and (b) City staff seeking all necessary approvals and budget.

- The Province will commit to ensuring that Metrolinx commits to this commencement date in its design agreement with the City.
- The City and the Province will each have a one time right to require an extension of this date by 90 days for each of the Tranche 2 CPs.
- Should a judicial (or quasi-judicial) proceeding or event beyond Metrolinx's control affect the commencement of the Broadview Avenue Extension work, the Province and the City agree to convene a working group including Metrolinx to negotiate a path to resolving funding or liability issues that may result.
- The Broadview Avenue Extension will be entirely funded by the City (including land acquisition costs).
- The cost of land and construction for BEFP will be shared between the City and Province, with the City's contribution to be capped at 50% of the shared costs to a maximum of \$200 million.
- In the event the overall costs of the BEFP project exceed \$600M, the City and Province will agree to consider further funding equalization opportunities.
- The Cadillac Fairview funds will be held in escrow until the later date of all property acquisition and business loss costs having been settled and construction of the project having been completed. The funds will be used in the event the City owes the Province for the purpose of equalizing payments (again only to a limit of \$200M total). Following such reconciliation, the remaining Cadillac Fairview funds will flow to the City. The parties can move up the date of this reconciliation to a mutually agreed upon earlier date.
- The TOC Agreement will provide a process for design and construction coordination across the different major infrastructure projects, and a collaborative dispute resolution process to address disagreements among the Parties. These terms have not yet been determined.
- Cadillac Fairview will not pay community benefits charges (by operation of the Planning Act). The City agrees to indemnify Cadillac Fairview to a limit of \$50 million in the event they are made to pay CBCs.
- In the event the City unilaterally chooses to remove density permissions (such that they are reduced below the MZO permissions), so as to adversely affect the density, it will have to repay the Province the aggregate amount of funds paid and cost of construction of the in-kind contributions.

ATTACHMENT 3: DEVELOPMENT AGREEMENT TERM SHEET

Funding to be paid directly to the City

- \$2.5 million to fund capital upgrades to the Queen Saulter, Jones and/or Riverdale branches of the Toronto Public Library;
- \$2 million to fund public art; and
- Two contributions of \$500,000 towards the Child Care Facilities Reserve Fund.

Child Care Facilities

- The Owner shall design, construct and deliver to the City two 62 space non-profit licensable childcare facilities leased to the City for a term of 99 years with the lease registered on title at the Owner's expense
- The facilities shall be located in Quadrants 1 and 4 of the East Harbour lands, each with a minimum of 929 square metres (10,000 square feet) of interior space and a minimum of 278 square metres (3,000 square feet) of contiguous exclusive use outdoor space.
- Each facility shall be designed in accordance with the applicable guidelines, legislation and regulations and all applicable criteria necessary to obtain a license.
- The Q1 & Q4 Child Care Facilities shall be constructed no later than in conjunction with the first building containing residential uses constructed on the Site and the second building containing residential uses constructed in Quadrant 4. They shall both be completed, to a level of Substantial Performance no later than 12 months following first occupancy of the building in which it is located.
- The location and final design of each Child Care Facility shall be determined as part of the City's Site Plan Approval. The facility shall be constructed to code with the Owner rectifying all deficiencies at its own cost and expense. If not rectified, the City shall be able to draw on the Child Care Facility Financial Security to correct such defects or deficiencies. Warranties will apply for a period of two (2) years following Child Care Facility Final Acceptance.
- Prior to issuance of the first Above-Grade Building Permit the Owner shall provide to the City as security a letter of credit in an amount sufficient to guarantee 120% of the estimated costs of construction.
- The Owner shall enter into a lease agreement with the City no later than twelve (12) months prior to the projected Child Care Facility Delivery Date.
- During this term of the Lease the Child Care Facility may be used by the City as a non-profit child care facility or for an alternate community use.

- The City shall through an expression of interest process and in consultation with the Owner, select a child care operator for each Child Care Facility and has the right to enter into sub-lease agreements with the Child Care Operator as needed.

Community Recreation Centre

- The Owner shall construct, deliver and convey to the City, on a stratified basis, a community recreation centre with a total interior area of approximately 6,500 square metres (approximately 68,500 square feet). It shall be adjacent to the park on Quadrant 4 of the East Harbour lands.
- The CRC shall be integrated with the residential building to the north and will comply with TGS standards applicable at site plan approval for that building.
- The CRC strata parcel shall include limited portions of the roof to a height of 6 metres, for the purpose of accommodating mechanical equipment for the CRC and TGS elements.
- The adjacent residential building will have a maximum of 1,400 square metres (approximately 15,000 square feet) of outdoor amenity space for exclusive use of the residents of the aforesaid residential building.
- The 4C Building shall be set back from the Q4 Park at least 5 metres unless otherwise determined by the City through the processing of an application for Site Plan Approval.
- The CRC shall be completed, to the level of Substantial Performance, prior to issuance of any Building Permit for the Site that would result in greater than [116,129 square metres (1,250,000 square feet)] of residential Gross Floor Area on the Site, excluding any such residential Gross Floor Area in the 4C Building.
- The detailed design of the CRC will be determined with community input in the context of the Site Plan Approval process. This includes maximum of four above-grade levels, a prominent ground level entrance facing Booth Street, and a secondary entrance from the dedicated parkland to the west.
- The CRC must have a total net amount of programmable area of approximately 4,308 square metres (45,300 square feet) to 4,506 square metres (48,500 square feet) and include a lap swimming pool and a leisure/tot pool, a gymnasium and mezzanine running track, multi-purpose rooms, a dance studio, a minimum of two fitness spaces, a generous reception/lobby area; and a reception and pool administration office located at ground level.
- The CRC and the 4C Building shall be designed to make available to the City two (2) parking stalls located within the Below-Grade Parking Levels for use by CRC staff with rooftop access provided to allow for City maintenance / inspection.

- The Owner shall finish, furnish and equip the CRC generally in accordance with the finishings, furnishings and equipment provided in community recreation centres in the City providing comparable programming and functionality.
- Prior to the submission of an application for Site Plan Approval for the CRC or Building 4C, the Owner shall include a schedule for completion of all aspects related to the design of the CRC, including but not limited to public consultation process, design development, construction schedule, and development budget.
- The parties agree to two (2) public consultation meetings and to complete the design and consultation process for the CRC Exclusive Elements within eighteen (18) months of submission of the Project Design Plan, including approval of the Approved CRC Plans.
- The Owner shall construct the CRC in accordance with the approved CRC Plans.
- Prior to issuance of the first Building Permit for lands within Quadrant 4, the Owner shall provide the City a letter of credit in the amount of 100% of the estimated cost to construct the CRC to guarantee the completion of the CRC. The estimated cost to construct the CRC shall be determined by a third-party consultant, retained by the Owner.
- Prior to the later of first occupancy of the CRC or issuance of Final Acceptance/CRC, the Owner shall convey fee simple ownership of the CRC Strata Parcel to the City for nominal monetary consideration with all costs borne by the Owner. Coincident with the CRC Conveyance, the Owner shall enter into and register on title to the appropriate lands an easement and shared facilities agreement that contain facilities to be shared between the CRC and the 4C Building to addresses the maintenance, repair, replacement and reconstruction of any facilities shared between the CRC and the 4C Building, and the sharing of costs for same.
- The Owner shall pay all costs including those associated with the preparation and registration of all necessary documents and plans for the registration of the CRC Conveyance and the CRC Easements and land transfer taxes in connection with the CRC Conveyance as applicable.
- Prior to the CRC Conveyance Date, the Owner shall provide a title opinion that the Owner is the registered owner in fee simple of the CRC Strata Parcel free and clear of encumbrances. For a conveyance of land requiring a RSC, the Owner shall file the RSC on the Ontario Environmental Site Registry; and submit the Ministry's Letter of Acknowledgement.
- Where required, the City and the Owner shall enter into a limiting distance agreement coincident with the CRC Conveyance for nominal monetary consideration.

Other Matters

Transportation Demand Management - As part of the draft plan of subdivision application for the Site, the Owner shall submit a transportation demand management plan to address available approaches for increasing mode share for active forms of transportation and transit, including bike share facilities, other cycling facilities, car-share spaces, parking supply, and other tools and incentives.

Compatibility Studies - The Owner agrees to submit air quality, noise and vibration studies and other compatibility studies as may be reasonably required by the Chief Planner, and to address any necessary mitigation through the Site Plan Approval process.

Toronto Green Standard and District Energy - Development on the Site is strongly encouraged to achieve the highest level of the Toronto Green Standard and to, over time, target zero emissions. The Owner shall consider and evaluate the opportunity to incorporate a district energy system to serve all or part of the Site.

Design Guidelines - As of the date of execution of this Agreement, the Site is subject to the Unilever Precinct Secondary Plan.

Equity Hiring Plan - The Owner shall explore the development of an equity hiring plan for construction works on the Site that promotes opportunities for equity-deserving communities.

Film-Friendly Development - The Site is in the vicinity of existing and expanding film uses. Subject to approval through applicable planning processes the road network developed on the Site shall offer lay-by parking and drop-off areas, which may be of assistance to the film industry; and access to electricity shall be provided at select locations on the Site at or near a property line abutting a road, with such electricity made available to the film industry and other users on terms established by the Owner.

Registration

This agreement shall be registered with priority on title and be binding on successor owners, to the satisfaction of the City Solicitor, but only provided that the aforementioned agreement is able to be registered on title and binding on successor owners, to the satisfaction of the City Solicitor.

Development Charges

Any portion of a building used for the purpose of a Child Care Facility, or an Alternate Community Use shall be exempt from the payment of Development Charges. The CRC shall also be exempt from the payment of Development Charges.

ATTACHMENT 4: AFFORDABLE HOUSING AGREEMENT TERM SHEET

The key high-level terms of the proposed Master Affordable Housing Agreement with the Province and Cadillac Fairview or its related/nominee corporations for the East Harbour TOC include:

1. Delivery and Construction of Affordable Housing Units

- Cadillac Fairview or its related/nominee corporations (the "Owner") shall deliver a minimum of 5% of the total permitted residential gross floor area on the East Harbour Lands, and construct and operate no less than 215 affordable rental housing units at the Official Plan income-based definition, which is broadly aligned with the Development Charges Act definition of affordable rental housing for 99 years (the "Affordability Period"), in line with recent City policy on affordable housing.
- Affordable Housing units may be contained within rental or condominium buildings up to a maximum of ten percent (10%) of the total Residential Gross Floor Area of the Building.
- Notwithstanding adjustments in respect of Advance Contributions (i.e. provision higher than the minimum required within a residential building), the Owner shall, on the Residential Lands owned by it, construct a minimum of five percent (5%) of the Residential Gross Floor Area in each Residential Building as Affordable Rental Housing at a pace generally commensurate with the pace of construction of the Market Units in the same Building to ensure that the quantum of Affordable Rental Housing will always comprise at least five percent (5%) of the constructed Residential Gross Floor Area on the Residential Lands. The affordable rental housing units shall be made ready and available for occupancy no later than the date by which seventy percent (70%) of the Market Units in that Building are available and ready for occupancy.
- Affordable housing units shall be provided within a building to proportionately reflect the same unit mix, locational advantage, design standards and specifications including size and accessibility, access to services, facilities and amenities as market units within the same building.
- If the Owner seeks permission for residential floor area on the Residential Lands in excess of the current Residential Permissions, the City shall be entitled to seek additional contributions with respect to affordable housing on the Residential Lands owned by it.
- Prior to the issuance of the first Above-Grade Building Permit for any Building proposed to contain Affordable Rental Housing Units, the Owner and the City shall enter into an affordable housing agreement specific to that Building including key terms and provisions including but not limited to: amount of affordable rental housing units to be delivered, rent, unit mix, design and location of the affordable housing units, operation and maintenance of the affordable housing units, requirement to provide an approved access plan, compliance with the City's centralized housing

access system, and reporting and monitoring and tenancy agreement requirements, in such form and content as required by the Director of Housing Stability Services to implement the terms of this Master Affordable Housing Agreement.

2. Unit Mix, Design and Location of the Affordable Housing Units

- The provision of affordable housing units within a building with reflect proportionately the same unit mix, locational advantage, design standards and specifications including size and accessibility, access to services, facilities and amenities as market units within the same building.
- The general size, location and layout of the Affordable Rental Housing Units shall be indicated in the approved drawings under the Site Plan application for the Site, subject to minor modifications at the detailed design stage to the satisfaction of the Chief Planner and Executive Director, City Planning and Executive Director, Housing Secretariat
- The City's election to secure a unit type with a greater number of bedrooms prior to conditional Site Plan Approval may result in less than the 215 Affordable Rental Housing Units, provided that the Affordable Rental Housing will always comprise at least five percent (5%) of the constructed Residential Gross Floor Area on the Residential Lands.

3. Operation and Maintenance of the Affordable Rental Housing Units

- The Owner shall ensure that during the Affordability Period, the Affordable Rental Housing Units meet all applicable standards of any legislation, including the Ontario Building Code and the Residential Tenancies Act governing the physical state and condition of the affordable rental housing units.
- The Owner shall perform or cause to be performed any repair work necessary to keep the affordable rental housing units in a good state of repair and fit for occupancy in the same manner as a prudent owner would do.

4. Rental Tenure

- The Owner shall provide and maintain the Affordable Rental Housing Units as rental dwelling units either in a purpose-built rental building or within buildings that also contain condominium units provided that the Affordable Rental Housing Units are contained within a stratified freehold, non-condominium parcel within such building as per the provision of the Master Affordable Housing Agreement throughout the Affordability Period.
- The Owner shall not apply to convert any of the Rental Units to any non-Rental Housing purposes, nor to demolish the Rental Housing without replacement as Rental Housing on the Site; .
- The Owner shall not apply for approval of a description with respect to any portion of the Rental Housing Units, nor register any of the Rental Housing under the

Condominium Act or for any other form of ownership tenure, such as but not limited to, life lease or co-ownership as defined in c.667 of the Toronto Municipal Code that provide a right to exclusive possession of a unit.

5. Rents

- Rent means the total monthly shelter costs including charges for heat, hydro, water and hot water, but not parking, cable, internet, telephone or any other like charges. If heat, water or hydro costs are separately metered and paid directly by the tenant, then the rent will be reduced by the utility allowance (as determined by the City and published on City's website) applicable to that Affordable Rental Housing Unit
- Cadillac Fairview shall ensure during the Affordability Period, rents charged to the first tenants of any Affordable Rental Housing Units shall not exceed the lesser of the average market rent for the same unit type in the City of Toronto as reported by Canada Mortgage and Housing Corporation in its most recent annual Rental Market Report and the rent based on income as per the Official Plan income-based definition.
- During the Affordability Period, annual increases for an existing tenancy shall not exceed the Provincial Rent Guideline and Above-Guideline Rent Increases as permitted under the Residential Tenancies Act, but only in the event the relevant building is subject to the Provincial Rent Guideline by operation of the Residential Tenancies Act
- For a new tenancy of an Affordable Rental Housing Unit on or after the 84th anniversary of the commencement date of the Affordability Period until the 95th anniversary of such commencement, the Initial Rent charged to any new tenant shall not exceed an amount equal to 50% of the then difference between Affordable Rent and Market Rent for Dwelling Units in the Building of the same unit type;
- For a new tenancy of an Affordable Rental Housing Unit after the 95th anniversary of the commencement of the Affordability Period, rents \ can be set in accordance with the Residential Tenancies Act.

Vehicular parking and optional services such as storage lockers, party rooms and guest suites are not included as part of the monthly Rent but instead offered at market rate to tenants of the Affordable Rental Housing Units.

6. Administration of Units

During the Affordability Period, the Owner will use the City's Centralized Affordable Rental Housing Access System to advertise and select tenants for the Affordable Rental Housing Units, and/or implement an alternative or additional selection process as agreed to by the Executive Director, Housing Secretariat; and at least 6 months in advance of any Affordable Rental Housing Unit being made available for rent, the owner shall develop and implement an Access Plan which will outline how the Affordable Rental Housing Units will be rented to eligible households in

consultation with, and to the satisfaction of, the Executive Director, Housing Secretariat.

7. City Charges

If deemed appropriate by the Executive Director, Housing Secretariat in consultation with the City Solicitor, the Executive Director may require that upon registration of the Master Affordable Housing Agreement, each applicable Owner shall register a mortgage on title to each of the residential building areas to secure completion of the construction of the building(s) containing the Affordable Rental Housing Units, in favour of the City in the following amounts:

- Area 1C (one Residential Building) – \$16,266,000;
- Area 2E (two Residential Buildings) – \$25,000,000;
- Area 3B (one Residential Building) – \$14,307,000;
- Area 3C (one Residential Building) – \$14,307,000;
- Area 4B (two Residential Buildings) – \$20,080,000; and
- Area 4C (one Residential Building) – \$10,040,000.

Upon completion of construction of a Building containing Affordable Rental Housing Units to a level of substantial completion the City shall without payment execute and deliver the applicable owner a full and final discharge of the relevant City Charge with respect to that Residential Building Area

8. Registration

The Master Affordable Housing Agreement and subsequent building specific agreements will be registered with priority on title to each of the Residential Building Areas and bind successor owners.

9. Notice of any proposed transfers, charges or other encumbrances registered on title

Requirement that the applicable owner provide notice forthwith to the City in the event of any transfers or charges or other encumbrances registered on title to each of the applicable residential building areas containing the affordable rental housing units and provide reliable financial statements pertaining to the administration/operation of the affordable rental housing units.

ATTACHMENT 5: BROADVIEW AND EASTERN FLOOD PROTECTION PROJECT SUMMARY

The Broadview Eastern Flood Protection project will deliver a flood protection landform to remove from the regulatory flood plain the "On-Site Study Area" indicated in the land ownership map below. This will have the impact of removing downstream lands from the flood plain, including the East Harbour TOC site. The Flood Protection Landform will extend from Eastern Avenue south along the east side of the Don Valley Parkway and Don River to the Metrolinx Lake Shore East rail embankment. The primary flood protection components of the work are planned to be completed by the end of 2027 with additional finishing works to be completed in 2028. This will enable the opening of the Transit Hub and the first phase of the East Harbour TOC project in 2028.

Project Background

The Study Area for the Broadview and Eastern Flood Protection project, shown below, is 8 hectares (20 acres) of land just east of the Don River, south of Eastern Avenue and north of the Metrolinx Lake Shore East rail embankment. The primary land-owners in the area are: the City of Toronto (streets), Metrolinx (rail corridor) and the Talisker Corporation. Talisker owns both 11 Sunlight Park Road, which houses a BMW dealership, and 20 Sunlight Park Road, where a Mini dealership is located. Additional lands are held by other private landowners, while some lands have been acquired by Metrolinx to support the construction of the Transit Hub.

Currently, the Broadview and Eastern study area is regulated by the Toronto and Region Conservation Authority as Flood Plain, meaning that in the case of a Hurricane Hazel-level Regulatory Flood, water would overflow the banks of the Don River and flood the study area. The lands are designated in the former City of Toronto Official Plan (1994) as Lower Don Special Policy Area, which limits intensified development and requires flood proofing of new buildings.

An Environmental Assessment was completed in 2021 as a joint project of the City of Toronto, Waterfront Toronto and the Toronto and Region Conservation Authority. The Environmental Assessment identified a Preferred Alternative of a flood protection landform extending from Eastern Avenue south along the east side of the Don Valley Parkway and Don River to the Metrolinx Lake Shore East rail embankment. The most recent version of this design is a 60% detailed design completed in May 2024. It is shown in Attachment 2b. The Flood Protection Landform has been designed to minimize the amount of land required, while meeting technical engineering design requirements. The northern portion of the landform will be located on public land and includes the replacement of the Eastern Avenue on-ramp to the Don Valley Parkway and substantial subsurface utility work on Sunlight Park Road. The southern portion will be located on 11 Sunlight Park Road, currently a BMW dealership on land owned by Talisker Corporation. Implementation of the full Flood Protection Landform requires the removal of the existing BMW dealership building.

The environmental assessment report described different implementation options. One option was to fully implement the project. A second option, described in previous staff reports, was to implement a Phase One where the BMW building and business could be maintained in the near-term. Under this approach, the northern and southern portions of

the flood protection landform would be constructed, while the land around the BMW dealership would be re-graded to ensure that flood waters would not flow east of the site's parking lot. Under this approach, the lands east of the graded area could be removed from the flood plain, while the maintaining the business. For Phase Two of implementation, the middle portion of the Flood Protection Landform would be completed on privately-owned lands at a future time.

On April 7, 2021, City Council adopted two recommendations. The first was to finalize the Environmental Assessment Environmental Study Report and issue a Notice of Study Completion. The Environmental Assessment was complete as of May 2021. Council also directed staff to initiate cost-sharing and implementation discussions with stakeholders based on the phased implementation options in the Environmental Assessment, and report back with a funding and implementation strategy.

Design and Construction

The City of Toronto engaged Waterfront Toronto, working with the Toronto and Region Conservation Authority, to lead the implementation of the project. Waterfront Toronto retained a design team led by Morrison Hershfield; PCL has been identified as Construction Manager. From the conclusion of the environmental assessment to the end of 2023, the team proceeded with investigation and design work, developed construction plans in coordination with other area projects and supported discussions with the Province on phasing and implementation alternatives.

In December 2023, Council endorsed the Ontario-Toronto New Deal, which included agreement to advance the full implementation of the Broadview Eastern Flood Protection landform. A 30% design of this full Flood Protection Landform implementation option was completed in March 2024 and a 60% design was completed in May 2024. The 90% design is scheduled for October.

Waterfront Toronto is able to commence construction in Fall 2024, beginning with the removal of the Old Eastern Avenue Bridge, a necessary component of the project. Further phases of construction will proceed through the following years, with the primary flood protection components to be completed by the end of 2027 with additional finishing works to be completed in 2028.

Funding and Implementation

The Broadview Eastern Flood Protection project is currently funded through the \$57-million budget approved through the City's 2023-2032 Capital Budgeting and Planning process.

Over the course of the project, construction cost estimates have been updated as the project design has advanced. The most recent construction cost update was in May 2024 and reflects a 60% design of the full implementation of the project. The construction cost was estimated at \$187 Million. A number of elements make up this total cost, including the construction of the Flood Protection Landform itself, as well as the rebuilding of the Eastern Avenue On-Ramp to the Don Valley Parkway and substantial work on utilities beneath Sunlight Park Road.

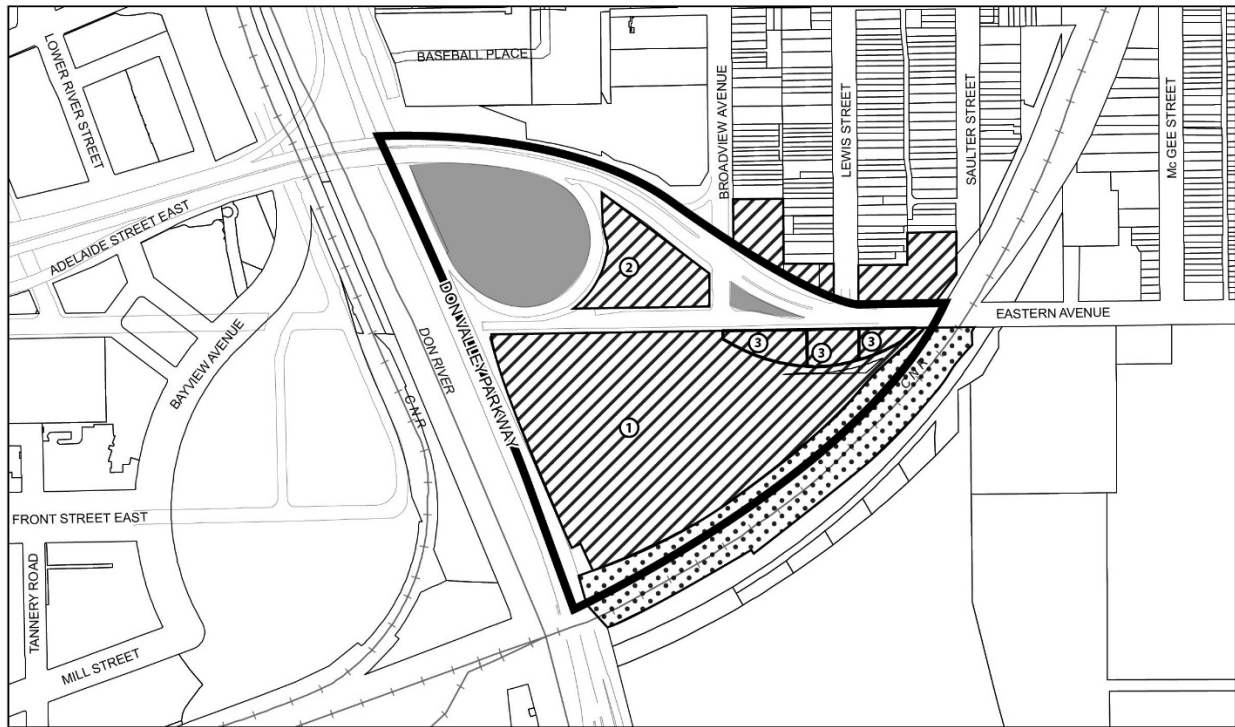
Following a Provincial review of flood protection options north of the rail corridor, and further estimates of construction and property acquisition costs, the Province proposed an accelerated approach to implementation that would see the full Broadview Eastern Flood Protection project constructed in the near-term. City and Provincial officials agreed that building the full Environmental Assessment approved landform would provide a better result and cost less over time. The City has committed to lead construction and delivery of the full implementation of the Broadview Eastern Flood Protection project outlined in the Broadview and Eastern Flood Protection Environmental Assessment. The Province's contribution will continue to lead and be responsible for property acquisition. It's contributions per the new deal would go towards property and overall cost overruns. The Province has communicated to the City that the cost of land has risen in recent years, consistent with the trajectory of lands costs throughout Toronto throughout that period. The City is providing input into the provincial process in order to assist in cost containment, while still meeting area milestones.

The cost of land and construction for BEFP will be shared between the City and Province, with the City's contribution to be capped at 50% of the shared costs to a maximum of \$200M.

In the event the overall costs of the BEFP project exceed \$600M, the City and Province will agree to consider further funding equalization opportunities.

To protect the City and the public interest, the City will obtain an indemnity from Cadillac Fairview to address the risk of flooding prior to the lands being removed from the flood plain and obtain commitments from the Province to preclude Metrolinx from proceeding with the punch through of the rail berm required to build the East Harbour Transit Hub and extend Broadview Avenue to Lake Shore Boulevard East until the BEFP project provides sufficient flood protection.

Attachment 5a - Broadview and Eastern Flood Protection Environmental Assessment, Ownership and Study Area Map



Ownership Map

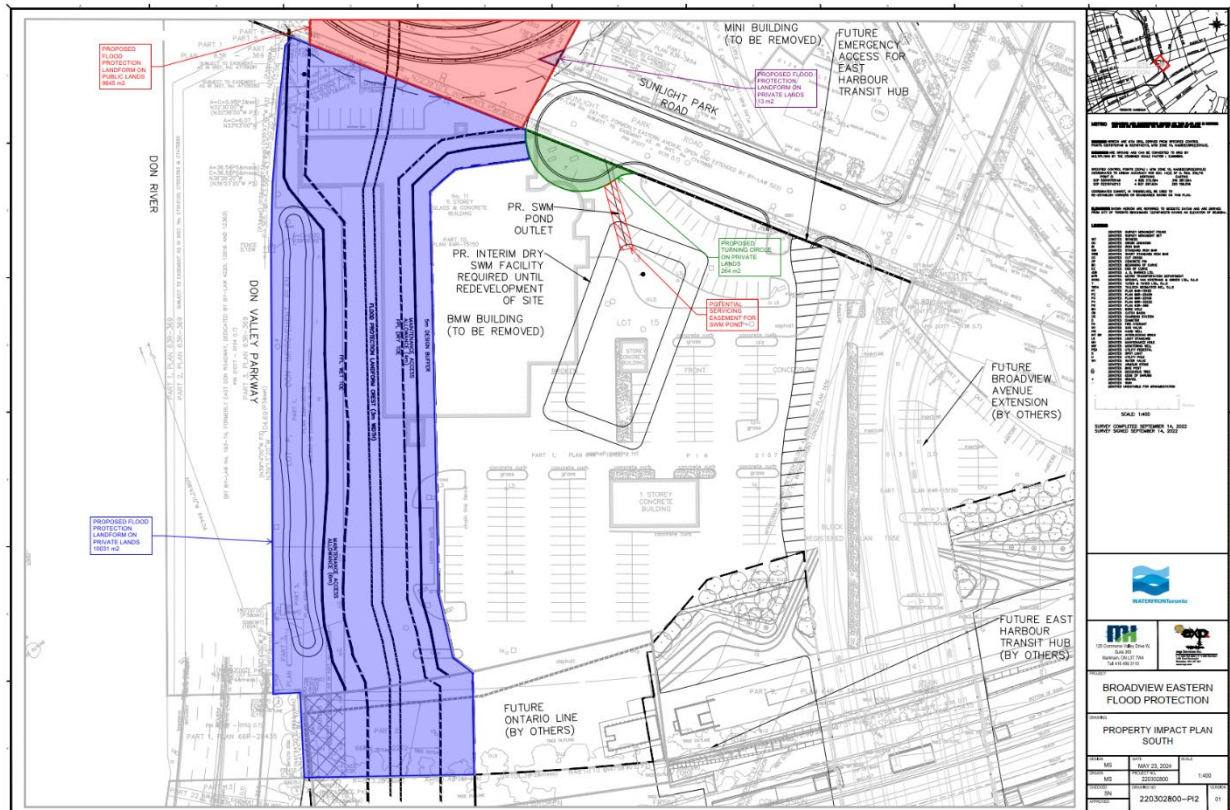
Broadview Eastern Flood Protection EA

File # 18 231109 STE 30 TM

- | | | |
|--------------------------|--------------------|--|
| On-site study Area | Private Commercial | ① Talisker Corporation - 11 Sunlight Park Road |
| Metrolinx Transportation | | ② Talisker Corporation - 20 Sunlight Park Road |
| City ROW | | ③ Other Private Owners |

Not to Scale
 Extracted: 11/17/2020

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Attachment 6: Draft Plan of Subdivision

Summary

This report advises that the Interim Chief Planner and Executive Director, City Planning intends to approve the Draft Plan of Subdivision to sub-divide East Harbour into 18 blocks including a non residential development parcel (Block 1), mixed use parcels (Blocks 2-7), public parks (Blocks 10, 11 and 26), a flood protection landform (Blocks 25 and 15), blocks to facilitate the required road widenings for Booth Avenue, Don Roadway and Eastern Avenue (Blocks 12, 13 and 24) and the creation of a new public street network.

On April 8, 2022, the Minister of Municipal Affairs and Housing enacted a Minister's Zoning Order ('MZO') for the East Harbour lands. The MZO allows for residential uses on portions of the East Harbour lands designated Core Employment Areas and General Employment Areas in the Official Plan.

The land use permissions for this site are established in the MZO and the site-specific zoning. The draft plan of subdivision application seeks to subdivide the lands and deals with matters required to service the permitted land uses and the orderly development of the lands.

The proposed development has regard for the criteria set out in Section 51(24) of the Planning Act with regard to the subdivision of lands and implements the permissions in the MZO.

The matters related to the subdivision of land are consistent with the Provincial Policy Statement (PPS 2020) and in conformity with the Growth Plan for the Greater Golden Horseshoe (2020).

PROPOSAL

Reasons for Application

An application for a Plan of Subdivision is required under Section 51 of the Planning Act to create the necessary parcels for the development blocks, new public parks, new public streets, and the provision of flood protection to facilitate the orderly development of the East Harbour site. The Plan of Subdivision application (16 270078 STE 30 SB) was submitted by the previous owner in December 2016.

APPLICATION BACKGROUND

Description: To divide the East Harbour Site into 18 blocks including a non residential development parcel (Block 1), mixed use parcels (Blocks 2-7), public parks (Blocks 10, 11 and 26), a Flood Protection Landform (Blocks 25 and 15), blocks to facilitate the required road widenings for Booth Avenue, Don Roadway and Eastern Avenue (Blocks 12, 13 and 24) and lands that will allow for a new public street network.

Table 1: Proposed Subdivision Plan

Block	Use	Area (Hectares/Acres)
1	Non residential	1.0/ 2.4
2-7	Mixed Use development	8.13/ 20.1
8 and 9	Remnant Parcels	0.18/ 0.4
10, 11, 26	Public Parks	0.72/ 1.77
12	Road Widening (Booth Avenue)	0.04/ 0.12
13	Road Widening (Don Roadway)	0.18/ 0.44
24	Road Widening (Eastern Avenue)	0.008/ 0.1
14	Railway	0.01/ 0.1
15 and 25	Flood Protection	0.97/ 2.4
Public Roads	Street A to G	3.87/ 9.6
Total		15.3/ 38.0

Access

The new public street network within the East Harbour site will improve connectivity to the surrounding area and prioritize space for surface transit and cyclists. The streets will include green infrastructure and street trees and provide for vehicle parking lay-bys to accommodate a variety of curbside activities. The Broadview Avenue Extension will extend from Lake Shore Boulevard East to the south and the Transit Hub to the north and will include a streetcar within the right of way. The portion of the Broadview Avenue Extension underneath the Transit Hub and extending to Eastern Avenue will be delivered by Metrolinx and is outside the scope of this draft plan of subdivision. Street E will connect to Booth Avenue to the east, and Don Roadway to the west. Streets D and C will connect to Lake Shore Boulevard East to the south.

Additional Information

See Attachment 6a to this report for the location map, Attachment 6b for the Phasing Plan, Attachment 6c for the Master Plan Framework facilitated by the MZO, Attachment 6d for the for the proposed Draft Plan of Subdivision, and Attachment 6e for the Draft Plan Conditions.

Site Plan Control

Site Plan Control applications (Application Nos. 22 137231 STE 14 SA and 23 138604 STE 14 SA) to facilitate the development of Buildings 1B and 1C on Block 1 have been

submitted, the review of these applications has been held in abeyance until draft plan matters are resolved.

Agency Circulation Outcomes

The application, together with the applicable reports noted above, has been circulated to all appropriate agencies and City Divisions. Responses received have been used to assist in evaluating the application and to formulate appropriate conditions of Draft Plan of Subdivision approval.

COMMENTS

Provincial Policy Statement and Provincial Plans

The current PPS came into effect May 1, 2020 and provides policy direction province-wide on land use planning and development to promote strong communities, a strong economy, and a clean and healthy environment. The Growth Plan 2020 came into effect on August 28, 2020 and provides a strategic framework for managing growth and environmental protection in the Greater Golden Horseshoe (GGH) region, of which the City is an integral part.

The draft plan of subdivision proposal has been reviewed and evaluated against the PPS 2020 and the Growth Plan 2020. Staff have determined that the proposed subdivision is consistent with the PPS and conforms with the Growth Plan. The proposed Draft Plan of Subdivision viewed together with the Draft Plan Conditions provide for: phasing of the development to ensure the orderly development of the lands; the provision of sufficient servicing and stormwater management; the provision of flood protection; and a public street network to facilitate the development.

The draft plan of subdivision proposal implements the MZO.

Draft Plan of Subdivision

Through Chapter 415-16 of the Municipal Code, as amended, City Council has delegated authority to the Chief Planner and Executive Director, City Planning to approve plans of subdivision and determine appropriate conditions of approval. The Chief Planner and Executive Director, City Planning intends to approve the Draft Plan of Subdivision as generally illustrated on Attachment 6d subject to the Draft Plan of Subdivision Conditions outlined in Attachment 6e. The proposed Draft Plan Conditions may further evolve through the ongoing technical review of the Draft Plan of Subdivision and will secure the technical requirements of the development, including:

- The creation of the proposed development blocks;
- The form and function of the public street network;
- Construction of streets and services;
- The owner's conveyance of lands necessary to construct the new public roads;
- The conveyance of lands for the provision of public parks;
- Phasing of streets and services to ensure orderly development of the site;
- Provision of the East Harbour Flood Protection Landform;

- Securing the provision and terms of implementing Risk Management Measures in accordance with an accepted Risk Assessment;
- Stormwater management; and
- Tree protection and planting and Green Infrastructure.

Review of the proposed Draft Plan of Subdivision and preparation of associated conditions has considered the matters set out in Section 51(24) of the Planning Act. The proposed development blocks and public road network conform to the Official Plan and OPA 411 and the Draft Plan Conditions secure the adequacy of utilities and municipal services as required in the Planning Act.

Official Plan

This application has been reviewed against Official Plan policies, including the OPA 411. The proposed public street network, development blocks, and flood protection blocks are consistent with OPA 411. There is an additional park block included in the draft plan of subdivision compared to OPA 411 in consideration of the residential uses permitted on the site.

Phasing and Development Control

The buildout of the East Harbour site is anticipated to be completed in four phases over a number of years, as generally shown on the phasing plan in Attachment 6b. The development of the lands will be controlled through the use of development agreements pursuant to Section 51 (Subdivision) of the Planning Act including the Pre-Servicing Agreement, which will secure in concert with the draft plan conditions. The draft plan conditions ensure development advances in an orderly fashion and that the matters necessary to support the development of the lands are properly identified and secured.

The applicant has submitted a Functional Servicing Report and Transportation Functional Design that identify the required roads and infrastructure for each phase of development, including external improvements to transportation and servicing infrastructure. Prior to the release for construction of each phase the Owner is required to submit to the City for review and acceptance an Infrastructure Phasing Plan outlining the necessary infrastructure required to service the subject phase and all remaining phases, including public streets, other municipal infrastructure and public realm improvements and their timing. This Infrastructure Phasing Plan will include any proposed revisions to the phasing plan and address changes to field conditions.

Phase 1A and 1B infrastructure includes:

- The Flood Protection Landform (discussed more fully in the Lower Don Special Policy Area and Flood Protection section of this report);
- Broadview Avenue and services within Broadview Avenue from the owner's northern property boundary to the Lake Shore Boulevard East intersection. The delivery of Broadview Avenue Extension within the East Harbour site will be provided in two sub-phases recognizing that the design of the Transit Hub is ongoing, and as such the detailed design of the portion of Broadview Avenue Extension nearest the Transit Hub may be delayed;

- Street E and Services within Street E from Don Roadway to Broadview Avenue Extension;
- If required to support the planned development, a watermain from Broadview Avenue Extension across Block 1 and 24 and connecting to the existing watermain in Eastern Avenue; and
- Offsite infrastructure required to support the development.

Phase 2 infrastructure includes:

- The conveyance of Block 11 and, and completion of Base Park Improvements on Block 11 (Phase 2 parkland); and
- Street D and services within Street D from Street E to Lake Shore Boulevard East.

Phase 3 infrastructure includes:

- The conveyance of Block 10 and completion of Base Park Improvements on Block 10 (Phase 3 parkland);
- Design and Construction of Community Recreation Centre
- Phase 3 infrastructure secured within the draft plan conditions includes:
- Street E and services within Street E from the Broadview Avenue Extension to Booth Avenue;
- Street C and services within Street C from the owner's northern property boundary to Lake Shore Boulevard East;

Phase 4 infrastructure includes:

- Street A and Services within Street A from Broadview Avenue Extension to Street B;
- Street B and Services within Street B from Street A to Street E.

Proposed Public Street Network

The Draft Plan of Subdivision provides for a new public street network including: the Broadview Avenue extension; a new east-west public street (Street E) across the site; and other new public roads. The construction and delivery of the north-south streets within the plan of subdivision will extend beyond the bounds of the draft plan of subdivision and connect to Lake Shore Boulevard East across the Keating Lands. The street network proposed in the Draft Plan is consistent with OPA 411 which identifies a new streets and block plan.

Broadview Avenue Extension and New East-West Street

In January 2024 the City of Toronto completed the Broadview Avenue Extension Municipal Class Environmental Assessment (Broadview Avenue MCEA) that included the Broadview Avenue Extension, between Eastern Avenue and Lake Shore Boulevard East, and a new east-west Street, between Don Roadway and Booth Avenue. These streets will improve area connectivity, prioritize space for surface transit and cyclists; allow auto access; create green streets; and provide space for vehicle parking lay-bys to accommodate a variety of curbside activities. The alignment and right-of-way width

for these streets within the Draft Plan of Subdivision area are consistent with the Broadview Avenue MCEA.

Broadview Avenue Base Transit Right of Way Improvements

The Broadview Avenue Extension through the East Harbour site will be designed and constructed to include base TTC infrastructure within the transit right-of-way to enable interim TTC bus operations and also allow for the implementation of TTC streetcar infrastructure (e.g., tracks, catenary) at a later date by the TTC with minimal construction disruption. Design and construction of the base TTC transit infrastructure is the responsibility of Cadillac Fairview, with costs earmarked within their funding contribution.

Street C

The 2017 Council-adopted Port Lands and South of Eastern Transportation and Servicing Master Plan (Port Lands TMSP) identifies a extension of Bouchette Street between Lake Shore Boulevard East and Eastern Avenue, which is reflected in the City's Official Plan Amendment 387 (OPA 387), and which is generally in the location of proposed Street C within the Draft Plan of Subdivision. The City will determine the location of alignment and right-of-way width of the extension of Bouchette Street, between Eastern Avenue and Commissioners Street. The Draft Plan of Subdivision conditions identify and secure a number of scenarios for how Street C will be delivered, depending on the timing of the City's study of the appropriate alignment in relation to Phase 3 proceeding.

Environmental Issues

Investigations at the East Harbour have revealed contamination in the soil and groundwater. In accordance with legislative requirements for contaminated lands in Ontario, and the City of Toronto's Peer Review process Cadillac Fairview has undertaken environmental site assessments for lands to be conveyed to the City in accordance with the "Policy for Accepting Potentially Contaminated Lands to be Conveyed to the City under the Planning Act" (the "Conveyance Policy").

Subject to acceptance by MECP, it is anticipated that the Risk Assessments approach has been taken to evaluate the potential human health and risks associated with the site. The applicant has submitted four Risk Assessments for the site which are under review by the Ministry of Environment, Conservation and Parks (MECP), City Staff, and the City's Peer Reviewer. Once the Risk Assessments are accepted by the MECP Certificates of Property Use (CPUs), will be issued detailing the restrictions and requirements for the site that will safeguard human health and the environment.

Subject to acceptance by MECP, it is anticipated that the Risk Assessments will deviate from the Council approved Policy for accepting Contaminated lands as there will be on-going ground water monitoring in the proposed park blocks and potentially within the public streets right of way. There also may be vapour mitigation required within the public streets right of way. As outlined in the body, this report seeks a Council exemption to the Conveyance Policy to permit the conveyance of lands subject to these

monitoring requirements. The Draft Plan Conditions require the Owner to provide payment for the cost of on-going monitoring on lands to be conveyed to the City. As the Risk Assessments are finalized, further mitigation measures may be proposed which require further approval by City Council in relation to deviation from the Conveyance Policy.

The Draft Plan Conditions contemplate Release for Construction of Services for Phase 1 works in advance of the acceptance of the Risk Assessments by the MECP and in advance of the issuance of CPUs, subject to certain conditions. These conditions include but are not limited to: increased financial securities until the Risk Assessments are accepted by the MECP. The Draft Plan Conditions further require the owner to comply with the requirements of the CPU's once issued by the MECP, require the owner to provide payment for the cost of potential environmental monitoring on City lands, and require the owner to remediate all lands to be conveyed to the City prior to conveyance and in accordance with the property-specific standards set out in the Records of Site Condition.

Servicing

The applicant submitted a Functional Servicing Report outlining the infrastructure upgrades necessary to support the intensification proposed on the East Harbour site. These improvements are both internal (within the subject lands) and external (downstream of the subject lands) in nature. Additional technical review is required to finalize and accept this report. The Draft Plan Conditions require that each phase of registration will be able to adequately function with the necessary infrastructure to service the subject phase and all remaining phases including public streets, other municipal infrastructure and public realm improvements.

The required new municipal infrastructure and upgrades to the existing infrastructure will be secured in the Subdivision Agreement(s), including the Pre-Servicing Agreement, for the development.

Parkland Dedication

The City of Toronto Parkland Strategy ("PLS") is a 20-year strategic city-wide plan that guides long-term planning for new parks, park expansions and improvements, and improved access to existing parks. The PLS assesses parkland provision, using the baseline of residential population against the area of parkland available across the city. According to the 2022 draft update to the PLS methodology, the development site is currently in an area with 12 - 28 square metres of parkland per person, which is less than the City-wide average provision of 28 square metres of parkland per person (2022). Given the future expected growth both on the development site itself and surrounding sites, the existing parkland will be further stressed if no new parks are created. This anticipated parkland deficit must be addressed through the creation of new parks to serve the future population.

The owner is required to satisfy the parkland dedication requirement through an on-site dedication. The park is to be provided as two parcels located in the southwest and

southeast quadrants of the lands (Phases 2 and 3, respectively) and conform with Policy 3.2.3.8 of the Toronto Official Plan.

The first public park, shown as Block 11 on the Draft Plan of Subdivision, is 0.21 hectares in size and located in the southwest quadrant (Phase 2) of the lands east of the Flood Protection Landform and south of new public road shown as Street E on the Draft Plan of Subdivision. While the park is irregular in shape, the park can be designed and programmed in conjunction with the dry-side of the adjacent Flood Protection Landform in consultation with the TRCA. Conveyance of the public park will be required through the registration of the Phase 2 of the Plan of Subdivision.

Additionally, the Owner has agreed to convey to the City additional land, 0.003 ha in size, being Block 26 on the Draft Plan of Subdivision, in order to appropriately service the Phase 2 park given the constrained frontage on Street E and limitations associated with the adjacent East Harbour Flood Protection Landform. In exchange for the Owner's agreement to convey these lands and facilitate the appropriate municipal servicing of the park, this report seeks authority to accept the conveyance of Block 26 subject to encumbrances of below-grade municipal infrastructure installed to service Block 11, notwithstanding Chapter 415 of the Municipal Code. Further this report seeks authority to enter into a limiting distance agreement under the Building Code Act for the area of Block 26, which effectively allows future development of the adjacent Block 4 to continue to treat the boundary of Block 11 as the property line for building code separation distances purposes, and for Council to deem that appropriate municipal servicing of the Block 11 park and the associate ownership of Block 26 be due consideration for that limiting distance agreement.

The second public park, shown as Block 10 on the Draft Plan of Subdivision, is 0.51 hectares in size, rectangular in shape, and located in the southeast quadrant (Phase 3) of the subject lands. The park is currently located east of the new public road known as Street C and south of Street E, however, discussions regarding the alignment of Street C are ongoing and its location is subject to change over time. Should the alignment of Street C change and impact the currently proposed park configuration the applicant would still be required to provide a contiguous 0.51 hectare park within Phase 3 in a location to the satisfaction of PFR and in conformity with Policy 3.2.3.8 of the Toronto Official Plan. Conveyance of the public park will be required prior to issuance of the first above-grade building permit for the subject Phase, in accordance with the timing in Municipal Code Chapter 415-28. Prior to registration of Phase 3 of the Plan of subdivision, the Owner shall register a Section 118 restriction over Block 10 to the satisfaction of the City Solicitor.

Lower Don Special Policy Area and Flood Protection (East Harbour Flood Protection Landform)

The entire East Harbour site is situated within the Lower Don Special Policy Area and as such development is restricted until infrastructure that is intended to eliminate the risk of flooding is fully implemented. The City and the Province of Ontario have agreed to a Protocol that is intended to inform and phase land use planning approvals by the City, the Province and other relevant agencies based upon the construction timeline of the flood protection infrastructure.

The Draft Plan Conditions, in conjunction with the Section 37 agreement, require the Owner to design and construct a Flood Protection Landform on the west side of the site and convey it to the City. This Flood Protection Landform in combination with other nearby flood protection infrastructure will remove East Harbour from the floodplain. These infrastructure works must be implemented, and the floodplain removed, prior to occupancy of the first building within East Harbour, to the satisfaction of the TRCA. The review of the detailed design of the Flood Protection Landform is currently under review by the TRCA and City staff. The detailed design of the Flood Protection Landform must be to the satisfaction of the TRCA prior to the Release for Construction of Service for the Flood Protection Landform.

The TRCA has requested that a restrictive covenant be registered on title restricting construction on and underneath the flood protection landform, with said restrictive covenant to be maintained on title when the lands are conveyed to the City. Staff are supportive of this covenant and will continue to explore the appropriate approach to consistently ensuring the integrity of the flood protection landforms being constructed within the City. The recommendations of this report will provide authority to Staff to accept the conveyance of the Flood Protection Landform lands subject to the restrictive covenant or other form of encumbrance to protect the integrity of the flood protection landform.

Toronto Green Standard

Council has adopted the four-tier Toronto Green Standard (TGS). The TGS is a set of performance measures for green development. Applications for Zoning By-law Amendments, Draft Plans of Subdivision and Site Plan Control are required to meet and demonstrate compliance with Tier 1 of the Toronto Green Standard. Tiers 2, 3 and 4 are voluntary, higher levels of performance with financial incentives. Tier 1 performance measures are secured on site plan drawings and through a Site Plan Agreement or Registered Plan of Subdivision.

The applicant is required to meet Tier 1 of the TGS. The applicant is encouraged to achieve Tier 2 or higher to advance the City's objectives for resilience and to achieve net-zero emissions by 2050 or sooner.

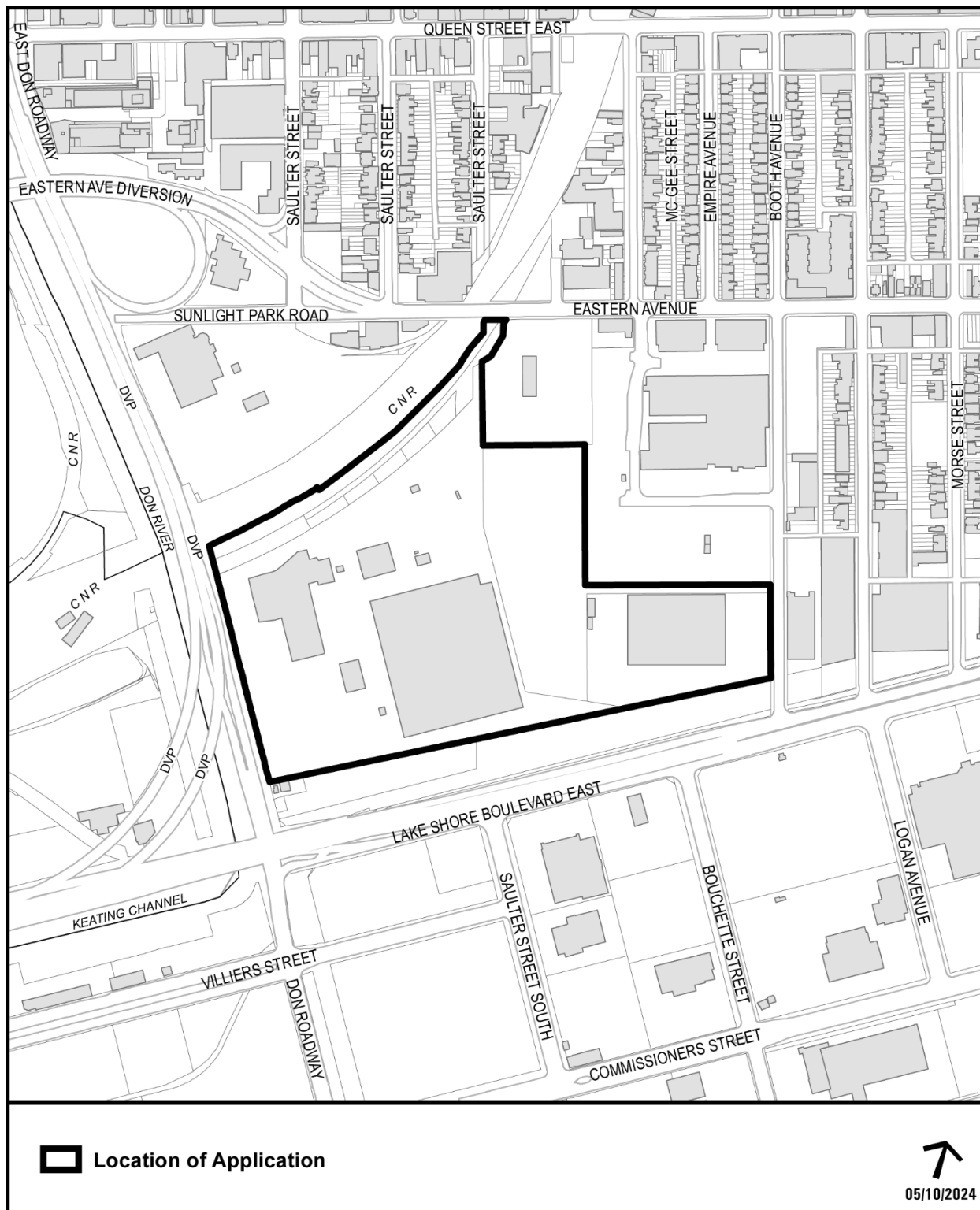
Performance measures for the Tier 1 development features for stormwater retention and green infrastructure will be secured through the conditions of Draft Plan of Subdivision Approval. Other applicable TGS performance measures will be secured through the Site Plan Approval process.

Conclusion

The proposed Draft Plan of Subdivision is consistent with Section 51 of the Planning Act. It, provides for the orderly development of the lands, enables flood protection and proposes appropriate utilities and City services. The Draft Plan of Subdivision implements the division of land anticipated by the MZO and OPA 411. The Chief Planner and Executive Director, City Planning, intends to approve this application for

Draft Plan of Subdivision as generally illustrated in Attachment 6, Attachment 6d and subject to the conditions in Attachment 6, Attachment 6e.

Attachment 6a: Location Map



PHASE 1B

PHASE 1A

PHASE 2

PHASE 3

PHASE 4

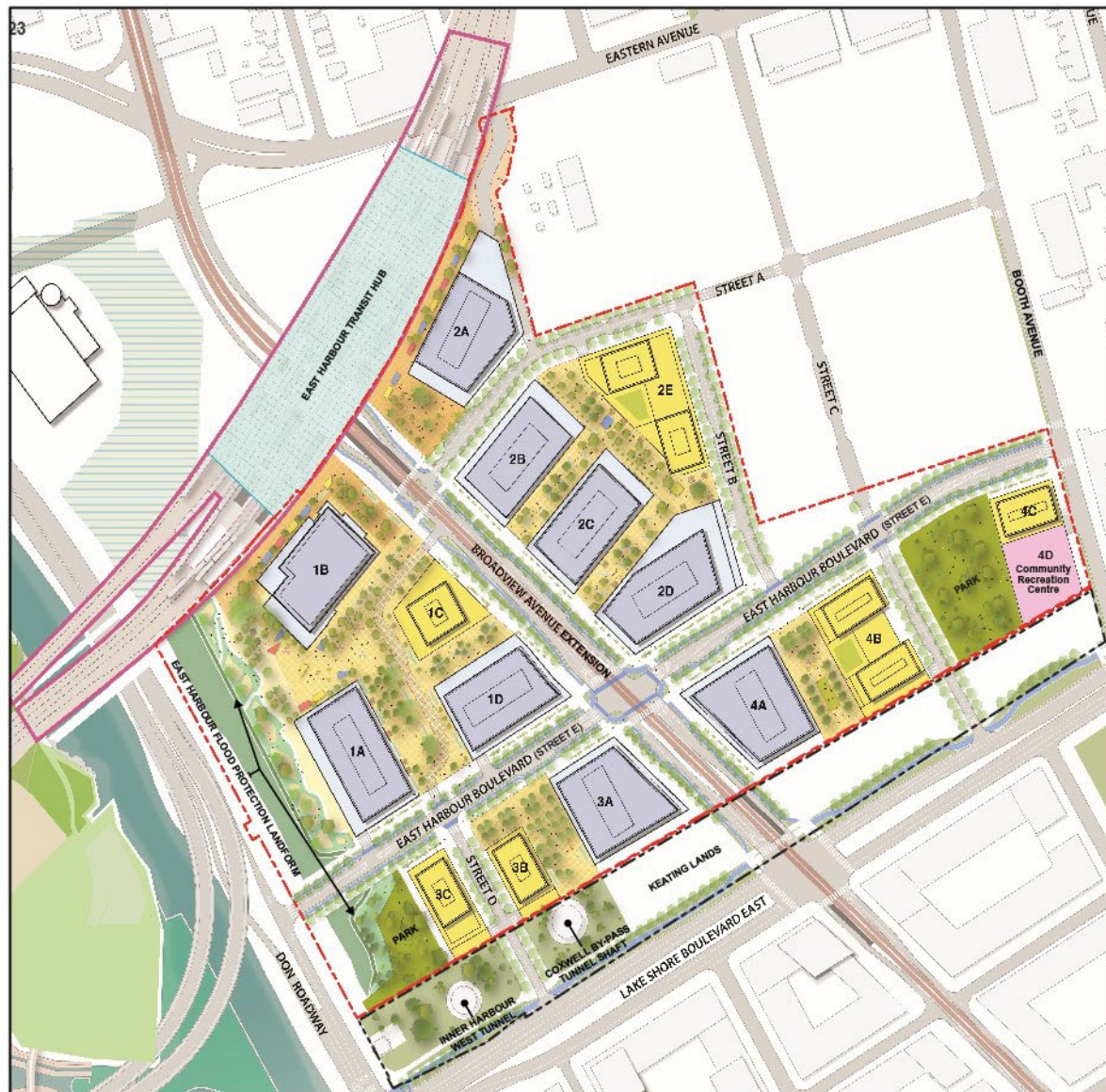
PHASE 5

"Note: All dimensions are in metres"

21 Don Valley Parkway, 30 Booth Avenue, 375 and 385 Eastern Avenue

City of Toronto By-law 569-2013
Not to Scale
05/08/2024

Attachment 6c: East Harbour Master Plan Framework



Master Plan Diagram

21 Don Valley Parkway, 30 Booth Avenue, 375 and 386 Eastern Avenue

File # 16 270078 STE 30 SB

- Residential Building Developments
- Non-Residential Building Developments
- Community Recreation Centre (CRC)
- East Harbour Boundary
- Keating Lands Boundary

City of Toronto By-law 569-2013
 Not to Scale
 06/03/2024

East Harbour Negotiations, Plan of Subdivision, Next Stage

Attachment 6e: Conditions of Draft Plan of Subdivision

Separate Attachment