

Next Phase of Waterfront Revitalization - Update

Date: December 5, 2024

To: Executive Committee

From: Deputy City Manager, Development and Growth Services

Wards: All

SUMMARY

Introduction

In 2022 City Council approved, in principle, a Next Phase of Waterfront Revitalization and directed City staff to pursue discussions with provincial and federal staff, and report back on intergovernmental discussions.

This report provides an update on those discussions and recommends that City Council endorse a first set of projects for the Next Phase, contingent on tri-government funding and necessary agreements. Subject to approvals, these projects will help advance complete communities in Ookwemin Minising (formerly referred to as Villiers Island) and Quayside, and continue the successful tri-government partnership in delivering waterfront revitalization.

This report also recommends that City Council direct City staff to report back on these projects in the first half of 2025, including through the budget process; authorize City staff to negotiate and execute necessary agreements; affirm Waterfront Toronto as the revitalization lead for Ookwemin Minising; and endorse a mandate extension for Waterfront Toronto to support implementation.

In addition to the Next Phase of Revitalization, this report provides an update on Port Lands Flood Protection (PLFP) and recommends technical amendments to the tri-government PLFP contribution agreement and the PLFP Parks and Public Realm delivery agreement with Waterfront Toronto.

The Next Phase - A First Set of Projects

A first set of priority projects, which, if approved and collectively funded by all governments, will deliver vital public infrastructure over the next five to seven years to enable future development of housing, parks and public realm, and to advance planning for new destinations and attractions on the waterfront.

City staff recommend the following projects, with an order of magnitude estimate of \$900-975 million, be considered for funding by all three orders of government. This

prioritization is based on a business case completed by Waterfront Toronto and a one-year due diligence exercise conducted with government staff:

- Ookwemin Minising enabling infrastructure;
- Quayside enabling infrastructure;
- The completion of Biidaasige Park (the northwest portion, which was previously referred to as Promontory Park North) and a program of early activation ('meanwhile uses') on adjacent future development lands;
- A study of waterfront destinations and attractions; and
- Funding envelopes to advance the Marine Use Strategy and wider waterfront initiatives.

Ookwemin Minising enabling infrastructure is anticipated to enable the future development of approximately 4,500 new total housing units on Blocks 3, 7, 8, 12 and 16, with a Council approved target of 30 percent of residential gross floor area (GFA) allocated to affordable rental housing (See Figure 5). Additional funding will be required to secure the affordable housing when specific plans are determined. In Quayside, funding for the enabling infrastructure gap will help enable the approximately 4,700 proposed total housing units in both Phases 1 and 2, of which 869 will be affordable rental housing.

Government due diligence continues on affordable housing and transit, which could represent a second set of projects for the Next Phase. Affordable housing discussions for Quayside are ongoing with the Canada Mortgage and Housing Corporation (CMHC) regarding project financing. For Ookwemin Minising, City Council's 30 percent affordable housing target on public lands, including equity contributions, will be addressed through a detailed business and implementation plan and site-specific funding plans as implementation proceeds. On transit, active discussions continue regarding the Waterfront East Light Rail Transit (Waterfront East LRT) project and possible phasing opportunities.

City staff will provide City Council with updates on the funding approach, tri-government funding commitments, and cost sharing through the following reports planned for the first half of 2025:

- Ookwemin Minising Business and Implementation Plan (including updates on enabling infrastructure and completing Biidaasige Park);
- Advancing Affordable Housing Outcomes in Quayside - Phase 1; and,
- Waterfront East LRT Update.

Building on the First Two Phases of Tri-Government Partnership

Since 2001, over \$2.9 billion in public investments have transformed Toronto's central waterfront. This revitalization effort has been supported by all three orders of government with leadership from Waterfront Toronto in partnership with agencies such as CreateTO, Infrastructure Ontario, and the Toronto and Region Conservation Authority (TRCA). Public funding provided over two phases (2001 and 2016) has delivered significant results:

- Almost 4,400 new homes on Waterfront Toronto supported sites which is a part of the over 9,600 units developed overall in the Lower Yonge, East Bayfront and West Don Lands precincts;
- 58.5 hectares (144.6 acres) of new or improved public parks and public realm;

- Over 28,000 construction jobs through development; and,
- Nearly \$10 billion in private sector development.

Revitalized neighbourhoods such as the West Don Lands and East Bayfront serve as a model for complete communities. As PLFP nears completion, these achievements will grow, supporting long-term resilience and new opportunities for growth.

Endorsement of the first set of projects for the Next Phase, as recommended in this report, will advance the priorities for each of the three orders of government and help to ensure that the phased approach to waterfront revitalization continues. It will represent a significant step forward in realizing the broader effort of waterfront revitalization, which, over 50+ years, is expected to result in housing for over 100,000 people and create space for approximately 50,000 jobs in the central waterfront east, including the Port Lands. This unique opportunity exists because approximately 70% of Ookwemin Minising is owned or co-owned by the City via CreateTO and via Waterfront Toronto, there is a proven tri-government delivery model, and ambitious standards are in place for designing and delivering complete and sustainable communities.

Central to all of the projects for the Next Phase is a City commitment to meaningful engagement with First Nations, Inuit, and Métis communities to reflect their histories, knowledge, and aspirations in all aspects of the waterfront's transformation, and to foster opportunities for economic and cultural participation.

This opportunity requires firm commitments from all orders of government. As noted earlier, focused discussions on available funding are ongoing and will be reported on by City staff through various reports in the first half of 2025. Federal and provincial funding is subject to political decision-making and approvals, which are still pending. The City is prepared to prioritize funding of its one-third share of funding commitment, subject to cost sharing commitments from other orders of government.

Waterfront Toronto's Mandate

To enable implementation of the Next Phase, City staff recommend that City Council endorse an extension to the length of the mandate of Waterfront Toronto (legally known as the Toronto Waterfront Revitalization Corporation) from 2028 to 2035, with an option for a further extension to 2040 subject to a government review of the organization. Tri-government staff have noted that a mandate extension is important, however formal decision making and approvals are still pending. Accordingly, it is recommended that City Council request federal and provincial support for this mandate extension, and request the Government of Ontario to introduce the necessary legislation (and other approvals) required to put this mandate extension into effect as soon as possible.

A mandate extension for Waterfront Toronto of this length would align with the timeline to implement the first set of projects noted above (including enabling the first set of blocks on Ookwemin Minising), allow for uninterrupted implementation of projects underway such as Quayside, and provide the tri-government corporation with the operational certainty needed to move forward. It would strengthen the capacity of Waterfront Toronto to lead complex, multi-year revitalization efforts. The proposed extension follows a background study on waterfront revitalization that was completed by

the City with the assistance of provincial and federal partners in 2020, with findings reported to City Council in 2021.

Discussions also continue between CreateTO, Waterfront Toronto, and the City on respective roles and responsibilities and the collaborative approach to be taken to unlock land on Ookwemin Minising for new housing. Staff from all parties agree that subject to tri-government funding, Waterfront Toronto should be the revitalization lead for Ookwemin Minising. This would occur in close collaboration, and in alignment with, the City and CreateTO. This report recommends that City Council affirm Waterfront Toronto as the revitalization lead for Ookwemin Minising, and direct City staff to report back with a recommended update to the 2006 City-Toronto Economic Development Corporation (TEDCO, now under CreateTO)-Waterfront Toronto Memorandum of Understanding to reflect a renewed partnership.

Central Waterfront East Transit

The full-vision Waterfront East LRT project is essential for Toronto's growth, to accommodate the existing and planned density of housing, commercial uses, and regional destinations. Expanding transit continues to be an active discussion amongst all three governments. Discussions to date have acknowledged the importance of transit to serve the fast-growing neighbourhoods of the eastern waterfront and have noted that opportunities should be explored to phase and expedite transit service to the area.

To inform funding decisions regarding higher-order transit on the eastern waterfront, additional due diligence and discussions are required among the City, the Government of Ontario and the Government of Canada. Key topics include further work on costing and phasing, cost sharing possibilities, and potential funding sources. Staff are targeting a report back on the Waterfront East LRT project in early 2025. Updates on transit funding discussions will be provided in future Waterfront East LRT reports.

Immediate Interim Transit Improvements

As an immediate step to address urgent challenges, City staff in collaboration with TTC staff recommend that City Council direct staff to report back on interim bus lane implementation along Queens Quay East from Bay Street to Parliament Street in the second quarter of 2025. The interim bus lanes are not a replacement for higher-order transit. They are intended to address immediate challenges along the eastern waterfront related to bus travel times. Current delays are having a material impact on the East Bayfront community which is home to a rapidly growing resident population, businesses, and visitors including students attending local post-secondary institutions.

Work Ahead

It is important to note that while City staff recommend City Council approval of a first set of projects for the Next Phase, intergovernmental funding still needs to be confirmed following further discussion and approvals. Subject to City Council and other government approvals, City staff, government partners, and Waterfront Toronto will continue to advance project implementation, refine cash flows, and determine funding contributions. Updates will be provided in the upcoming 2025 Budget process and in planned reports on the Ookwemin Minising Business and Implementation Plan, Quayside and Waterfront East LRT in the first half of 2025.

RECOMMENDATIONS

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

Next Phase of Waterfront Revitalization

1. City Council endorse projects as outlined in Attachment 1 as the first set of priorities for the Next Phase of Waterfront Revitalization, subject to satisfactory cost-sharing being provided by the Government of Ontario and Government of Canada, and direct the City Manager or their designate to report back on these projects through the 2025 Budget process and through planned 2025 reports on the Ookwemin Minising Business and Implementation Plan and Quayside.
2. City Council authorize the Deputy City Manager, Development and Growth Services or their designate, in consultation with the relevant Divisions and subject to approval of required budgets, to negotiate, enter into and execute agreements with the Government of Canada, the Government of Ontario, provincial or federal organizations and any other private party, including amendments and renewals, to implement the projects outlined in Attachment 1, on terms and conditions satisfactory to the Deputy City Manager, Development and Growth Services, and in a form approved by the City Solicitor.
3. City Council authorize the Deputy City Manager, Development and Growth Services or their designate, in consultation with the relevant divisions, to negotiate, enter into and execute project delivery agreements with Waterfront Toronto, including amendments and renewals, for projects that have funding provided under a Council approved budget, on terms and conditions satisfactory to the Deputy City Manager, Development and Growth Services, and in a form approved by the City Solicitor.
4. City Council approve an extension to the Waterfront Toronto mandate substantially on the terms and conditions contained in Attachment 2, and request that the Government of Canada and Government of Ontario provide their support for these terms and conditions.
5. City Council request that the Government of Ontario introduce the necessary bills to enact required legislative amendments and obtain all necessary approvals as soon as possible to give effect to Recommendation 4 above.
6. City Council affirm the Toronto Waterfront Revitalization Corporation (Waterfront Toronto) as the revitalization lead for Ookwemin Minising, subject to tri-government funding.
7. City Council direct the Deputy City Manager, Development and Growth Services, in consultation with the Director, Waterfront Secretariat, to report back on an update of the 2006 Memorandum of Understanding between the City-Toronto Economic Development Corporation (TEDCO, now under CreateTO) and Waterfront Toronto, in collaboration with the Chief Executive Officer, CreateTO and the Chief Executive Officer, Waterfront Toronto.

Interim Bus Lanes on Queens Quay East

8. City Council direct the General Manager, Transportation Services, in collaboration with the Chief Executive Officer, Toronto Transit Commission, to report to City Council by the second quarter of 2025 on recommendations for interim bus lane implementation along Queens Quay East between Bay Street and Parliament Street.

Port Lands Flood Protection

9. City Council authorize the Deputy City Manager, Development and Growth Services or their designate to negotiate and execute an amended tri-government Contribution Agreement for the Port Lands Flood Protection project and any associated project delivery agreements with Waterfront Toronto, on terms and conditions satisfactory to the Deputy City Manager, Development and Growth Services in a form acceptable to the City Solicitor, to extend the substantial completion date of the Port Lands Flood Protection project to September 30, 2025 and make other amendments as described in Attachment 3.

10. City Council authorize the Deputy City Manager, Development and Growth Services or their designate, to negotiate and execute any subsequent amendments to the tri-government Contribution Agreement for the Port Lands Flood Protection project and any associated delivery agreements with Waterfront Toronto as may be required, on terms and conditions satisfactory to the Deputy City Manager, Development and Growth Services and in a form acceptable to the City Solicitor, provided that such changes can be accommodated within existing approved budgets.

FINANCIAL IMPACT

The report seeks Council direction to endorse a recommended first set of priority projects for the Next Phase of Waterfront Revitalization, subject to cost-sharing being provided by the other levels of government. This recommendation advances a first set of priority projects discussed with federal and provincial partners and Waterfront Toronto.

There are future financial impacts for the full implementation of the Next Phase of Waterfront Revitalization projects which are substantial in scope and require significant capital investments from the City. The core components of the first set of Next Phase projects are identified in Figure 1.

The unfunded priority projects outlined in Figure 1 need to be further reviewed, scoped, and assessed in terms of their financial impacts. Additionally, they will require enhanced strategic capital infrastructure planning and coordination among City divisions and partnered agencies. Most importantly the projects require inter-governmental funding contributions. The City is prepared to prioritize funding of its one-third share of funding commitment, subject to cost sharing commitments from other orders of government.

First Set of Projects - Next Phase of Waterfront Revitalization

Current order of magnitude projections estimate that the required capital investment from the City is anticipated to be in the range of \$300-325 million (one-third of \$900-975 million). The cost estimates are for the first set of projects and do not include a potential second set of projects for the Next Phase, such as any future commitments which may be needed for transit or affordable housing.

Figure 1 includes an estimate of the approximate City share of the project costs. Funding sources and cashflows will be identified and refined as part of the annual budget process in future years as discussions are advanced and agreements are negotiated.

Figure 1 - First Set of Next Phase Projects

Project	Estimated Funding Required (2025-2032, millions)
Ookwemin Minising enabling infrastructure	\$700-755
Quayside enabling infrastructure (funding gap)	\$65-70
Biidaasige Park and an early activation program	\$125-140
Marine Use Strategy	\$5
Wider waterfront	\$5
Destinations/Attractions study	\$1
Total*	\$900-975
Approximate City Share - 33%	\$300-325

*Cost estimates are presented as an order of magnitude. Ranges are provided to account for changes that could occur as planning and design proceed.

Details on funding strategies, including the City's share, are to be confirmed and will be reported on through various reports in the first half of 2025.

Previous Commitments to Quayside (2024-2033 Capital Budget and Plan)

Major investments and effort are currently underway to prepare planning and related implementation studies to advance the Quayside project which includes transportation, public realm, and park infrastructure. The Quayside project was moved forward as a City priority in 2022 and was not cost shared by governments at that time. The 2024-2033 Capital Budget and Plan for Waterfront Revitalization Initiative includes \$142 million in cash flow funding and future year commitments for Quayside transportation and parks, with any changes and additions to be considered in the 2025 Budget process. This amount does not include commitments related to Quayside affordable housing which will be reported on separately in the first half of 2025.

Next Steps

The next phase of due diligence will include the development of detailed financial planning that explores various options for funding the first set of Next Phase project implementations, including growth-related funding tools, intergovernmental funding, external partnership opportunities, and alternative funding sources. This financial planning will include projected cash flow to properly align project schedules with available funding and will be updated with progressively refined construction estimates as work advances. Details regarding intergovernmental funding opportunities and financial planning will be included and discussed in planned reports on the Ookwemin Minising Business and Implementation Plan and Quayside.

The Chief Financial Officer and Treasurer has been advised of the financial impacts associated with this initiative to be considered along with other priorities through the annual budget process.

EQUITY IMPACT

Since the original *Our Toronto Waterfront* vision in 2000, the waterfront has been envisioned as a shared space that offers benefits for everyone's enjoyment. Affordable housing, environmental protection, parks and public spaces, and active transportation and transit connections have been fundamental to waterfront projects from the beginning.

In the Next Phase of Waterfront Revitalization, as approved by City Council in 2022, the renewed vision established "equity, inclusion and access, including through housing" as a key priority. The recommendations in this report seek to advance projects in Ookwemin Minising and Quayside that will support complete communities, including future affordable rental housing and supportive social infrastructure, to ensure the waterfront is a place for all.

Investments into the enabling infrastructure for these new neighbourhoods will offer opportunities to contribute to city-wide goals, strategies and action plans and improvements in the waterfront on affordable housing (*HousingTO Action Plan*), climate resilient design (*TransformTO, Resilience Strategy*) and the integration of inclusive, connected and accessible parks and public realm. This will include access to water and waterfront parks as well as community spaces, libraries, and other crucial components that make up complete communities. These elements will align with the City's goal to develop communities where residents from all walks of life are included.

RECONCILIATION IMPACT

The significance of the waterfront to the past, present and future of First Nations, Inuit and Métis communities was not meaningfully addressed in the original waterfront revitalization vision documents from the early 2000s. This gap aims to be addressed through the renewed vision and both the outcomes and processes of waterfront revitalization initiatives. The City Council adopted 2022 renewed vision for waterfront

revitalization also embedded "truth, justice and reconciliation, including Indigenous engagement" as a key priority moving forward for both project outcomes and processes.

The centering of First Nations, Inuit and Métis community engagement and relationship-building in waterfront revitalization projects has been an ongoing focus since the 2022 Council-adopted Reconciliation Action Plan and Next Phase of Waterfront Revitalization engagement discussions, events, ceremonies and activities with First Nations, Inuit, Métis and urban Indigenous communities. Input gathered through both processes and documents (outlined in the report below), as well as related initiatives such as the Port Lands Indigenous Place Naming initiative, will guide the way further plans to shape neighbourhoods in Ookwemin Minising and Quayside are developed in collaboration with Indigenous communities.

As Next Phase projects including those recommended in this report move forward, the City, working with its partners, will maintain a focus on:

- Indigenous Engagement: Timely and ongoing consultation and collaboration with Indigenous communities to ensure projects reflect their unique priorities and cultural values;
- Cultural Representation: Building on the recent naming of Ookwemin Minising by incorporating Indigenous language, art, placemaking, and traditional ecological knowledge into project designs to honour, amplify and invite Indigenous presence on the waterfront;
- Economic Opportunities: Exploring avenues to include Indigenous-owned businesses and contractors in development projects, fostering economic growth and capacity-building;
- Housing Opportunities: Delivered by Indigenous-led organizations for Indigenous communities; and,
- Land stewardship: Exploring connections to the land through areas for ceremonies, gatherings and cultural celebrations and land stewardship and programming.

This approach underscores a commitment to truth, justice, and reconciliation while delivering inclusive and impactful waterfront revitalization.

DECISION HISTORY

Next Phase of Waterfront Revitalization

On July 19, 2022, City Council adopted item 2022.EX34.10 with amendments, which among other things provided support, in principle, for undertaking a further phase of waterfront revitalization enabled through tri-government funding commitments and governance. City Council also endorsed the following four interconnected priorities to guide a further phase of waterfront revitalization:

- strategic and inclusive economic development;
- truth, justice and reconciliation, including through Indigenous engagement;
- equity, inclusion and access, including through housing and community benefits; and
- climate resilience and sustainability.

<https://secure.toronto.ca/council/agenda-item.do?item=2022.EX34.10>

On November 9, 2021, City Council adopted item 2021.EX27.6 with amendments, which among other things initiated the public discussion on a renewed vision for Toronto's waterfront, reviewed the 2020 KPMG Background Study on the Waterfront Revitalization Initiative, and set the stage for the Next Phase to build on 20+ years of tri-government-led waterfront revitalization success.

<https://secure.toronto.ca/council/agenda-item.do?item=2021.EX27.6>

At its meeting on January 31 to February 2, 2006, City Council approved a Memorandum of Understanding (MOU) between the City of Toronto, the City of Toronto Economic Development Corporation (TEDCO, now under CreateTO) and the Toronto Waterfront Revitalization Corporation (TWRC, now Waterfront Toronto) that set out phasing and respective roles and responsibilities of the partners in revitalizing East Bayfront and the Port Lands. The MOU appointed TWRC as the revitalization lead.

<https://www.toronto.ca/legdocs/2006/agendas/council/cc060131/pof1rpt/cl027.pdf>

Ookwemin Minising Planning Initiatives (previously referred to as Villiers Island)

On November 13, 2024, City Council adopted item EX18.3 designating the new island in the Port Lands as "Ookwemin Minising" and adopted the name "Biidaasige Park" for the new park in the Port Lands which were previously referred to as River Park, Promontory Park (North and South) and Don Greenway.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.EX18.3>

On June 26, 2024, City Council adopted item PH13.2 - Ookwemin Minising (Villiers Island) Precinct Plan - City-Initiated Official Plan and Zoning By-law Amendment - Decision Report - Approval.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.PH13.2>

On April 17, 2024, City Council adopted item EX13.5 - New Island, New Beginnings: Furthering Reconciliation and an Indigenous Cultural Framework for the Port Lands and directed the Director, Waterfront Secretariat and the Director, Indigenous Affairs Office to further engage with First Nations, Inuit, Métis and urban Indigenous communities, and to report back with a permanent name for Villiers Island, as well as a framework for reconciliation projects that support Indigenous cultural revitalization in Villiers Island and the Port Lands.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.EX13.5>

On December 8, 2017, City Council adopted the Port Lands Planning Framework (PLPF), Port Lands Official Plan Modification (OPM) and Ookwemin Minising (Villiers Island) Precinct Plan which outlined a comprehensive 50-plus year vision for the area.

<https://secure.toronto.ca/council/agenda-item.do?item=2017.PG24.6>

Quayside

On July 24, 2024, City Council amended the former City of Toronto Zoning By-law 438-86 for development on Quayside Blocks 1 and 2.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.TE15.5>

On July 19, 2022, City Council adopted item EX34.11 - Quayside Business and Implementation Plan which provided City approvals for the Business and Implementation Plan and identified City funding contributions for affordable housing, major infrastructure and parkland programs.

<https://secure.toronto.ca/council/agenda-item.do?item=2022.EX34.11>

Waterfront East Transit

On November 8, 2023, City Council approved the alignment of Waterfront East Light Rail Transit and advancing the 60 percent design for the full project from Queens Quay to Villiers Loop.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.EX9.14>

Port Lands Flood Protection Project

On May 10, 2023, City Council adopted the report EX4.1 Port Lands Flood Protection - Update approving an updated funding strategy and authorizing staff to advance several matters related to project implementation.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.EX4.1>

On February 12, 2018, City Council adopted the 2018 Capital and Operating Budgets with amendments. The budget included an update on the City's contribution to PLFP and authorized the Deputy City Manager - Cluster B (now Infrastructure and Development Services) to execute required intergovernmental contribution agreements.

<https://secure.toronto.ca/council/agenda-item.do?item=2018.EX31.2>

<https://www.toronto.ca/legdocs/mmis/2018/ex/bgrd/backgroundfile-111934.pdf>

On February 15, 2017, City Council adopted the 2017 Capital and Operating Budgets with amendments. This included approval of the PLFP project budget and City contribution.

<https://secure.toronto.ca/council/agenda-item.do?item=2017.EX22.2>

On November 8, 2016, City Council approved Cherry St Stormwater and Lakefilling project and requested Government of Canada and Province of Ontario Funding commitments for PLFP. The staff report appended the 2016 Due Diligence report.

<https://secure.toronto.ca/council/agenda-item.do?item=2016.EX18.3>

ISSUE BACKGROUND

The Long-Term Vision for Waterfront Revitalization

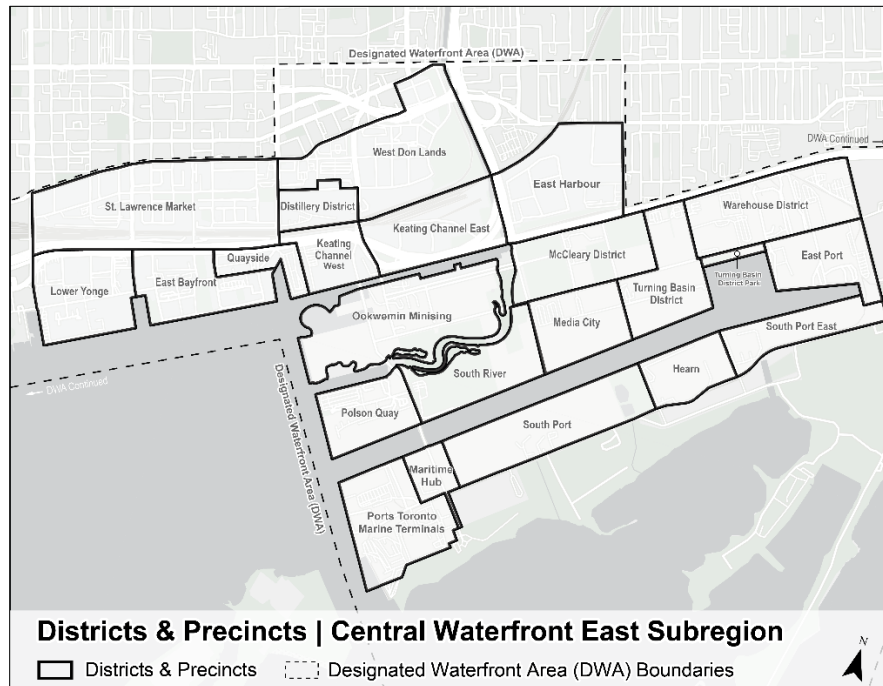
Land Use Policy Context

The Central Waterfront Secondary Plan (CWSP) adopted by City Council in 2013, outlines a phased approach to waterfront renewal recognizing it is a long-term endeavor within the broader city-wide context. The CWSP is built on four core principles:

- A. Removing Barriers/Making Connections
- B. Building a Network of Spectacular Waterfront Parks and Public Spaces
- C. Promoting a Clean and Green Environment
- D. Creating Dynamic and Diverse New Communities

Several precincts within the CWSP in the central waterfront east are at various stages of development. Figure 2 outlines the areas discussed in this report. These include the established West Don Lands neighbourhood, the emerging Lower Yonge and East Bayfront communities, Quayside, and Keating Channel West, with early planning underway for the Keating Channel East Precinct. Figure 2 also shows the eastern boundary of the Designated Waterfront Area (DWA) which formally defines the area of revitalization efforts in the central waterfront.

Figure 2 - Central Waterfront East Districts & Precincts (as noted in this report)



The CWSP also includes Toronto's Port Lands. Approximately 356 hectares (880 acres) extending from the Inner Harbour to Leslie Street, and from Lake Shore Boulevard East to the Outer Harbour. The Port Lands is being transformed into a dynamic, inclusive mixed-use community, with housing at across affordability levels, with supportive community infrastructure and employment hubs, bolstering the City's film, television, and creative sectors, alongside continuing port and industrial activities.

This comprehensive 50 plus year vision is guided by the Port Lands Planning Framework, approved by City Council in 2017. The framework includes areas such as Ookwemin Minising and the McCleary District which are currently advancing, as well as the Media City and Turning Basin districts - collectively known as Production, Interactive and Creative districts - whose urban design is ongoing. Employment-focused districts continue to support public services and utilities, industry and Port operations, with future plans for districts like Polson Quay and South River to be developed over time. Overall, the Port Lands are projected to accommodate a minimum of 40,000 people and 20,000 jobs.

Additionally, the development of the nearby East Harbour Transit Oriented Community is underway. When completed Quayside, Keating Channel West and East, the

McCleary District, East Harbour and the precincts south of the newly created mouth of the Don River will form a new hub of activity centred around higher-order transit and a robust regional destination park system that includes a new naturalized river valley.

Ookwemin Minising and Quayside

Ookwemin Minising and Quayside represent the most advanced and impactful public investment opportunities in the central waterfront, aiming to advance housing outcomes and spur significant economic growth.

Ookwemin Minising is set to become the first mixed-use residential community emerging in the Port Lands; defined by the re-naturalized Don River it will develop into a sustainable and complete community. It is expected to feature more than 3,000 jobs and more than 9,000 residential units with a target of 30% affordable rental housing. A Business and Implementation Plan for Ookwemin Minising is targeted to be brought to City Council in the first half of 2025, subject to tri-government funding commitments.

Quayside encompasses a 4.9-hectare (12.1 acre) area, located at Queens Quay East and Parliament Street. A significant and complex project is underway to turn this area into a vibrant community that will have approximately 4,700 residential units and 1,600 jobs. Over 23 percent of all residential gross floor area (GFA) in the proposed development will be allocated for affordable rental units. The project will also deliver significant public infrastructure to the City upon its completion. A Business and Implementation Plan for Quayside prepared by Waterfront Toronto was adopted by City Council in 2022.

Enabling Growth in the East and Central Waterfront

As noted in previous reports to City Council, Ookwemin Minising and Quayside are major city building projects that require ongoing review of phasing, scheduling and cost estimates. Investments in these communities lay the foundation for further revitalization of these former industrial lands by creating a sense of place and by bringing forward critical infrastructure such as essential transportation and servicing connections.

Investments in the central waterfront east transportation network, including the Queens Quay East extension and the Waterfront East LRT, are pivotal at unlocking the development potential of Ookwemin Minising, Quayside and the Keating Channel West and East precincts. These investments facilitate the development of public lands, and create new housing and economic development opportunities. Investments in servicing infrastructure, particularly sanitary servicing upgrades within the Port Lands, will support new development throughout the central waterfront east, downtown Toronto and East Harbour.

The 50 plus year build out of Ookwemin Minising and Quayside (Figure 3) will require extensive investments, in addition to the first set of projects recommended in this report, to complete the following:

- Waterfront East LRT from Union Station to Ookwemin Minising and beyond, connecting Union Station to East Harbour;
- Housing enabling infrastructure and public realm on all blocks of Ookwemin Minising and in Quayside to support more than 13,500 new homes;

- Addressing the funding gap for more than an estimated 3,200 affordable rental homes in Oowwemin Minising and Quayside.

Figure 3 - Full Buildout of development blocks in Oowwemin Minising and Quayside (Concept)



Next Phase of Waterfront Revitalization

The First Two Phases of Revitalization

In 2000, the Government of Canada, the Province of Ontario and the City of Toronto (“the government partners”) launched the Toronto Waterfront Revitalization Initiative (TWRI) to revitalize Toronto’s waterfront. The initiative emerged from Toronto’s bid to host the 2008 Summer Olympic Games.

Through tri-government coordination and \$1.5 billion of funding, the government partners established the Toronto Waterfront Revitalization Corporation (Waterfront Toronto) as a non-share capital corporation in 2001. This entity was continued through the provincial Toronto Waterfront Revitalization Corporation Act, 2002, to serve as the primary delivery agent for waterfront revitalization. This funding achieved significant revitalization outcomes including flood protection for the West Don Lands and the development of parks and public realm throughout the central waterfront.

A second phase of revitalization was announced in 2017 through a federal, provincial, and City commitment to fund the PLFP project. Led by Waterfront Toronto, this \$1.4 billion transformational project will provide flood protection against regulatory storm events (the equivalent of Hurricane Hazel), unlocking the Port Lands for revitalization. The project will enable the development of new mixed-use communities, featuring significant new public space, dense urban employment districts and significant new

parks and open spaces in this underutilized, strategically located area poised to drive economic growth.

Renewed Vision

In 2021, City Council directed staff to lead a public discussion about the Next Phase of Waterfront Revitalization, continuing the journey that began over 20 years ago to make Toronto's waterfront a place of local, provincial, and national pride.

In July 2022, City Council adopted a renewed vision for this next phase, developed through public, stakeholder and Indigenous community engagement. This vision established four interconnected priorities to guide future waterfront revitalization initiatives and directed staff to seek intergovernmental funding for revitalization across the 43-kilometer wider waterfront, from Etobicoke Creek to the Rouge River. The established priorities include:

- Strategic economic development;
- Truth, justice and reconciliation, including through Indigenous engagement;
- Equity, inclusion and access, including through housing; and,
- Climate resilience and sustainability.

In 2022, City staff identified projects that would be recommended for a further phase of revitalization. At the time it was recognized that Ookwemin Minising represented the next opportunity for continued waterfront revitalization in the central waterfront (referred to as the Designated Waterfront Area), and to create a new sustainable and complete community. Investments in Ookwemin Minising would advance the renewed vision's priorities and City policy objectives, such as affordable housing, by increasing the value of City-owned land (including via CreateTO) and leveraging private sector investment. The report also noted Next Phase projects may also include completing waterfront revitalization in areas already under development. Additionally, staff highlighted the need for new and enhanced intergovernmental investments to advance affordable housing and the waterfront transit network.

The Port Lands represents a major growth area for the City and, if fully funded, have the potential to help federal, provincial, and City governments address the housing crisis head on. This unique opportunity exists because approximately 70% of Ookwemin Minising is owned or co-owned by the City via CreateTO and via Waterfront Toronto, there is a proven tri-government delivery model, and ambitious standards are in place for designing and delivering complete and sustainable communities.

Anticipated Economic Impact and Priorities

As highlighted in the 2022 staff report much of the success in Toronto's waterfront revitalization over the past two decades can be attributed to a strong foundation built on a tri-government partnership and funding model. This approach has delivered significant economic, environmental, and social outcomes, benefiting all orders of government while ensuring a cohesive and transformative vision for the waterfront.

Central to this vision is the development of the Film Studio District in the Port Lands, which is poised to become a global hub for film, television, and digital media production. Announcements of new developments, such as the Basin Media Hub, underscore this potential. The Basin Media Hub in particular is expected to attract international

productions, generate substantial employment opportunities, and reinforce Toronto's position as a leader in the creative industries. Additionally, there is a focus on protecting and encouraging existing industrial uses, recognizing the unique asset that is the Port of Toronto.

Complementing these economic drivers are innovative projects like Ookwemin Minising, designed as a climate-positive, mixed-use community. This precinct will integrate residential, commercial, and cultural spaces, creating a vibrant live-work-play environment. Central to its design are major green spaces like Biidaasige Park, offering separated pedestrian and cyclist trails, access to the new Don River and Lake Ontario, and recreational opportunities that encourage tourism, foster reconciliation, provide spaces for socialization, and strengthen community engagement. The Ookwemin Minising Precinct Plan also identifies the potential for a regional-scale destination overlooking the Inner Harbour, enhancing the area's appeal as a signature attraction.

Furthermore, investments in transit, public spaces, and green infrastructure will enhance connectivity across the waterfront, integrating economic hubs with residential and recreational areas. Collectively, these initiatives position Toronto's waterfront as a dynamic, resilient, and globally competitive destination.

Indigenous Community Engagement, Cultural Revitalization & Reconciliation Action in the Next Phase

In 2022, the renewed vision for the Next Phase of Waterfront Revitalization established truth, justice and reconciliation as a Council-adopted priority, including through community engagement. Council directed staff to further engage with Indigenous communities on the Next Phase, hearing about priorities, concerns and opportunities for advancing the Reconciliation Action Plan. Relationship-building with, and involvement of, First Nations, Inuit and Métis communities is recognized as central to waterfront initiatives.

The centering of Indigenous community engagement and relationship-building in waterfront revitalization projects has been ongoing particularly since the 2022 Council-adopted Reconciliation Action Plan and Next Phase of Waterfront Revitalization engagement activities with First Nations, Inuit, Métis and urban Indigenous communities.

An Indigenous Engagement Summary Report identified key priorities heard through that input, which aligned with the Reconciliation Action Plan, including the following action areas. The report can be found on the [City Planning website](#):

- Improving Relationships with First Nations, Inuit, Métis communities and organizations (Actions 5, 6);
- Supporting Indigenous Placekeeping and Cultural Revitalization (Actions 15, 16);
- Supporting Language Revitalization, including through place naming (Action 17)
- Affordable housing (Action 14);
- Access to water and waterfront land and return of land and water and stewardship rights (Actions 13, 18, 19, 20);
- Economic Development (Actions 10, 20); and,
- Environmental protection and intergenerational planning.

Since then, initiatives such as the ongoing implementation of the PLFP project and the [Port Lands Indigenous Place Naming Initiative](#) have made progress on changing the processes and outcomes related to waterfront revitalization by making space for, funding and prioritizing First Nations, Inuit and Métis voices and ways of knowing into the design, programming, and stewardship of waterfront spaces. While initial initiatives involve Indigenous placekeeping and place naming, parks and precinct design input, native plantings, and public art and storytelling, further initiatives will broaden to include discussions on topics such as affordable housing, economic development and return of land and stewardship rights.

City staff were also directed to report back on an Indigenous cultural framework for waterfront revitalization in the Port Lands. In 2025, staff will present a comprehensive report that provides an overview of ongoing initiatives, future opportunities and next steps related to advancing the Reconciliation Action Plan and Indigenous cultural revitalization in the Port Lands.

The naming of Ookwemin Minising and Biidaasige Park were symbolic and significant components of broader initiatives supporting Indigenous cultural revitalization along Toronto's waterfront, establishing the new island as a beacon of Indigeneity in the city. There are considerable opportunities to incorporate priorities identified by First Nations, Inuit and Metis communities into the design and implementation of the projects described in this report. For example, in Ookwemin Minising, this includes public realm and park design, placekeeping, storytelling through interpretive signage and art, place naming, land and water stewardship and access, and affordable housing. In McCleary District precinct planning involves park and public realm, housing, economic development and business, placekeeping and relationship to river. The relationship to the river, lake and land is central throughout these initiatives, as is a respectful process of engagement rooted in protocols determined by Indigenous communities.

While much of the focus and work has been on the central waterfront, specifically in the Port Lands and Ookwemin Minising, other ongoing and upcoming initiatives in the western and eastern waterfronts also engage and involving First Nations, Inuit, and Metis communities. These include the Western Beaches Public Realm Plan and Scarborough Bluffs West Revitalization Study/Environmental Assessment.

These initiatives will contribute to recognizing, restoring, celebrating, and involving First Nations, Inuit, and Metis cultures, communities, and worldviews along the waterfront. However, there remains an opportunity for governments to do more to shift power, fund and prioritize interests of First Nations, Inuit, and Metis communities. For the City, this could be through further engagement and discussions on Indigenous-led protocols, agreements and decision-making related to Reconciliation Action Plan implementation as well as through project specific opportunities.

COMMENTS

Glossary - Individual Projects Discussed in this Report

In July 2022, City Council directed City staff to pursue discussions with their provincial and federal counterparts on a further phase of waterfront revitalization. Government

staff and Waterfront Toronto have been working collaboratively to undertake comprehensive due diligence and develop a package of projects to help inform decision-makers in funding discussions.

Tri-government discussions covered the following projects which are referenced throughout this report, including in maps in later sections:

- Ookwemin Minising enabling infrastructure - Local roads and servicing for development blocks east and west of New Cherry Street and north of Commissioners Street (Blocks 3,8,7,12 and 16). This includes sanitary system upgrades such as an interim sanitary pumping station at Don Roadway and Commissioners Street, and a trunk sewer project along Commissioners Street. Future phases of Ookwemin Minising will require additional enabling infrastructure, including upgrades to the Keating Channel Dockwall (see Figure 3);
- Quayside enabling infrastructure - Addressing the funding gap for the planned housing enabling infrastructure (local roads, servicing, parks) first outlined in the Quayside Business and Implementation Plan ([2022.EX34.11](#));
- The northwest portion of Biidaasige Park (formerly Promontory Park North) and a program for early activation ('meanwhile uses') - 2 hectares (4.9 acres) of new parkland with infrastructure that can support events. Details are to be determined but conceptual design notes that during the early activation of adjacent future development lands, the space will allow for events and other 'meanwhile uses';
- [Parliament Slip](#) - A Waterfront Toronto-led proposal for water's edge public and recreational space that would abut and complement the Quayside neighbourhood and become an all-season public destination;
- [Destination PlayPark](#) - A Waterfront Toronto-led proposal for a new 1.2 hectare (3-acre) park featuring accessible, inclusive play spaces, connected by trails and scrambles;
- [Marine Use Strategy](#) - Projects that advance the 2020 Marine Use Strategy;
- [Wider Waterfront](#) - Projects that are within Toronto's 43-kilometer "wider waterfront" extending from Etobicoke Creek in Etobicoke to the Rouge River in Scarborough;
- Affordable Housing in Quayside and Ookwemin Minising; and,
- Waterfront East LRT from Union Station to Ookwemin Minising.

Intergovernmental Discussions and Due Diligence

The first set of projects recommended in this report were informed by a prioritization exercise conducted over a two-year period between governments and Waterfront Toronto. These discussions were framed by City Council's 2022 decision, the City's four interconnected priorities for revitalization, the full 50 plus year vision for the Port Lands and the following considerations:

- The approved Quayside project;
- Government priorities and new housing targets/objectives, including the updates to the precinct plan for Ookwemin Minising;
- Waterfront Toronto's fiscal and organizational capacity as PLFP nears completion; and,
- Waterfront Toronto's legislative mandate, which has a current wind-up date in 2028.

Discussions on potential projects were facilitated by staff in government waterfront secretariats and was led by the Intergovernmental Steering Committee, comprising the City Manager, Deputy City Manager - Development and Growth Services, and the Deputy Ministers from partner governments, which oversees the Waterfront Revitalization Initiative. Discussions were informed by Waterfront Toronto and its Board of Directors which identified priorities while considering the mandate and future path of the tri-government organization. Staff working groups, including the internal Port Lands Revitalization Steering Committee and Executive Leadership Table, supported these discussions through close collaboration between Waterfront Toronto, City divisions, and CreateTO.

In fall 2023 the Waterfront Toronto Board articulated its preferred option for a Next Phase, a \$2.6 billion 15-year subset of the overall 50 plus year vision (the full vision was described above in Figure 3). This option prioritized enabling housing development at Ookwemin Minising and Quayside, funding affordable housing at Quayside, providing new community assets and waterfront destinations such as Biidaasige Park, Destination PlayPark, and Parliament Slip, and delivering a transit solution that would enable the Waterfront East LRT.

Recognizing these early discussions which outlined the magnitude of investment needed, governments through the Intergovernmental Steering Committee agreed to take a holistic approach to decision making. This approach would consider project selection, the scale of investment, the time horizons to achieve outcomes (such as housing units occupied), and the length of Waterfront Toronto's mandate in an integrated manner. This accounted for how best to advance waterfront revitalization while considering Waterfront Toronto's strategic direction, operating model and associated staffing levels.

Business Case and Project Package Development

To advance project selection, government staff requested that Waterfront Toronto develop a comprehensive business case to inform decision making. Initiated in fall 2023, this work involved a collaborative approach to ensure projects received adequate due diligence, aligned with emerging government priorities, and were sensitive to government fiscal constraints. Waterfront Toronto was also requested to incorporate corporate operating costs into individual projects to 'right-size' the organization for potential packages and be financially sustainable over a Next Phase.

Over a 12-month period, Waterfront Toronto responded to government feedback by creating and conducting comprehensive risk assessments on a range of projects and project packages that could be considered for investment. This process began by considering of a range of options, from the Board-preferred option (the most comprehensive option) to one that narrowed in on enabling infrastructure for Ookwemin Minising (the most focused option).

To understand costs/benefits, each package underwent a risk assessment on costs and cash flows and was measured against Waterfront Toronto's key performance measures. The quantitative risk assessment was focused on major new projects that were being considered (enabling infrastructure, parks, and transit). A third-party risk consultant team led a series of risk workshops in a 'bottom up' approach that considered risks,

their likelihood, and their severity, including both cost and schedule impacts. This resulted in risk-adjusted cost estimates for each project with costs presented at the 95th percentile of base cost uncertainty. In other words, projects are costed at a point where there is a 95 percent probability that the project will come in at the budgeted amount.

Waterfront Toronto and government staff noted that approaches to risk would be refined over time, given that work will occur in areas of contaminated soils and the potential for costs to be refined as designs are advanced (as some projects are currently at a class D or 30 percent estimate).

To prioritize investments, additional screening criteria were applied including alignment with government priorities, the impact on government finances, the ability to integrate project delivery, the responsiveness of projects to evolving market conditions (due to the economic and development climate), and the ability to prioritize rapid delivery of housing and community assets.

Applying these criteria narrowed projects to those that prioritized housing, transit and destinations. Governments then identified that a five-to-seven-year investment profile would be ideal. In response to government feedback, Waterfront Toronto further investigated phasing possibilities for Waterfront East Transit and revisited the approach to completing Biidaasige Park to ensure that the park could be completed at the same time as early activation opportunities were introduced. Waterfront Toronto also assessed the possible phasing of various blocks of Ookwemin Minising.

This work resulted in prioritization of enabling infrastructure for Quayside and the western blocks of Ookwemin Minising, along with completion of Biidaasige Park and an early activation program, and modest investments for the wider waterfront and the marine use strategy.

In May 2024 Waterfront Toronto and CreateTO conducted a structured market sounding with seven local developers to assess market dynamics affecting future development on Ookwemin Minising. Additionally, Waterfront Toronto conducted a market sounding with destination/attraction operators to assess potential investment and delivery partnerships for Parliament Slip, Destination PlayPark, and an early activation program on future development lands. The market sounding concluded that early activation on Ookwemin Minising was important in creating a sense of place, that a transit commitment was an essential catalyst for development, and that challenging market conditions required a thoughtful approach to the location, size and timing of the first development opportunity on Ookwemin Minising.

Destinations and Attractions Study

As a part of Next Phase discussions, government staff also identified the need to further study destinations and attractions on the waterfront. There was recognition that the waterfront represents an opportunity to fill any destination/attraction gaps that may exist in Toronto and that the waterfront has the potential to grow tourism and economic development opportunities. A destinations and attractions study was then incorporated into project packages. Details including the collaboration between the Province, the City and Waterfront Toronto, will be determined in the future, subject to funding approvals.

The City's objectives include transforming the central waterfront into a destination for location enjoyment, national celebration, and international tourism. To this effect, Waterfront Toronto has been planning for destinations such as Parliament Slip and Destination PlayPark. A broader study of can further help advance these objectives. This includes an opportunity to advance strategic and inclusive economic and cultural development as contemplated through the Next Phase of Waterfront Revitalization. It also provides an opportunity for Indigenous engagement through further discussion on indigenous-led programming, stewardship, and economic opportunities.

The waterfront as a “destination” was a common sentiment among many participants who were engaged on the Next Phase and as noted in the recently adopted Sidewalks to Skylines: A 10-Year Action Plan for Toronto’s Economy (2025-2035), a slowing of international visitors since the pandemic has challenged the city to adapt and revitalize its tourism appeal. A study can also help to achieve the objectives of Culture Connects: An Action Plan for Culture in Toronto (2025-2035) by exploring new opportunities for residents and visitors to engage with culture along the waterfront.

The Ookwemin Minising Precinct Plan emphasizes the role of cultural, civic, and tourist attractions as economic catalysts. Ongoing engagement with Indigenous communities and partners continues to highlight the importance of creating pathways for land stewardship, ownership, and co-management, which are integral to economic equity and reconciliation efforts. The island will also feature affordable housing, public art installations, and cultural hubs, blending sustainability, inclusivity, and cultural excellence to create a thriving and resilient community. These uses, including event spaces, cultural centres, and community hubs, will draw visitors and residents alike, contributing to economic development and tourism.

Preferred Package and First Set of Projects

Following this prioritization process, a potential five-to-seven-year package was discussed and is summarized in Figure 4. The figure includes a first set of projects that is being recommended by City staff in this report, as well as transit and affordable housing which are subject to further discussions which are ongoing (with further details provided below).

The first set of projects represent foundational elements that would best achieve housing outcomes, kick off economic development in the Port Lands, and advance destinations/attractions. Selection of a first set of projects does not constitute a funding decision but rather, a set of priorities to help guide near-term funding discussions.

Figure 4 - Preferred Package including First Set of Projects

Category	Details
First Set of Projects for Funding Consideration	
Enabling Infrastructure	Ookwemin Minising enabling infrastructure
	Quayside enabling infrastructure

Category	Details
Parks	Completion of Biidaasige Park and an early activation program (i.e. "meanwhile uses" on adjacent future development lands)
Destinations/Attractions	Marine Use Strategy Wider waterfront Destination/Attraction Study on the waterfront
Subject to Further Discussions (which are active and ongoing)	
Affordable Housing	Quayside Phase 1
Transit	Waterfront East LRT with the potential for a phased approach

According to an analysis commissioned by Waterfront Toronto, the preferred package noted in Figure 4 and Figure 5, if fully funded, is anticipated to result in:

- 102,820 full-time years of employment created during the development of waterfront lands (construction);
- \$5.2 billion in taxes to all orders of government (one-time);
 - \$425 million in taxes to all orders of government (ongoing); and,
- \$13.2 billion in value add to the Canadian economy.

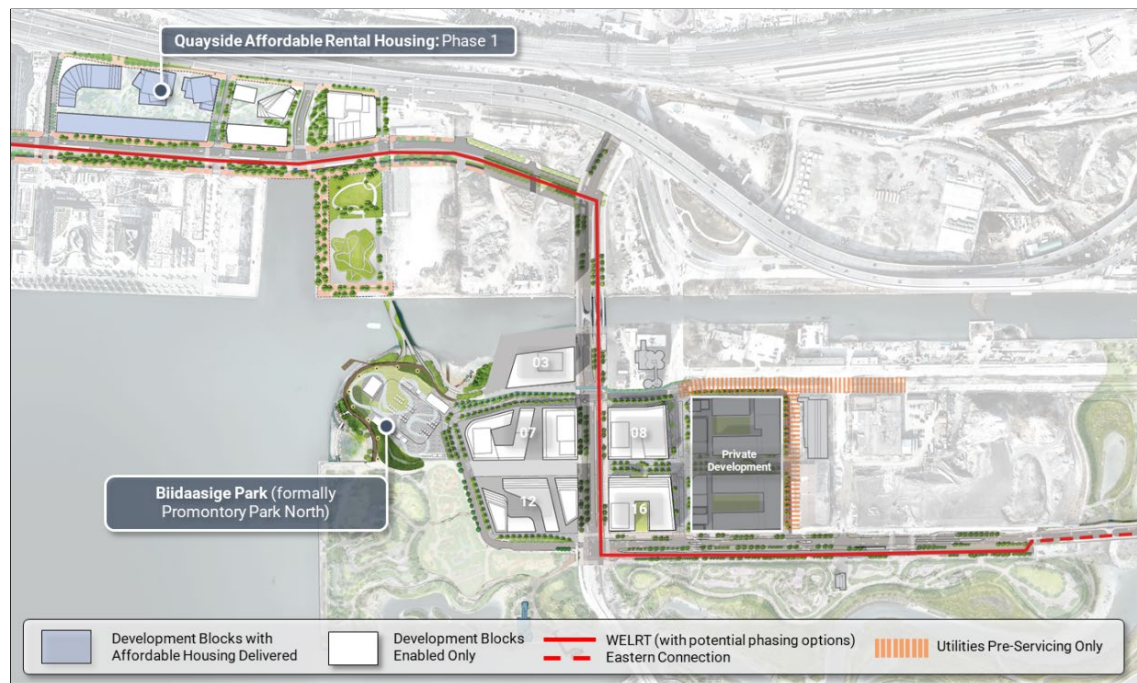
Ultimately these investments, if funded, are anticipated to enable the future development of approximately 4,500 new total housing units on Ookwemin Minising Blocks 3, 7, 8, 12 and 16, with a Council approved target of 30 percent to be affordable rental housing.

In Quayside, funding for the enabling infrastructure gap will help enable the approximately 4,700 new total housing units that are proposed in both Phases 1 and 2, 869 of which are affordable rental housing.

Investments will also result in a total of approximately 150,000 square metres of new parks and public realm; and approximately 11,600 metres of new trails and promenades.

As noted elsewhere in this report, additional funding will be required to secure the affordable housing at the time specific plans are determined.

Figure 5 - Map of Preferred Package in Ookwemin Minising and Quayside



The preferred package noted above advances the shared objectives from government partners, namely advancing housing targets and growing the economy. Government staff determined that the following projects required additional study and could be considered at a later date:

- Enabling Infrastructure on additional blocks of Ookwemin Minising - As a result of the due diligence done with governments and the market sounding, the preferred package focused infrastructure work on the west side of Ookwemin Minising along Commissioners Street and Cherry Street which is nearest to downtown and existing neighbourhoods and infrastructure. Other blocks (along the Keating Channel and at the eastern end of Ookwemin Minising) will be enabled at a future date. City staff also note that certain community services and facilities such as the Port Lands Community Recreation Centre and Villiers Park also require future funding to support the development of a complete community;
- South Keating Channel Dockwall - to be considered as a part of future development of blocks north of Villiers Street along the Keating Channel;
- Affordable Housing on Ookwemin Minising - to be considered as part of phasing of development and a delivery plan for the affordable housing, including, availability of funding, timing of the development of affordable housing, location of the units to be delivered, and an update on the funding plan for the construction of the Ookwemin Minising affordable rental housing program; and,
- Parliament Slip and Destination PlayPark - to be further reviewed, including as a part of studies on destinations/attractions and as a part of Waterfront Toronto's ongoing efforts to secure philanthropic funding for Destination PlayPark.

Tri-Government Funding Considerations

The first set of projects as described above acknowledges the collective interest amongst all governments to continue this work in partnership and to continue to support Waterfront Toronto as a tri-government organization.

While funding decisions are still pending, government staff have workshopped a range of issues that could inform these decisions. This includes discussions on the following principles:

- Each level of government has its own fiscal constraints, including available funding sources, approvals and cash flow requirements;
- Each level of government may contribute to different projects based on their individual priorities and available funding, including leveraging existing programs where possible;
- Government partners recognize that in the past, waterfront revitalization has been implemented using a 'one-third, one-third, one-third' funding model. The model has guided waterfront revitalization since its inception has been largely successful, and could be a target going forward when considering overall funding levels for a Next Phase (as opposed to a project-by-project basis); and,
- All three governments have a shared interest in Waterfront Toronto as an organization and will support its project delivery and organizational costs, which are to be included in total project costs.

Accordingly, government partners in collaboration with Waterfront Toronto, have examined existing federal and provincial funding priorities and programs and conducted additional due diligence on the operating cost support required by Waterfront Toronto over this time. Funding discussions between governments and Waterfront Toronto are ongoing and updates will be provided in reports planned for the first half of 2025 on Quayside, Waterfront East LRT and the Ookwemin Minising Business and Implementation Plan as well as through the budget process.

Through these discussions, City staff have noted that some of the projects being considered have pre-existing financial commitments from the City including \$142 million for Quayside infrastructure, financial incentives for Quayside affordable housing, and ongoing funding to advance design of the Waterfront East LRT. Also discussed was the value of City owned lands and the possibility that this would be contributed to revitalization, which will be determined as implementation proceeds. As approximately 70 percent of Ookwemin Minising is owned or co-owned by the City via CreateTO and via Waterfront Toronto, and Waterfront Toronto, it is anticipated that land values could contribute to revitalization efforts.

In previous revitalization phases, land values were reinvested in infrastructure, public realm improvements and affordable housing infrastructure. Past consideration of land values also accounted for the potential financial impact on CreateTO of revitalization efforts (for example, lost revenues due to construction of the PLFP project). Past land contributions have been tracked by governments and Waterfront Toronto, as the Province provided lands in the West Don Lands and the City in East Bayfront. While land contributions to revitalization have been tracked, they have not been 'counted' historically as a part of cost sharing discussions.

Implementation Considerations for the First Set of Projects

Discussions continue between City divisions and Waterfront Toronto on the Next Phase projects outlined in this report. Next steps will be informed by government funding commitments.

Ookwemin Minising and Quayside Enabling Infrastructure

A government commitment to fund enabling infrastructure would allow for staff to work with Waterfront Toronto on detailed plans for implementation. Funding for enabling infrastructure is critical to ensure that work can continue to advance the housing development that is planned for the area. As noted above, details will be provided in planned follow up reports including the Ookwemin Minising Business and Implementation Plan and Quayside which are planned for the first half of 2025.

Completing Biidaasige Park

As noted above, Waterfront Toronto and Parks, Forestry and Recreation have reviewed the approach to the northwestern part of Biidaasige Park (formerly Promontory Park North) to prioritize its completion. Inclusion of the parkland in the first set of projects recognizes the importance of the northwestern part of the island and its function as a gateway given its proximity to downtown and surrounding neighbourhoods, and as the landing point for the Keating Pedestrian Bridge. This part of the park (2 hectares) was originally contemplated to be included in the PLFP project but was descoped in advance of the project due to funding constraints.

Completing Biidaasige Park will require close collaboration between Waterfront Toronto and Parks, Forestry and Recreation to advance park design, identify programming opportunities and expectations, and determine anticipated future operating costs. Completion of the park will add high-quality new public space at the intersection of the Port Lands and the central waterfront, connected by the future Keating Channel Pedestrian Bridge which is in development.

This project offers an opportunity to build on the broader Biidaasige Park network's design, which honours and amplifies Indigenous histories and cultures. Waterfront Toronto and the City will continue collaborating with Indigenous communities to incorporate Indigenous placemaking into the park's design and identify opportunities to ensure Indigenous perspectives can shape the programming of the early activation event space, creating opportunities for cultural events, markets, and festivals that highlight Indigenous art, traditions, and storytelling.

The current vision for the park includes infrastructure to support future event space. On a temporary basis, the park and adjacent development parcels could be used for events and sports/recreation activities for the portion of time before development occurs as part of the 'meanwhile uses' contemplated for Ookwemin Minising. Once development proceeds, portions of the park could continue to be used for smaller events. Several considerations are required for this event focus, including the appropriate event types for this location, the infrastructure that needs to be installed, the design and operational considerations to ensure complimentary use and enjoyment of the event space and other park spaces, and the potential operating model including partnerships between the City, Waterfront Toronto and the interest from third party operators. There is also a need to work in collaboration with the public, stakeholders, and the local Councillor on

these matters, as well as the potential programming opportunities for early activation. Waterfront Toronto will also be continuing discussions with landowners on Ookwemin Minising, including CreateTO and PortsToronto, to facilitate early activation opportunities.

Development of the northwestern part of Biidaasige Park and associated municipal infrastructure also requires the City, CreateTO and PortsToronto to finalize the City acquisition of land that was created through the tri-government funded Cherry Street Stormwater and Lakefilling Project. PortsToronto holds title to this land as a result of owning the water lots that were filled in by governments as a part of the PLFP effort. Discussions have been ongoing since that project was commenced. Parties have yet to arrive at an agreement that appropriately considers the tri-government funding contributions that enabled the lakefilling project.

An update on this issue will be provided in the first half of 2025 through the planned update report on PLFP or the report on the Ookwemin Minising Business and Implementation Plan.

Wider Waterfront

The renewed vision for the Next Phase approved in 2022 directed staff to actively pursue support for waterfront projects in the Western and Eastern Waterfronts with other orders of government. This covers the full 43-kilometer “wider waterfront”, extending from Etobicoke Creek in Etobicoke to the Rouge River in Scarborough. A Wider Waterfront Coordination Table was established to improve coordination between and across the Toronto and Region Conservation Authority and City Divisions. The table has met and continues to meet to share information, coordinate across projects and identify priority projects requiring intergovernmental funding.

The Wider Waterfront projects to be advanced through the \$5 million Next Phase funding envelope will be determined at a later date, if and when funding is secured. Projects will be identified in collaboration with the Wider Waterfront Coordination Table.

Several wider waterfront projects are ongoing by the City and/or TRCA with existing funding. These ongoing projects include:

- Implementation of the Toronto Island Park Master Plan;
- Toronto Island Park Flood & Erosion Mitigation Environmental Assessment;
- Scarborough Bluffs West Revitalization Study Individual Environmental Assessment;
- Scarborough Waterfront Project Individual Environmental Assessment - West Segment Design and Construction;
- Tommy Thompson Park Visitor Experience Plan & Joint Management;
- Western Beaches Public Realm Plan;
- Cherry Beach Shoreline Improvements; and,
- Major Shoreline Maintenance in Etobicoke, the central waterfront and Scarborough

Many wider waterfront projects are large and complex, and City staff will continue to seek funding through available funding programs for their implementation.

Marine Use Strategy

In 2020, the City along with Waterfront Toronto, the TRCA and PortsToronto updated the Marine Use Strategy that emphasizes the need to retain vital shipping and commercial uses, and also co-ordinates and activates year-round management and use of the waterfront, in Toronto's Inner Harbour. A Marine Coordination Committee was established in 2022 with staff representatives from the City, Waterfront Toronto, CreateTO, TRCA, PortsToronto and Harbourfront Centre which advances priorities that were identified in the 2020 Marine Use Strategy.

Details on Marine Use Strategy projects to be funded through the \$5 million Next Phase funding envelope will be determined at a later date, if and when funding is secured. Marine Use Strategy projects can contribute to Next Phase outcomes by improving boating infrastructure and amenities for public use and improving visitor experiences in the central waterfront.

Recent work on the Marine Use Strategy includes an ongoing transportation study that is looking at the feasibility of expanding water transportation options in Toronto's Harbour, and a pilot "Kiss and Sail" pick-up and drop-off dock for short-term day use docking at Yonge slip that was in operation during the summer of 2024. Planned work includes a review of existing canoe/kayak/paddling facilities and to identify opportunities for additional public storage of personal watercraft.

Ongoing Discussions Related to Affordable Housing and Transit

While a first set of projects is being recommended through this report, additional discussions are ongoing related to affordable housing and transit. An update on these matters is provided below.

Quayside Affordable Housing

Federal and City officials have noted that discussions are ongoing between the Housing Secretariat, Waterfront Toronto and CMHC regarding Quayside Affordable Housing.

The City and Waterfront Toronto are leading discussions with Quayside Impact Limited Partnership (QILP, Waterfront Toronto's development partner) and other orders of government to advance an affordable housing development model in partnership with the non-profit housing sector and with investments from all orders of governments.

In the face of significant market challenges, the collective objective of the City, Waterfront Toronto and QILP is to ensure Quayside - Phase 1 affordable rental housing outcomes are realized, and to accelerate construction start of affordable rental homes.

As outlined in "2022.EX34.11 - Quayside Business and Implementation Plan", the land sale revenues from City and Toronto Port Lands Company (TPLC) lands on Block 3B as well as a range of financial incentives will be invested towards affordable rental housing in Quayside. Additional funding and financing from federal and provincial governments, as well as equity contributions from the non-profit housing providers who will lease the affordable rental homes for 99 years, will be needed to support the successful delivery of affordable rental homes in this project.

A staff report is expected to be brought forward in the first half of 2025 following the completion of schematic designs, updated costing estimates for the delivery of affordable rental homes, as well as updates on the progress in discussions with CMHC and government partners in securing additional funding and financing.

Central Waterfront East Transit

The City in collaboration with Waterfront Toronto and the TTC continues due diligence that will advance higher-order transit to the eastern waterfront. This includes ongoing design for the Waterfront East LRT, as well as consideration of possible phasing to expedite its delivery, as directed by City Council. Also being considered by City staff in collaboration with the TTC is the installation of interim bus lanes on Queens Quay East.

Government partners continue to have active discussions on transit, recognizing the importance of the Waterfront East LRT to serve both a local and regional purpose, eventually connecting Union Station to East Harbour and beyond.

The Importance of the Waterfront East LRT

There is a critical need for higher-order transit on Toronto's central waterfront east, which is one of the fastest growing areas in Toronto. Today, over 25,000 residents in the area face limited transportation options with future phases of development anticipated to bring over 100,000 residents and 50,000 jobs at full buildout.

Higher-order transit is essential to accommodate planned densities. The Waterfront East LRT project has been identified as the necessary long-term transit investment needed to serve existing and planned development. It is the crucial infrastructure that will bring new residents, workers, and visitors within reach of regional transit connections such as the subway and GO Transit networks at Union Station. It includes stops within walking distance of the future Ontario Line Corktown Station and will ultimately link to the East Harbour Transit Hub (Ontario Line and GO Access) and TTC Broadview Streetcar extension as the transit network in the Port Lands and beyond is built out. The Waterfront East LRT will serve as an important regional connector that is part of the network envisioned in the Metrolinx Regional Transportation Plan and Ministry of Transportation Greater Golden Horseshoe Transportation Plan.

Over recent years, the urgency of this project has grown as the Lower Yonge and East Bayfront communities have densified, projects further east such as Quayside advance, and precinct planning in the Port Lands, such as for Ookwemin Minising and the McCleary District, progress. Traffic congestion in the central waterfront east today poses a major barrier to access for current residents and businesses, and significantly hinders transit performance.

To make housing and commercial development possible and to attract major institutions to our revitalized waterfront, transit service must be improved in this area. This was reinforced through Waterfront Toronto and CreateTO's co-led market sounding sessions where the development community noted that continued implementation of higher-order transit was the most important action that governments could take to spur development interest in a first phase of Ookwemin Minising. The developer community also confirmed

that building higher-order transit is essential to unlock the viability of new homes by enhancing their access, marketability, and affordability.

The City, TTC and Waterfront Toronto have been working together as co-proponents on planning, design, engineering and environmental assessments for the Waterfront East LRT. Most recently, in June 2024, the City, TTC and Waterfront Toronto issued the Notice of Completion of the Environmental Project Report for the Waterfront East LRT Transit and Rail Project Assessment Process (TRPAP). The TRPAP completion will provide the environmental approvals necessary to support future implementation. In addition to the TRPAP, in November 2023, City Council also approved funding to advance the design of the Waterfront East LRT to 60 percent.

Waterfront East LRT Next Steps

As noted earlier in this report, active discussions are ongoing amongst government partners about potential funding and cost sharing for the Waterfront East LRT project. While design is being advanced to 60 percent, the City and other government partners have also been working with Waterfront Toronto to understand possible phasing options for implementation.

Phasing options require further consideration and continue to be reviewed, including:

- Technical aspects, timelines and components of phased delivery;
- Cost estimates, including cash flows, risks and contingencies; and
- Constructability, including coordination and traffic management.

The City also continues to consider the details regarding the Canada Public Transit Fund (CPTF) and its applicability to waterfront transit and other priorities. Early details on the CPTF were released in July 2024 and can be found here: <https://housing-infrastructure.canada.ca/cptf-ftcc/index-eng.html>.

City staff are targeting an update report on the Waterfront East LRT project in early 2025, including updates on 60 percent design work and a recommendation to advance an updated assessment of phasing and delivery options.

Interim Bus Lanes on Queens Quay East

The East Bayfront neighbourhood has been experiencing rapid growth. From 2018 to now, almost every site along the Queens Quay East corridor, between Jarvis Street and Parliament Street, has been redeveloped or is currently undergoing redevelopment to high density residential and office buildings. Traffic volumes on the corridor have subsequently increased and have also been impacted by ongoing Gardiner construction. The TTC has made bus service changes to Queens Quay East to accommodate customers and reflect the changing conditions, but the bus service continues to be negatively impacted by traffic growth, with almost 60 percent of all bus trips running late, and 50 percent of all bus trips running over 20 minutes late. Approximately 3,200 customers use the 114 Queens Quay East route daily and are experiencing poor service reliability and slow travel times.

There is an opportunity to address the existing traffic issues for transit customers and introduce new transit priority lanes as an interim temporary measure prior to higher-

order transit implementation. TTC and Transportation Services staff are exploring this low cost and near-term implementation through re-designation of existing road space, targeting implementation for Q2 2025.

Through the re-designation of existing pavement width, two additional lanes designated for bus priority could be added to most of Queens Quay East (from Bay Street to Parliament Street) without impacting the existing four-lane traffic capacity (see Figure 6). Where the pavement width does not allow for a six-lane cross-section due to existing infrastructure and uses, a bus lane in the westbound direction would be given priority due to heavier traffic volumes. No general traffic lanes would be impacted, and minimal capital works are anticipated. The introduction of bus lanes is forecasted to save 8,000 customer-minutes daily, while improving service reliability on Queens Quay East, and benefiting customers accessing destinations like George Brown College.

Figure 6 - Proposed Interim Bus Lanes on Queens Quay East



An additional benefit of implementation before summer 2025 means transit priority measures will be in place when the first attractions and destinations open on Ookwemin Minising as a result of the PLFP project, connecting Union Station to Ookwemin Minising with a frequent and reliable bus service.

Waterfront Toronto: The Revitalization Lead

In 2020 the City, with the assistance of its provincial and federal partners, engaged KPMG LLP to undertake a Background Study on the Waterfront Revitalization Initiative. Among other findings, KPMG noted that Toronto's waterfront revitalization effort continues to be a nationally significant initiative that requires a tri-government approach and governance.

In addition, KPMG found that Waterfront Toronto is achieving the three governments' priorities and that the tri-government model - and Waterfront Toronto specifically - was identified as an effective vehicle to facilitate negotiations and reduce the transaction costs associated with government coordination.

At the time the review identified several strategic questions that governments were to consider about Waterfront Toronto as an organization including its legislative horizon

(with the organization having a legislated wind-up date of 2028), funding model, and its unique roles and responsibilities.

Mandate Extension

In summer 2023 government staff began to examine Waterfront Toronto's legislated wind-up date and the potential for a mandate extension. Early on it was recognized that a mandate extension beyond 2028 was important given the outcomes of the KPMG study, the tri-government interest in continued collaboration, and the need to provide certainty to the organization as it continued to implement projects such as Quayside.

Waterfront Toronto originally noted that a mandate extension beyond 2040 would be desirable as a longer time frame would provide the ability to complete existing projects and to support the delivery of the full vision for Ooqwemin Minising. It was noted that Waterfront Toronto had several obligations on the Quayside project out to 2035. Also raised was that a 7-year extension (from 2028 to 2035) at a minimum would be needed to provide confidence to the developer community, prospective donors and existing and future staff that the organization had a long-term mandate.

Government staff have evaluated information gathered through the business case process to determine details, including the appropriate length of a mandate extension. Given ongoing projects and those contemplated under the first set of projects noted in this report, 2035 is a reasonable term extension for the organization. In line with the existing legislation, government staff are also interested in requiring a review of the organization which could occur approximately halfway through the planned mandate extension. This review would then inform whether a further extension up to 2040 would be appropriate.

Accordingly, City staff recommend that City Council approve a mandate extension for Waterfront Toronto to 2035, with an option to extend up to 2040 subject to a government review, as per the terms outlined in Attachment 2. It is also recommended that City Council request that these terms be approved by federal and provincial governments.

A mandate extension for Waterfront Toronto can only be put into effect through a provincial legislative amendment to the Toronto Waterfront Revitalization Corporation Act. As such, it is recommended that City Council request that the Province of Ontario make the necessary changes to extend Waterfront Toronto's mandate as soon as possible, so that Waterfront Toronto is provided with operational certainty on an urgent basis.

Funding Model

In addition to the mandate length, the 2020 Background Study noted that if Waterfront Toronto was to continue beyond 2028, the government partners would need to work together to establish a plan to address Waterfront Toronto's future funding situation. As noted above this was due to the expected decline in government funding as PLFP was completed, and since Waterfront Toronto does not have the tools to be financially self-sustaining.

As described above, at government direction and as contemplated through the KPMG review, Waterfront Toronto will be incorporating both project management and corporate overhead costs into the total project costs for the Next Phase projects. This differs from the early phases of revitalization which provided 'block funding' for Waterfront Toronto operating expenses but replicates the approach taken, most recently, under PLFP which has helped to support the organization since 2017. The bundling of operating costs within project expenses also allows for an efficient mechanism to flow government funding which is expected to be provided on a project-by-project basis. In a project-based environment, it is important for governments and Waterfront Toronto to ensure the organization will have the annual cash flow necessary to support operating expenses if funding levels fluctuate over time. Governments and Waterfront Toronto will continue to work together to ensure that the organization can manage through any year-to-year variability.

Subject to approval, a mandate extension and funding for a first set of projects would provide a level of operational stability to Waterfront Toronto in the short term. This can serve as a foundation from which to further examine organizational needs, opportunities for the organization to be more financially self sufficient, and fiscal capacity going forward. This includes examining the organization's ability to borrow and raise revenues, which is approved by governments through consents (borrowing consent and revenue consent). City staff will work with governments and Waterfront Toronto on these issues starting in 2025, with the goal of reviewing the range of questions that were highlighted through the 2020 Background Study.

Roles and Responsibilities

In November 2001, the three orders of government established Waterfront Toronto to oversee all aspects of the planning and development of Toronto's central waterfront, formally described as the Designated Waterfront Area. Toronto's waterfront revitalization takes place in a complex multi-stakeholder environment that is different from other city projects and has evolved over time. Land ownership varies and multiple public agencies play a role in advancing development across the central and wider waterfronts.

A mandate extension for Waterfront Toronto and funding for a further phase of waterfront revitalization projects would build on the success of the first two phases of revitalization and would recognize Waterfront Toronto's role and importance in advancing revitalization efforts. With 70 percent of Ookwemin Minising's development parcels owned by the City via CreateTO and Waterfront Toronto, it is important that all organizations work together to outline clarity in roles and responsibilities.

The existing partnership to revitalize East Bayfront and the Port Lands is governed by a 2006 Memorandum of Understanding between the City, Waterfront Toronto, and the City of Toronto Economic Development Corporation (TEDCO, which is under CreateTO).

Staff of the City, Waterfront Toronto and CreateTO agree that Waterfront Toronto should be the revitalization lead for Ookwemin Minising subject to tri-government funding commitments. Staff also agree that the existing Memorandum of Understanding from 2006 is outdated, as it predates the inception of CreateTO, learnings from newer

development approaches by both Waterfront Toronto and CreateTO, and discussions on the Next Phase. In addition, governments have recognized that urgent actions are needed to respond the housing crisis. Delivering on these targets will require the participation of all orders of government. This includes City Council adopting Item [EX9.3](#) – “Generational Transformation of Toronto’s Housing System to Urgently Build More Affordable Homes” and [EX10.2](#) - "Advancing Generational Transformation of Toronto's Housing System - Aligning Housing Mandates and Strategic Efforts" which takes steps to make generational change to transform and strengthen Toronto’s housing system and expedite delivery of the City's housing targets.

Given the above, it is recommended that City Council affirm Waterfront Toronto as the revitalization lead for Ookwemin Minising subject to tri-government funding approvals. The revitalization lead role includes overall responsibility for tri-government supported revitalization on Ookwemin Minising including preparation of Business Implementation Plans, site investigations, environmental remediation and risk management, site preparation work, delivery of enabling infrastructure (hard services and public realm improvements), community services, promotion and marketing, and facilitating future land transactions, subject to appropriate approvals from landowners.

Under this scenario it is anticipated that CreateTO and Waterfront Toronto lands will be included in future requests for proposals to be developed, subject to future City Council direction including approval of the Business and Implementation Plan. Inclusion of Waterfront Toronto and CreateTO lands will also be subject to approval by their respective Boards of Directors. All parties will be engaged in market offering processes, including review and evaluation of submissions.

It is also recommended that City Council direct City staff to work with CreateTO and Waterfront Toronto and report back on an update to the 2006 Memorandum of Understanding between the City, Waterfront Toronto, and the City of Toronto Economic Development Corporation (TEDCO, which is under CreateTO) that more accurately reflects the current environment.

This work would build on recent positive collaboration between the City, CreateTO and Waterfront Toronto. Through the implementation of PLFP and the planning phases for precincts such as Ookwemin Minising, Quayside and the McCleary District, staff from the City, Waterfront Toronto and CreateTO have been taking a ‘team Toronto’ approach. Roles and responsibilities for individual projects undertaken thus far have been made clear and documented as a part of project governance. Good governance, efficiency and transparency have and continue to be guiding principles in this work, as was reported in 2022.

An updated approach and the resulting agreement will be a forward-looking document, that leverages the expertise, interests, assets and resources that each party can bring to the Next Phase of Waterfront Revitalization. The agreement will continue to recognize Waterfront Toronto as the revitalization lead for Ookwemin Minising on behalf of the three levels of government. It will acknowledge CreateTO/TPLC’s role as the majority landowner and the City’s strategic lead for real estate management in the broader Port Lands. Further, it will acknowledge and utilize the City’s models and

approaches to maximizing the delivery of affordable rental housing in Ookwemin Minising and other mixed-use waterfront precincts.

Details on roles and responsibilities, including the agreement between Waterfront Toronto, CreateTO and the City will be reported back to City Council, including through the Ookwemin Minising Business and Implementation Plan, planned for the first half of 2025.

Collaboration with other Agencies

As noted earlier, the waterfront is a complex planning environment with multiple stakeholders and partners. The tri-government Toronto Waterfront Revitalization Initiative, and Waterfront Toronto, were created in part to coordinate engagement with stakeholders in creating the vision, establishing leadership in advancing the vision, and ensuring collaboration as implementation proceeds.

Waterfront Toronto and the City continue to work with other waterfront agencies in this regard. This includes co-leading the Marine Coordinating Committee and collaborating with critical partners in revitalization such as PortsToronto which is a landowner on Ookwemin Minising.

Waterfront Toronto has also begun consulting with Destination Toronto and others to develop early thoughts on a potential destination/attraction approach. This is taking into consideration public and stakeholder dialogue including recent reports from the Waterfront Business Improvement Area and the Toronto Regional Board of Trade which have emphasized the opportunity for the waterfront to be a regional, national and international destination.

Waterfront Toronto's Indigenous Engagement

Informed by the City's Reconciliation Action Plan, the Port Lands Planning Framework, and the Ookwemin Minising Precinct Plan, Waterfront Toronto's work on planning and delivery of Ookwemin Minising will include engagement with rights holders and communities, including First Nations, Inuit and Métis communities and organizations.

This will build on Waterfront Toronto's previous work which has included engagement on the Don Mouth Naturalization Project Environmental Assessment & Lower Don Lands Master Plan (2004 – 2015), on the Quayside project, and most recently engagement to better inform PLFP parks and public realm design which was done in collaboration with Indigenous communities, consultants, artists and designers.

City-Waterfront Toronto Delivery Agreements

This report also recommends that the Deputy City Manager, Development and Growth Services or designate be provided with the delegated authority to enter into project delivery agreements (DAs) with Waterfront Toronto for projects that have funding provided under a Council approved budget. In the past, each DA has required a separate Council authority.

The City regularly enters into DAs with Waterfront Toronto to implement waterfront revitalization projects approved by City Council. DAs have standard terms and conditions such as funding and cash flow commitments, an overview of roles and

responsibilities, commitments for the review and oversight of design and construction at certain milestones, and project close out matters such as handover and warranty.

Delegated authority to negotiate and execute DAs for projects that already have City budget approvals would streamline project delivery. As with previous DAs, staff would continue to negotiate specific terms and would bring them to City Council if additional approvals were required (i.e., if terms exceeded existing staff authority or budget approvals).

Port Lands Flood Protection Update

The Government of Canada, Province of Ontario and City of Toronto, along with Waterfront Toronto, is investing over \$1.4 billion in PLFP which is one of North America's most significant urban regeneration projects. The project will flood protect up to 240 hectares of land. It includes 23 separate sub-projects and, in addition to flood protection, is anticipated to remediate contaminated land, deliver new bridges, infrastructure and public parks, and create a new naturalized mouth of the Don River.

Work is being done in close collaboration between Waterfront Toronto, the City, CreateTO, the TRCA, and other agencies and utilities, including coordinating capital projects in the Lower Don River area. A 2024 project update is provided in Attachment 3.

Through this report, it is recommended that City Council authorize staff to negotiate and execute an amended tri-government Contribution Agreement for the PLFP project and any associated project Delivery Agreements with Waterfront Toronto, to extend the substantial completion date of the PLFP project to September 30, 2025. The agreement will also be amended to reflect updated project cash flows (within the existing budget), clean up language and outcome indicators to align with the work that is being done, and address drafting errors in the original agreement. Additional details are provided in Attachment 3.

City staff are also recommending that City Council provide delegated authority for any subsequent amendments to PLFP related agreements, provided the budget remains unchanged. This is recommended as a prudent measure to avoid the risk of delay should other amendments be required on an urgent basis to ensure project completion.

As PLFP elements continue to be wrapped up, a comprehensive report is anticipated to be brought to City Council in the first half of 2025 to provide a further update including on asset transfers, park openings and the long-term dredging program.

Once completed, flood protection and enabling infrastructure within New Cherry Street and Commissioners Street provide the servicing framework for the future development blocks on Ookwemin Minising as set out in the Precinct Plan approved by Council in June 2024. Completion of PLFP is the cornerstone of tri-government plans to renew and revitalize the central waterfront. Completion of PLFP sets the stage for the Next Phase of investments as recommended in this report which will realize the economic benefits contemplated at the project's inception while setting the foundation for new housing, employment, and public land uses close to Downtown Toronto.

Next Steps for the Next Phase

Approvals through this report would set new sustainable neighbourhoods into motion and set the stage for a next phase which can continue the municipal, provincial and federal journey of revitalizing Toronto's waterfront.

Subject to City Council approval, City staff will continue discussions with other governments and Waterfront Toronto to secure the necessary intergovernmental funding required to advance the first set of projects and advance affordable housing and transit.

Discussions will also continue regarding project details, including advancing Ookwemin Minising development plans and finalizing the approach to completing Biidaasige Park and a program for early activation. This includes:

- Development Approach for Ookwemin Minising - Further discussions are required between Waterfront Toronto, CreateTO, and the City on the specifics related to Ookwemin Minising Business and Implementation Planning:
 - Advancing Planning Activities - As reported to City Council as a part of the Ookwemin Minising (formerly Villiers Island) Precinct - City-Initiated Official Plan and Zoning By-law Amendment, designing the public realm for the Island is a future phase of work expected to commence in the coming months. This work will further advance the design of streets, public spaces and enabling infrastructure, which will refine the dimensions of the development blocks;
 - Affordable Housing on Ookwemin Minising - Due diligence on the development blocks being enabled and the funding that may be required at the time of marketing the land to fill the affordable rental housing gap;
 - Governance and Implementation - Details on roles and responsibilities including between the City, Waterfront Toronto, and CreateTO;
- Quayside Affordable Housing - Ongoing discussions between the Housing Secretariat, CMHC and Waterfront Toronto to secure required financing;
- Completing Biidaasige Park and a program for early activation (meanwhile uses on adjacent future development lands, such as events and sports/recreation) - Further discussion between Waterfront Toronto, City Divisions, and CreateTO on park and event space design, programming opportunities, and anticipated operating costs;
- Wider Waterfront and Marine Use Strategy - Continued discussions on potential projects and project implementation via the Wider Waterfront Coordination Table and the Marine Coordinating Committee; and,
- Waterfront East LRT - Continued design and due diligence including on phasing and constructability, between Waterfront Toronto, City Divisions, and the TTC, and discussions on funding with government partners.

Updates will be provided in the first half of 2025 through planned reports on the Ookwemin Minising Business and Implementation Plan, Quayside, the Waterfront East LRT and future budget processes.

In announcing Port Lands Flood Protection in 2017, governments promised that flood protection would help support the long-term transformation of the Port Lands into new mixed-use communities with residential and commercial development - including affordable housing - surrounded by parks and green space. A commitment, including

funding approvals, for a first set of projects for the Next Phase, and advancing discussions on affordable housing and transit, would set in motion a transformative economic development project that can bring this commitment to reality.

CONTACT

David Stonehouse
Director, Waterfront Secretariat
City Planning Division
416-392-8113
David.Stonehouse@toronto.ca

Kyle Knoeck
Interim Chief Planner & Executive Director
City Planning Division
Kyle.Knoeck@toronto.ca
416-392-0871

Paul Farish
Director, Parks Planning and Strategic Initiatives
Parks, Forestry and Recreation
416-392-8705
Paul.Farish@toronto.ca

Jacquelyn Hayward
Director, Planning, Design and Management
Transportation Services
416-392-5348
Jacquelyn.Hayward@toronto.ca

Clare Barnett
Director, Business Growth Services
Economic Development and Culture
416-392-6904
Clare.Barnett@toronto.ca

SIGNATURE

Jag Sharma
Deputy City Manager, Development and Growth Services

ATTACHMENTS

Attachment 1: Next Phase of Waterfront Revitalization First Set of Projects

Attachment 2: Waterfront Toronto Mandate Extension - Term Sheet

Attachment 3: Port Lands Flood Protection 2024 Update

Attachment 1: Next Phase of Waterfront Revitalization First Set of Projects

Project	Project Description	Estimated Funding Required (2025-2032)
Ookwemin Minising enabling infrastructure	Local roads and servicing for development blocks east and west of New Cherry Street and north of Commissioners Street (Blocks 3,8,7,12 and 16). This includes sanitary system upgrades such as an interim sanitary pumping station at Don Roadway and Commissioners Street, and a trunk sewer project along Commissioners Street.	\$700-755 million
Quayside enabling infrastructure (funding gap)	Addressing the funding gap for the planned housing enabling infrastructure (local roads, servicing, parks) first outlined in the Quayside Business and Implementation Plan (2022.EX34.11)	\$65-75 million
Biidaasige Park and an early activation program	2 hectares (4.9 acres) of new parkland with infrastructure that can support events. Details are to be determined but conceptual design notes that during the early activation of adjacent future development lands, the space will allow for events and other 'meanwhile uses;'	\$125-140 million
Marine Use Strategy	Funding envelope for projects that implement the 2020 Marine Use Strategy. Details on projects to be funded are to be determined, subject to funding approvals.	\$5 million
Wider waterfront	Funding envelope for projects that advance Wider Waterfront initiatives (Etobicoke to Scarborough). Details on projects to be funded are to be determined, subject to funding approvals.	\$5 million
Destinations/Attractions Study	Further studies on destinations and attractions in the central waterfront. Details to be determined, subject to funding approvals.	\$1 million

*Cost estimates are presented as an order of magnitude. Ranges are provided to account for changes that could occur as planning and design proceed.

Separate discussions are ongoing regarding Quayside Affordable Housing and the Waterfront East LRT.

Attachment 2: Waterfront Toronto Mandate Extension - Term Sheet

City staff recommend changes to the length of Waterfront Toronto's mandate as per the following terms and conditions:

- A mandate extension to 2035 (from 2028).
- Governments shall undertake a review of the Corporation to be completed halfway through the term extension (i.e., approximately 2031-2032 if 2035 is approved).
- Subject to the review of Waterfront Toronto and any required government decision making, a mandate extension up to 2040.

This change will require an amendment to the *Toronto Waterfront Revitalization Corporation Act, 2002*.

Attachment 3: Port Lands Flood Protection 2024 Update

Since the May 2023 report to City Council, substantial progress on the PLFP project has been achieved. Important milestones include:

- The implementation of the updated funding strategy for the PLFP project including an amended tri-government Contribution Agreement with the provincial and federal governments and a new Delivery Agreement with Waterfront Toronto for the delivery of PLFP parks and public realm.
- The completion and opening to traffic of four new bridges, two at Cherry Street North over the Keating Channel, Cherry Street Bridge South and Commissioners Street Bridge;
- A completely realigned Cherry Street;
- New water, sanitary and stormwater infrastructure along with expanded cycling and pedestrian infrastructure along Cherry Street and Commissioners Street;
- Completion and opening of the new Don River valley to Lake Ontario;
- The enactment of an agreement with CreateTO regarding the storage of excess soils generated by the project;
- The commencement of the backlog sediment removal program in the Keating Channel; and,
- Indigenous naming of the Island and the park.

River Valley Monitoring and Maintenance

Over the past year, City staff have worked with the TRCA and Waterfront Toronto to forecast operating costs over ten years, for the monitoring and maintenance of the new river valley. This period is projected to start after the second full year following substantial completion of the project. The required monitoring and maintenance of the completed river valley and associated infrastructure will be undertaken by Waterfront Toronto in the first two years as part of the PLFP project.

City staff together with staff from the TRCA reviewed existing budget and in-force agreements between the two parties and determined that a separate, stand-alone agreement for the maintenance and monitoring of the river is not required. Specific required tasks as identified by Parks and TRCA staff were compared to the Category 1 and 2 activities Conservation Authorities may undertake under the *Conservation Authorities Act* and an ongoing program was developed and costs identified.

These activities include:

- Annual and ongoing environmental monitoring as required by the provincially approved Environmental Assessments;
- Seasonal below-top-of-bank maintenance activities resulting from annual inspections of the river valley (typical seasonal works related to erosion, planting, slopes, wildlife, etc.);
- Monitoring and maintenance of flood protection landform and other associated infrastructure; and
- Maintenance and operation of specialized infrastructure such as carp gates, etc.

Coordinating with both staff from Parks, Forestry and Recreation Division and the Financial Planning Division, the TRCA estimates that the costs of maintaining the PLFP

area will be \$660,000 for the first full year of operations. These funds will be requested through the City's operating (tax base) budget by TRCA as part of their annual budget submission to the City.

Dredging Program - Clearing the Accumulated Backlog in the Keating Channel

As part of its adoption of the May 2023 report, Council authorized City staff to undertake the sediment removal program and subsequently approved \$24 million in funding through the 2024 budget process. Accordingly, the City has entered into an agreement with the TRCA to project manage the removal of the accumulated backlog which then allowed TRCA to enter into an agreement with PortsToronto to undertake the operation.

Underway since late summer of 2024, the dredging program is expected to remove approximately 150,000 cubic metres of accumulated sediment from the Keating Channel. Although it was originally anticipated that the operation would be complete by the end of 2025, and despite good progress through 2024, the amount of sediment contained within the channel indicates that the operation may extend into 2026. The work will continue to be completed within the existing approved budget.

After PLFP is completed, flood waters will be directed through the new mouth of the Don River, the Keating Channel, and the new Don River 'spillway.' The Keating Channel, which PortsToronto owns, will convey the majority of overflow in a flood event. Sediment will need to be regularly dredged from the Don River and at least every two years from the Keating Channel to maintain sufficient flow. In addition, the centre of operations will shift to the interim Sediment and Debris Management Area once it is complete and handed over to the City. It is anticipated that the TRCA will be taking the lead in overseeing dredging operations on behalf of the City. Discussions regarding the establishment of a long-term dredging program are currently underway with TRCA.

Contribution Agreement Amendments

Government staff continue monitoring the PLFP project, its expenditures, and impacts to the tri-government Contribution Agreement. The current Contribution Agreement was amended by governments in 2023 and includes a substantial completion date for the project of December 31, 2024.

In 2024, governments and Waterfront Toronto identified the need to amend the agreement to reflect the project's current status. This report recommends that City staff be authorized to negotiate and execute this and subsequent amendments.

Specifically, the following is being recommended by tri-government staff:

- Extending the substantial completion date of the PLFP project to September 30, 2025. A change in the substantial completion date is required at this time to ensure that the project can benefit from additional time in the spring to allow for further dredging of the Keating Channel and on-site planting and finishes which both benefit from fair weather conditions. It also provides more time to conduct dredging and construction activities to widen the mouth of the Don River (north of Lake Shore Boulevard);
- Updating project cash flows to reflect actuals and revised projections (within the existing budget);

- Cleaning up language and outcome indicators to align with the work that is actually being done (for example to clarify the hectares of flood protection being provided through PLFP, as opposed to the original language which reflected the outcomes of components that are now a part of other projects such as Broadview and Eastern Flood Protection); and,
- Cleaning up language to address drafting errors in the original agreement (for example, the original contribution agreement used the wrong numbers when describing the economic impact of PLFP).

As this information is included in multiple agreements, amendments will also be required in related delivery agreements that the City has with Waterfront Toronto, such as the agreement that covers the City's contribution to the Parks and Public Realm components of PLFP.

Looking Ahead: Next Steps to Completion

Alongside the completion of flood protection, City staff and partners at Waterfront Toronto and TRCA continue to advance implementation of a tranche of enabling infrastructure. Since the previous update report to Council in May of 2023, a significant amount of this infrastructure has been completed and handed over to the City.

Remaining infrastructure assets that will be completed and handed over to the City as the project nears completion include:

- The opening of the river valley segment of Biidaasige Park (formerly River Parks North and South);
- The opening of the southwestern segment of Biidaasige Park (formerly Promontory Park South);
- The completion of Fire Hall 30, installation of interim washroom facilities, Wi-Fi infrastructure, and other minor outstanding enhancements to Biidaasige Park;
- A rebuilt Lake Shore Boulevard East bridge over the Don River;
- Construction on the Sediment and Debris Management Area and the widening of the mouth of the Don River;
- The full rights-of-way of the reconstructed Commissioners Street and Cherry Street south, both of which have been operating since late 2022 & 2023 in an interim condition; and,
- A rebuilt Don Roadway (with a new valley wall).