

Toronto Port Lands Company - Annual General Meeting and 2024 Audited Financial Statements

Date: June 21, 2025

To: Executive Committee

From: Vic Gupta, Chief Executive Officer, CreateTO

Wards: All

SUMMARY

Under CreateTO's management, Toronto Port Lands Company (TPLC) continues to advance the long-term vision for a sustainable new community in the heart of Toronto. TPLC is the majority landowner in the Port Lands, which is one of the largest and most valuable undeveloped pieces of real estate in North America. On behalf of the City, TPLC is committed to making sure the people of Toronto get the most value out of this amazing part of the City.

TPLC manages leases with more than 80 tenants that provide important supplies and services to the downtown core; and is continuing to advance the long-term vision to create sustainable new communities in the Port Lands with McCleary District and Ookwemin Minising; and supporting further development of the film industry in the area through projects like Basin Media Hub.

Throughout 2024, TPLC continued its support of the flood protection work by Waterfront Toronto which will unlock many new uses to better serve Toronto residents and visitors. More than 120+ acres of land continue to be leased to Waterfront Toronto to support the completion of the flood protection work. In November 2024, the Port Land Flood Protection (PLFP) project saw a major milestone with the removal of the north plug, which completed the new mouth of the Don River, allowing the river to flow freely, and marked the creation of a new island on Toronto's waterfront. Once completed, this initiative will unleash an abundance of new opportunities from affordable housing to vibrant parks, trails, and commercial hubs. We are committed to continuing to work with our partners and stakeholders to ensure that this distinctive downtown area enriches Toronto to the fullest extent possible.

Please refer to Attachment 3, page 5, for Port Lands 2024 Highlights.

RECOMMENDATIONS

Toronto Port Lands Company Board recommends that:

1. City Council treat that portion of the City Council meeting at which this report is considered as the Annual General Meeting of the Shareholder for Toronto Port Lands Company, and:

- a. receive the Board-approved 2024 Audited Financial Statements for Toronto

- Port Lands Company from CreateTO's Chief Executive Officer, forming Attachment 1 to this report;
- b. receive the 2024 Annual Report for Toronto Port Lands Company from CreateTO's Chief Executive Officer, forming Attachment 2 to this report;
 - c. receive the CreateTO's 2024 Highlights Report from CreateTO's Chief Executive Officer, forming Attachment 3 to this report; and

2. Acting as shareholder of the corporation dispense with the requirement to appoint an auditor for the current financial year during this annual general meeting pursuant to section 149(2) of the Business Corporations Act.

FINANCIAL IMPACT

TPLC's 2024 Statements were audited by KPMG LLP and received an unqualified opinion stating that the financial statements present fairly, in all material respects, the consolidated financial position of TPLC as at December 31, 2024, and its consolidated financial performance for the year then ended in accordance with International Financial Reporting Standards, (IFRS).

For the year ending December 31, 2024, TPLC recognized a net income and comprehensive income of \$16.18 million. This compares to a recurring income of \$10.68 million in 2023. 2023 net income and comprehensive income was higher at \$19.12 million, due to a non-recurring gain on the expropriation of an investment property.

As of December 31, 2024, TPLC had total assets of \$459.65 million, a decrease of \$1.28 million over 2023. This change is due to the transfer of properties to the City for Leslie Lookout Park and the Port Lands flood protection project, offset by dockwall improvements. Total liabilities were \$34.15 million as of December 31, 2024, a decrease of \$9.16 million over 2023. The change is attributed to the timing of payments for construction projects.

DECISION HISTORY

On April 22, 2025, the Board of Directors approved the 2024 Annual Report and 2024 Audited Financial Statements for Toronto Port Lands Company. The Board of Directors recommended that the City Council, acting as shareholder of the corporation dispense with the requirement to appoint an auditor for the current financial year during this annual general meeting pursuant to section 149(2) of the Business Corporations Act.

On July 24, 2024, that portion of the City Council meeting where 2024.EX16.27 Toronto Port Lands Company - Annual General Meeting and 2023 Audited Financial Statements and as Shareholder was approved by Council, was considered the previous Annual General Meeting of the Shareholder for the Toronto Port Land Company.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.EX16.27#>

On December 5, 6, 7 and 8, 2017, City Council adopted EX29.5 City-Wide Real Estate - Amendments to Municipal Code Chapter and Shareholder Directions, which amended Shareholder Directions for Toronto Port Lands Company in order to establish appropriate authority for the Toronto Realty Agency ("CreateTO") over TPLC and their respective holding subsidiaries and activities, and to effectively implement the new real estate model approved by City Council in May 2017.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.EX29.5>

COMMENTS

Section 149(2) of the OBCA requires that the Toronto Port Lands Company Shareholder at each annual meeting appoint one or more auditors to hold office until the close of the next annual meeting, and allows the Shareholder to authorize the Auditor's fee for the service.

This year, the City's RFP for an external audit agreement for fiscal years 2025-2029 (inclusive) is going to the City's Audit Committee for approval on July 11th and then City Council on July 23-25th. In this report, the City, through an RFP process, chooses an Auditor for itself and all of the consolidated entities (including Toronto Port Lands Company). There is a timing issue as this is the same Council cycle as Toronto Port Lands Company's AGM.

To get around this issue, the auditor for Toronto Port Lands Company will be appointed through the report on the City's RFP for an external audit agreement. This is permitted through Section 148 of the OBCA which states that: In respect of a financial year of a corporation, the corporation is exempt from the requirements of this Part (which encompasses s.149 above) regarding the appointment and duties of an auditor if,

- (a) the corporation is not an offering corporation; and
- (b) all of the shareholders consent in writing to the exemption in respect of that year.

Toronto Port Lands Company is not an offering corporation and the City (as shareholder) will consent via a recommendation in the AGM report to an exemption under s. 149(2) to the requirement to appoint the auditor at the 2025 AGM meeting. The auditor to serve during 2025 will be appointed by the shareholder in the Audit Committee's report on the City's RFP for an external audit agreement.

CONTACT

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ATTACHMENTS

Attachment 1 – 2024 Audited Financial Statements for Toronto Port Lands Company
Attachment 2 – 2024 Annual Report for Toronto Port Lands Company
Attachment 3 – CreateTO 2024 Highlights Report