

Section I – Items for Board of Directors Action

TO: Chair and Members of the Board of Directors
Meeting #4/20, Friday, May 22, 2020

FROM: Michael Tolensky, Chief Financial and Operating Officer

RE: **SCARBOROUGH WATERFRONT PROJECT AND SCARBOROUGH BLUFFS
WEST 2020 UPDATE**

KEY ISSUE

Update on the status of the Scarborough Waterfront Project and proposed Scarborough Bluffs West Individual Environmental Assessment (EA) project.

RECOMMENDATIONS

WHEREAS Toronto and Region Conservation Authority (TRCA), in partnership with the City of Toronto, undertook an Individual Environmental Assessment (EA) to create a system of greenspaces along the Lake Ontario shoreline between Bluffer's Park and East Point Park in Toronto that will respect and protect the significant natural and cultural features of the Bluffs, enhance the terrestrial and aquatic habitat, and provide a safe and enjoyable waterfront experience (the Scarborough Waterfront Project);

WHEREAS TRCA received approval from the Authority on July 28, 2017 (Resolution #A137/17) to submit the Draft Scarborough Waterfront Project EA Report to the Ministry of Environment and Climate Change (MOECC) for public and agency review, and to proceed to City of Toronto Executive Committee and City of Toronto Council to request approval to formally submit the Final Scarborough Waterfront Project (SWP) EA Report, once completed, to the Ministry for public and agency review;

WHEREAS TRCA received approval from the City of Toronto Executive Committee on May 14, 2018 and City of Toronto Council on May 22, 23 and 24, 2019 (Resolution EX34.5) to submit the Final SWP EA Report to the MOECC, now MECP, for formal Ministry Review in June 2018;

WHEREAS TRCA received funding of \$4.895 million over two years as part of the 2019 City Budget process to refine the preliminary overall costing for the entire SWP EA and report to the City for the City Council-approved stage 2 stage gating review, as well as complete the detailed design of the West Segment, which includes the funding required for the Brimley Road South multi-use trail detailed design and construction;

WHEREAS TRCA received approval for the Final SWP EA Report from the Minister of Environment, Conservation and Parks (MECP) on November 5, 2019;

WHEREAS TRCA at the Board of Directors meeting held on November 29, 2019 an update on the status of the Scarborough Bluffs West Individual EA project and any required approvals was requested to be brought back to the Board of Directors for their consideration in the Spring of 2020;

THEREFORE, LET IT BE RESOLVED THAT the following update on the Scarborough Waterfront Project and Scarborough Bluffs West Individual EA be received;

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THAT staff proceed with the finalization and release of two RFPs supporting the detailed design of the West Segment of the Scarborough Waterfront Project;

THAT the CEO be delegated authority to award these RFPs if the procurement process is complete and it falls within the summer hiatus period;

AND FURTHER THAT staff continue to work with City of Toronto staff and senior levels of government to secure budget to allow initiation of the proposed Scarborough Bluffs West Individual EA project and to advance construction of the Scarborough Waterfront Project in partnership with the City of Toronto.

BACKGROUND

Scarborough Waterfront Project

TRCA, in partnership with the City of Toronto, initiated a study in 2014 under the *Environmental Assessment Act (EA Act)* with a vision to create a system of public greenspaces along the Lake Ontario shoreline between Bluffer's Park and East Point Park, which respect and protect the significant natural and cultural features of the Bluffs, enhance terrestrial and aquatic habitat, and provide a safe and enjoyable waterfront experience.

In May 2018, TRCA received approval from the City of Toronto Executive Committee, and subsequently City Council (Resolution EX34.5), to submit the final Scarborough Waterfront Project Environmental Assessment (EA) to the Ministry of Environment and Climate Change (MOECC) for formal review. TRCA was also directed by Council to report back with preliminary costing for the design and implementation of each project area shoreline segment (West, Central and East), subject to a favourable decision from MOECC, and that cost estimates for the erosion control components, multi-use trail and the waterfront access, along with any funding eligibility criteria, be provided by TRCA as part of the completed stage-gate 3 class 3 costing and detailed design of each of the three shoreline segments.

On November 6, 2019 TRCA received a letter from Minister Yurek, approving the Scarborough Waterfront EA. Earlier in 2019, City Council approved funding of \$4.895M to advance the West Segment detailed design process and to start construction on the Brimley Road South pedestrian improvements. TRCA, in continued partnership with the City of Toronto, is proceeding with the detailed design of the West Segment of the Scarborough Waterfront Project in 2020. Given the necessity to improve pedestrian and cyclist safety along Brimley Road, the Brimley Road South multi-use trail work is the primary priority in the West Segment detailed design process.

Scarborough Bluffs West

At City Council Meeting #11 on December 9 and 10, 2015, Resolution EX10.23 was passed which directed City Council, through the Capital Budget, to include a \$2 million Toronto Water Capital Reserve contribution towards the Scarborough Bluffs West Individual EA, cash flowed over the 2 or 3-year life of the project. This resolution would see the initiation of an Individual EA similar to the Scarborough Waterfront Project for the shoreline from Bluffer's Park west to R.C. Harris Water Treatment Plant. As the Scarborough Waterfront Project was in the middle of a comprehensive consultation process at this time a mutual decision between TRCA and the City was made to delay the new EA until the active planning process was complete to eliminate potential public confusion.

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In order to best position the launch of the future Scarborough Bluff West EA, baseline studies and environmental monitoring in support of the project were completed between 2016 and 2019 and include: terrestrial and aquatic ecology surveys; coastal condition studies; and terrestrial and marine archaeology studies. Under direction received from Toronto Water in February 2020, additional baseline studies and environmental monitoring work have been put on hold until further discussions with appropriate City of Toronto divisions is undertaken to determine next steps for the EA.

RATIONALE

Scarborough Waterfront Project

TRCA, in partnership with key divisions of the City is proceeding with detailed design of the West Segment. The West Segment boundaries are between Bluffer's Park and the start of the Meadowcliffe Drive Erosion Control Project. Work will include additional engineering and technical analysis, as well as construction phasing and costing for the following components: the proposed expanded headlands at Bluffer's Park and Meadowcliffe, the expansion of Bluffer's Park Beach, and a multi-use trail through the Segment, including improvements to Brimley Road South and construction of a separated multi-use trail along the east side of Brimley, south of Barkdene Hills to Bluffer's Park. Given the necessity to improve pedestrian and cyclist safety along Brimley Road, the Brimley Road South multi-use trail work will be a first priority in the West Segment detailed design process. To best facilitate the planning process moving forward, the detailed design exercise for the West Segment has been split into two Request for Proposal (RFP) processes: Brimley Road South and SWP West Shoreline.

TRCA staff have circulated the draft scope of work for detailed design of the Brimley Road South multi-use trail to City Transportation, Toronto Water and Parks, Forestry and Recreation divisions. A conference call with key city leads was held on May 1st, 2020 to review comments submitted. It is expected that sign off from key City staff on the RFP will be obtained by May 15th, 2020 which will allow for subsequent issue of the document to prospective consultants. The second RFP for the SWP West Shoreline is currently being drafted with a target to have City review completed by the end of May and a formal release of the document the week of June 8, 2020. The results of both RFP processes will be presented at the September 2020 Board of Directors meeting.

Scarborough Bluffs West

TRCA continues to receive requests from Councillors and members of the public with respect to improving access to the shoreline west of Bluffer's Park. When the SWP EA was completed TRCA re-initiated discussions with Toronto Water to confirm funding and other details so as to advance the Scarborough Bluffs West Individual EA project. The City Council allocation of \$2 million for the EA was not based on a detailed workplan and is inadequate to complete the planning process. Draft budgets and workplans informed by the SWP process estimate \$3.5 million will be needed to complete the EA. As Toronto Water is only committed by City Council for \$2 million, they have asked that that project be put on hold until a multi-divisional meeting led by City Finance be undertaken to discuss next steps.

Relationship to Building the Living City, the TRCA 2013-2022 Strategic Plan

This report supports the following strategies set forth in the TRCA 2013-2022 Strategic Plan:

Strategy 2 – Manage our regional water resources for current and future generations

Strategy 3 – Rethink greenspace to maximize its value

Strategy 5 – Foster sustainable citizenship

FINANCIAL DETAILS

Scarborough Waterfront Project

The total capital investment for the SWP is estimated to be \$170 million, over a 12-year implementation period, and additional post-implementation reporting and monitoring. Given the conceptual level of detail considered in the EA, and annual inflation over the course of the Project, the estimated capital investment includes a healthy contingency of 50%. The total capital investment will continue to be refined during the detailed design process, as concepts are further refined.

As per the staff report submitted to the May 14, 2018 City Executive Committee, and subsequently to City Council on May 22, 23 and 24, 2018, this Project will follow the City Council-approved “stage gate” capital planning and approval process. The work undertaken to date confirms the conceptual feasibility of the Project (stage 1). As part of detailed design, TRCA staff will undertake the work required to establish preliminary design and costs associated with the second stage of the process. Detailed costs for each Segment of the Project that would identify the eligibility of funding sources (i.e. erosion control separate from waterfront access and environmental enhancements) is not yet available. Confirmation of these cost estimates requires the 30% detailed design to be completed at the third stage of the City’s stage gating process (stage gate 3, class 3 costing) in conjunction with relevant City Programs.

As part of the 2019 Budget process, TRCA received funding of \$4.895 million to complete the refined preliminary costing of the entire Project, as well as detailed design of the West Segment, which includes the funding required for the Brimley Road South multi-use trail detailed design and construction. Funds are being tracked through the 204-17 account code.

Scarborough Bluffs West

City Council has authorized \$2 million for the Scarborough Bluffs West Individual EA supported by Toronto Water. To date \$1.382 million has been spent from the \$2 million allocation leaving \$0.618 million remaining. Toronto Water did an inter-budget transfer of \$1 million of these funds to the SWP to complete the EA and \$382,000 was spent to undertake annual baseline monitoring (2016 – 2019) in support of the future West EA. It is anticipated that the Scarborough Bluffs West EA would cost approximately \$3.5 million from launch to completion over a period of three or more years based on the experience with the SWP. This means a gap of \$2.882 million in funding currently exists. This project has been included on the unmet needs list for the City of Toronto capital budget since 2016.

Toronto Water has indicated that they cannot move forward with an agreement with TRCA to undertake the EA until discussions with other key City divisions are undertaken to discuss the funding gap. Toronto Water has also currently not allocated funds in 2020 to support continued baseline monitoring for the future West EA. TRCA has submitted an estimate of \$48,145 to Toronto Water for the continuation of the fisheries monitoring program in 2020 and is awaiting a decision on whether this work will move forward. The continuation of this work will help to ensure the EA is in the best possible state for a future launch.

DETAILS OF WORK TO BE DONE

- As requested by City Council, TRCA will refine the preliminary overall costing for the entire SWP and report to the City for the City Council-approved stage 2 stage gating review. TRCA has requested a meeting with key City divisions to confirm how project costing and cash flows are to be established and refined to maintain alignment with the City’s stage-gate process for a report back to Council.

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- TRCA anticipate the results of the two RFP process for the SWP West Segment to come to the September 2020 Board of Directors for approval. Following the completion of the West Segment detailed design phase (fall 2021), an update on the status of the SWP will be brought forward to the Board of Directors to present the refined construction costing along with a request for authorization to proceed with any next steps requiring Board approval.
- TRCA staff will continue to engage the City in discussions around proceeding with the formal initiation of the Scarborough Bluffs West Individual EA and the continuation of baseline fisheries monitoring in 2020. An update on the status of this EA will be brought to the Board of Directors when direction is obtained from the City of Toronto.
- TRCA continues to highlight the opportunity for senior government support of this project is in our correspondence to federal and provincial officials. When a relevant funding program or intake process is initiated by senior levels of government, TRCA plans to submit relevant elements of the Scarborough Waterfront Project as part of that program.

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Attachments: 1

Attachment 1: Scarborough Waterfront Project and Scarborough Bluffs West Study Area