

March 31, 2022

Jodi Robillos, Commissioner Community Services City of Mississauga 300 City Centre Drive Mississauga, ON L5B 3C1

Kealy Dedman, Commissioner Public Works Region of Peel 10 Peel Centre Drive Brampton, ON L6T 4B9

Re: Lakeview Village – Vacuum Waste Update

Jodi and Kealy,

As you are aware, LCPL recently met with City and Regional staff to discuss status of Vacuum Waste at Lakeview Village and advised staff that LCPL has made the very difficult decision to no longer pursue Vacuum Waste due to several reasons and factors. We have been asked by City staff to share an update in writing. We believe it's important to provide you both with a comprehensive outline of all the work undertaken by LCPL, City and Regional Staff and the unresolved issues that led to this decision.

Background

The Vacuum Waste system (along with District Energy) are innovative technologies that were outlined in the Inspiration Lakeview Masterplan led by the City of Mississauga and the Lakeview Community as systems to explore as part of the redevelopment of these lands. Jim Tovey was influential in the origin of both Vacuum Waste and District Energy being pursued for Lakeview inspired by his trips to Sweden to see both system in operation.

In 2018, the City of Mississauga approved OPA 89 which redesignated the former Lakeview Power Generating Station lands from Utility to Mixed use Residential/Employment/Open space designations to permit the redevelopment of these lands into the sustainable waterfront community envisioned by the City, Region, Community and other stakeholders. The OPA 89 policies also tasked LCPL to advance a Development Masterplan (including a Sustainability Masterplan), and also included policies requiring LCPL to evaluate the feasibility of implementation of both District Energy and Vacuum Waste at Lakeview. Policy 13.3.3.1 of OPA 89 outlined the guiding principles for the vision of the Lakeview Waterfront and guiding principle #3 stated the following:

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Green: promote a green sustainable innovative model community that may include integrated water features that provide aesthetic, pedestrian connections and stormwater functions in both the public and private realm (eg. Water themed open spaces, walkways and stormwater spines). **Explore opportunities for innovative waste/recycling collection (e.g. Vacuum collection) and energy production systems that promote conservation.**

Since the adoption of OPA 89 in 2018, LCPL working together with the City, Region, Community and other stakeholders were able to advance the Lakeview Village Development Masterplan (unanimously endorsed by City Council in November 2019), and obtain approvals from Council for Draft Plan Approval and a further Official Plan Amendment (OPA 125) to implement the Lakeview Village Development Masterplan in November 2021. The above noted guiding principle policy was not changed in OPA 125 as both Vacuum Waste and District Energy remained systems that LCPL, the City and Region of Peel continued to evaluate and determine feasibility for implementation at Lakeview.

Since acquisition of the Lakeview lands in 2018, LCPL has embraced and taken on the challenge to explore the feasibility of implementation of both these systems at Lakeview Village spending an incredible amount of time and resources over the last 4 years working alongside the City, Region and other partners. These efforts included our joint delegation (with City and Region staff) to Sweden in 2019 to see Vacuum Waste and District Energy in operation and learn from both private and municipal leaders in the industry.

Current Situation

LCPL is excited about the advancement of District Energy at Lakeview. Working together with our builders, Enwave, the Region and City we are collectively implementing a first of its kind District Energy system at this scale which proposes to utilize GE Booth effluent for heating/cooling of all Lakeview Village buildings in an uniquely green and sustainable manner.

For Vacuum Waste, 4 years later, there continue to be many risks, challenges and barriers for the system to be implemented at Lakeview. Because of these continued challenges, and ongoing dialogue with City and Region staff, LCPL has recently made the difficult decision that now is the time to move forward without Vacuum Waste being incorporated as part of the project. Despite incredible efforts put towards this initiative by not just LCPL but also Region and City staff, the following issues remain outstanding without any certainty of resolution:

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Governance:

Ownership, operation and maintenance of the Vacuum Waste System in perpetuity has been a fundamental unanswered question since the start of this process and evaluation of the technology. Although the system has been in operation for decades around the world, it is a system that has not been implemented at this proposed scale anywhere in North America.

LCPL worked directly with ENVAC to learn as much as possible about the system and our team met and worked closely with Regional staff to understand the costs, operation, maintenance and risks associated with such a unique infrastructure system. This included our trip to Sweden in May 2019 and the Business Sweden Summit we hosted here in Mississauga in February 2020.

On October 16th 2020 Regional Staff advised LCPL and City Staff that based on the evaluation of the system and associated costs, the Vacuum Waste system was not something that Staff were prepared to recommend to their Council to take ownership and operation of given the high costs, uncertainty and risks. LCPL recognized the Region's concerns but requested that further dialogue and discussion occur with both City and Region staff to see if there were alternative possibilities for implementation of the system.

LCPL subsequently met with Miller Waste, a leading Private Waste Collection company who currently does work with the Region of Peel and who had expressed interest in the Vacuum Waste system through analysis and work they had done previously with the City of Markham. LCPL spent many months meeting with Miller and ENVAC to educate Miller Waste on the system, preparing financial models and business plans for a private governance structure for the Vacuum Waste system. Ultimately, at the end of 2021 Miller Waste advised LCPL that they were not able to move forward with ownership of the Vacuum Waste system given uncertainties and risks but did remain very much interested in being contracted to operate the system if it was implemented. This position from Miller Waste was communicated to the City and Region in December of 2021.

Notwithstanding the decision of Miller Waste which ruled out a private ownership and governance of the system, LCPL continued to advance discussions with the City and Region to determine if public ownership of the system could be considered.

LCPL considered an approach where LCPL would install, operate and own the Vacuum Waste system for a temporary period of time with a hand off of ownership of the system to either the City or Region once the system was operational for a determined period of time. The City did not indicate any desire to own the system and the Region indicated that further work and consideration would need to occur prior to

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any commitments being made to own, operate and maintain system long term. The Region did continue to advise of concerns about cost uncertainties, maintenance/life cycle costs, etc.

The continued uncertainty about governance and ownership of this system has remained a pivotal concern for LCPL.

Financing/Funding:

One aspect that has been fairly clear since work started in evaluation of the Vacuum Waste system is that notwithstanding the benefits provided by the system it is a costly infrastructure project that is a premium to business-as-usual waste collection. The proposed system for Lakeview Village is estimated to require approximately \$40M of capital infrastructure and an ongoing operational cost of approximately \$1.3M per year.

LCPL was prepared to contribute towards the funding solutions for this system to be implemented but is not prepared to have the burden of these costs solely bourn by LCPL, our builders and the residents of Lakeview Village (condo fees). Funding from higher levels of Government has been identified as a requirement for this system by LCPL since it was first being evaluated. LCPL advanced discussions with Ministries of both the Provincial and Federal Government from 2019 to 2022 advising of the public benefits associated the system and need for Government funding in the form of Grants and low interest loans. Applicable programs and funding opportunities for Vacuum Waste seemed to all require Public ownership of the system and an application advanced by either the City or Region identifying this type of project as a priority.

LCPL had advised the City and Region that funding requests to the Provincial and Federal Governments would need to be made for approximately \$20M of costs associated with the system. Remaining costs could be accommodated through LCPL contribution, development charges, building connection fees and end user fees.

Through recent discussions with Staff, LCPL was advised that the City was considering a funding request of \$13M (Waste Terminal) and covering the capital costs of the parks infrastructure (\$7.9M) through development charges which are payable and funded through the development industry.

The continued uncertainty with success of securing Provincial and/or Federal Funding, notwithstanding the amount of funding that may ultimately be requested/secured by the Municipalities has remained a key unknown and risk for LCPL. Without significant funding from higher levels of government the cost premiums of this system above business-as-usual waste collection would cause significant financial risk to LCPL, builders in Lakeview Village (including City buildings to be advanced) and also future residents that could be subjected to elevated condominium fees.

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<u>Timing</u>

Another key consideration of LCPL's position is the current status of the project and ensuring that advancement of the project continues without significant delay. LCPL has recently submitted to the City and Region a first submission of detailed engineering design for the subdivision. This first submission included provision for Vacuum Waste infrastructure but due to the current governance and funding uncertainties, detailed design of the Vacuum Waste infrastructure has not yet commenced. As the first submission review commences, comments are received and we move towards second submission, certainty is needed with regards to the inclusion of Vacuum Waste infrastructure to ensure that subsequent detailed engineering submissions are not unnecessarily delayed.

In addition, Tridel, and our other builder partners, have now initiated Site Plan Applications and will be targeting going on sale to the public soon. Continued uncertainty with regards to waste collection provides significant challenges to a builder to properly advise purchasers and provide for appropriate declarations in condominium documents.

Conclusion

Notwithstanding all the recognized benefits that a Vacuum Waste system could provide a community like Lakeview Village with all its waterfront parks and pier, as outlined in this submission there remains a significant amount of uncertainties and risk that remain to not only LCPL but also the Region and City. Given the point in time that this project is at, it is apparent that it is the prudent time to move forward in Lakeview Village without implementation of Vacuum Waste.

Looking Ahead

LCPL are disappointed that a different result for Vacuum Waste didn't come from the significant amount of work that was advanced by all parties. With that said, LCPL remain incredibly excited about the many sustainable attributes of Lakeview Village that are being advanced including District Energy, above building code Building Energy Standards, reconstruction and realignment of Serson Creek, LCPL's partnership with the JTLCA and re-use of over 200,000 tons of concrete from the former power plant, LID implementation, realignment of waterfront trail and significant biking/pedestrian and micro mobility infrastructure and connectivity to transit.

In addition, despite not advancing with Vacuum Waste technology, LCPL believes that further discussion is warranted with both the Region and City to determine if alternative practices could be advanced in Lakeview to improve waste collection practices and realize some of the same benefits that Vacuum Waste would have otherwise provided (implementing Organic collection, alternative Parks waste bins etc).

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Finally, LCPL wants to take the opportunity to again thank City and Region Staff for incredible amount of time and resources that have been put towards the advancement of the Lakeview Village project. We look forward to collectively realizing and implementing a truly sustainable destination waterfront community that delivers pride for the City of Mississauga and the Region of Peel.

Sincerely, Lakeview Community Partners Limited.

Fabio Mazzocco

President

Cc: Andrew Whittemore David Breveglieri Hugh Lynch Chris Rouse Rob Trewartha Jim Doran Christina Marzo Norm Lee

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