

THE CITY OF TORONTO

City Clerk=s Division

Minutes of the Policy and Finance Committee

Meeting No. 5

Thursday, May 17, 2001

The Policy and Finance Committee met on Thursday, May 17, 2001, in Committee Room 1, 2nd Floor, City Hall, Toronto, commencing at 9:40 a.m.

Attendance

Members were present for some or all of the time periods indicated.

	9:40 a.m. to 12:00 noon	In Camera Session 12:01 p.m. to 1:10 p.m.
Mayor Mel Lastman, Chair	X	-
Councillor Sandra Bussin	X	X
Councillor Norman Kelly	X	X
Councillor Gloria Lindsay Luby	X	X
Councillor Pam McConnell	X	X
Councillor Denzil Minnan-Wong	X	X
Councillor Case Ootes, Vice Chair	X	X
Councillor Kyle Rae	X	X
Councillor David Shiner	X	X
Councillor Paul Sutherland	X	X

Councillor Case Ootes assumed the Chair.

Confirmation of Minutes.

On motion by Councillor Lindsay Luby, the Policy and Finance Committee confirmed the minutes of its meetings held on April 5, 2001, and April 17, 2001.

**5-1. Building the New City of Toronto – Final Three
Year Status Report on Amalgamation,
January, 1998 – December, 2000.**

The Policy and Finance Committee had before it a report (May 9, 2001) from the Chief Administrative Officer, presenting the Final Three Year Status Report on Amalgamation, January 1998 to December 2000; advising that much of the information in the financial issues section of the report has been reported previously to the Budget Advisory Committee on March 19, 2001 and April 6, 2001, through reports on the savings and costs from amalgamation; and recommending that this report be received as information.

On motion by Councillor Shiner, the Policy and Finance Committee received the foregoing report as information.

(Clause No. 8(a) – Report No. 8)

5-2. December 31, 2000, Operating Budget Variance Report.

The Policy and Finance Committee had before it a report (May 3, 2001) from the Chief Financial Officer and Treasurer, providing a summary of the gross and net expenditure position of the City of Toronto for the twelve months of operation ended December 31, 2000; advising that the expenditure and revenue variance statements are subject to final audit of the accounts and other post-closing adjustments; that the 2000 operating variance report indicates that the overall expenditure level for the City of Toronto was within the approved budget for City Departments, Special Purpose Bodies and Corporate Accounts; that the City's preliminary operating surplus prior to the annual audit is \$11.2 million or 0.4 percent of the 2000 net tax supported budget; and recommending that:

- (1) the operating variance report for the year ending December 31, 2000 be received for information; and
- (2) the technical adjustments to the 2000 Operating Budget as outlined in Appendix E, be approved.

The following Members of Council appeared before the Policy and Finance Committee in connection with the foregoing matter:

- Councillor Olivia Chow, Trinity-Spadina; and
- Councillor Jane Pitfield, Don Valley West.

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- A. Councillor Shiner moved that the Policy and Finance Committee:
- (a) recommend to Council the adoption of the report (May 3, 2001) from the Chief Financial Officer and Treasurer; and
 - (b) request the Chief Financial Officer and Treasurer to submit quarterly reports to the Policy and Finance Committee showing budgeted amounts, actuals and variances of expenditures and revenues; and that the Chief Administrative Officer be requested to report to the Policy and Finance Committee on a method by which the foregoing can be accomplished. **(Carried)**
- B. Councillor Shiner moved, on behalf of Councillor Chow, that the Policy and Finance Committee request:
- (1) the Chief Financial Officer and Treasurer and the Commissioner of Corporate Services to provide details to the Administration Committee and the Budget Advisory Committee on the details of Facilities and Real Estate \$1.9 Million over-expenditure and \$0.9 Million in Information and Technology; and
 - (2) the Fire Chief to submit a report to the Fire Working Group and the Budget Advisory Committee on the details of the \$6.6 Million over-expenditure:
 - (a) why gapping was not achieved; and
 - (b) a breakdown of materials, supplies and service charges leading to the \$3.1 Million over-expenditure; and
 - (3) the Police Services Board to provide to the Policy and Finance Committee, details on the “overspending on other non-salary expenditures”. **(Carried)**

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- C. Councillor Shiner moved, on behalf of Councillor Pitfield, that the Policy and Finance Committee request the Chief Financial Officer and Treasurer to provide a schedule, by program, of gross and net actual expenditures for 2000 and the corresponding 2001 Budget showing the differences between them with comments, and report thereon to the Policy and Finance Committee. **(Carried)**

(Chief Financial Officer and Treasurer; Chief Administrative Officer; Fire Chief; Chairman, Toronto Police Services Board – May 17, 2001)

(Clause No. 2 – Report No. 8)

5-3. Execution of the 2002 – 2006 Host Community Agreement with the International Council for Local Environmental Initiatives (ICLEI).

The Policy and Finance Committee had before it a report (May 3, 2001) from the Chief Administrative Officer, recommending that:

- (1) Council authorize the execution of the proposed host community agreement generally in accordance with the terms and conditions outlined in this report and as finalized to the satisfaction of the Chief Administrative Officer and the City Solicitor;
- (2) the Chief Administrative Officer inform City Council annually about the joint City-ICLEI work plan;
- (3) in 2001, the Treasurer establish an ICLEI account in the non-program corporate accounts to finance 2001 ICLEI related expenditures through the realignment of existing budgets;
- (4) City Council approve funding for ICLEI in the non-program corporate account in the amount not exceeding \$500,000, starting in 2002; and
- (5) the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

The following persons appeared before the Policy and Finance Committee in connection with the foregoing matter:

- Ms. Judy Walker, International Director, Membership and Information Services, ICLEI World Secretariat; and

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- Mr. Peter Finestone, PhD., Chief Operating Officer, ICLEI World Secretariat, and filed a written submission in regard thereto.

The following Members of Council also appeared before the Policy and Finance Committee in connection with the foregoing matter:

- Councillor Douglas Holyday, Etobicoke Centre;
 - Councillor Mario Silva, Davenport; and
 - Councillor Sherene Shaw, Scarborough-Agincourt.
- A. Councillor Shiner moved that the Policy and Finance Committee defer consideration of the foregoing report (May 3, 2001) from the Chief Administrative Officer; and that the Chief Administrative Officer be requested to submit a report to the Policy and Finance Committee as soon as possible on a possible reduction in the amount of contribution that the City provides to ICLEI, in particular such report to review the cost of space and rental to ICLEI staff. **(Lost)**
- B. Councillor Sutherland moved that the Policy and Finance Committee:
- (1) recommend to Council the adoption of Recommendations Nos. (1), (2), (3) and (5) embodied in the report (May 3, 2001) from the Chief Administrative Officer; and **(Carried)**
 - (2) defer consideration of Recommendation No. (4) and that the Chief Administrative Officer be requested to submit a report thereon to the next meeting of the Policy and Finance Committee. **(Withdrawn)**
- C. Councillor Rae moved that the Policy and Finance Committee recommend to Council the adoption of Recommendation No. (4) embodied in the report (May 3, 2001) from the Chief Administrative Officer. **(Carried)**

(Clause No. 1 – Report No. 8)

5-4. Amendment to Wayfinding Signage Agreement, Exhibition Place.

The Policy and Finance Committee had before it a report (April 1, 2001) from the General Manager and CEO, Exhibition Place, seeking approval of amendments to the proposed agreement between the Board of Governors of Exhibition Place and Eller Canada with respect to the Wayfinding Signage at Exhibition Place; and recommending that:

- (1) City Council approve the amendments to the proposed agreement with Eller Canada as outlined in this report; and
- (2) the appropriate Exhibition Place and City Officials be authorized and directed to take the necessary action to give effect thereto.

The Policy and Finance Committee recommended to Council the adoption of the foregoing report (April 1, 2001) from the General Manager and CEO Exhibition Place.

(Clause No. 4 – Report No. 8)

5-5. Legality of Task Forces Meeting in Private.

The Policy and Finance Committee had before it a report (May 3, 2001) from the City Solicitor, reporting, as requested by the Policy and Finance Committee, on the legality of task forces meeting in private; advising that the Mayor's Single City Savings Task Force was not established by Council, but rather was established by the Mayor in May, 1999 for the purposes of providing advice to him on additional possible savings from amalgamation; that the Task Force consisted of six members of City Council appointed by the Mayor; that it is arguable that meetings of the Task Force and other advisory task forces created by the Mayor are not subject to the requirements of section 55 of the Act and are therefore not required to be open to the public; that any costs associated with the meetings were paid for by the CAO's office and given these facts surrounding the meetings of the Task Force, it is unlikely that a court would consider the Task Force's meetings to be formal meetings to which the statutory requirements for open meetings apply; and recommending that this report be received for information.

On motion by Councillor Shiner, the Policy and Finance Committee received the foregoing report.

(Clause No. 8(b) – Report No. 8)

5-6. General Agreement on Trade in Services (GATS).

The Policy and Finance Committee had before it a communication (May 10, 2001) from the City Clerk, advising that City Council, at its regular meeting on April 23, 24, 25, 26, 27 and its special meeting held on April 30, May 1 and 2, 2001, referred the following Motion to the Policy and Finance Committee:

Moved by: Councillor McConnell

Seconded by: Councillor Miller

“**WHEREAS** the World Trade Organization (WTO) meeting in Seattle to initiate ‘The Millennium Round’ brought public attention to the importance of trade issues to the quality of life people experience in their local community; and

WHEREAS, while the meetings did not reach an agreement on an agenda for the next round of WTO trade talks, discussions on the General Agreement on Trade in Services (GATS) will still take place over the next three years as part of the ‘built-in agenda’ agreed upon at the founding of the WTO in 1995; and

WHEREAS discussions on this agreement may result in the inclusion of several of the features of the now defunct Multilateral Agreement on Investment (MAI), including those opposed by Toronto City Council in previous resolutions; and

WHEREAS, the proposed changes to the GATS are of concern to local governments, as they could affect existing jurisdiction and authorities; and

WHEREAS the GATS contains a clause on Domestic Regulation that would, as currently envisioned, subject all new Toronto regulatory and licensing initiatives to a rigorous WTO screening process. This screening process would impose a greatly increased administrative burden on Toronto; prevent Toronto from setting limits on the number of ‘service providers’ (for example, taxis, casinos, big box stores, park vendors) and severely constrain Toronto's authority to protect its environment; and

WHEREAS the federal government has neither alerted nor consulted local governments regarding these issues, and as a result, citizens and taxpayers of Canadian municipalities have had little access to information and have also had limited access to informed debates on the proposed changes to the GATS;

NOW THEREFORE BE IT RESOLVED THAT the City of Toronto urge the Prime Minister of Canada to exclude municipal jurisdiction from the GATS negotiations, until such time as full and public consultations with municipalities can take place;

AND BE IT FURTHER RESOLVED THAT the City of Toronto raise the issue of the GATS and its implications for municipal governance at the May 25, 2001 meeting of the Federation of Canadian Municipalities, by moving or supporting a resolution to exclude municipal jurisdiction from GATS negotiations until such time as full and public consultations take place;

AND BE IT FURTHER RESOLVED THAT the Federation of Canadian Municipalities be requested to dedicate staff to monitoring WTO discussions and alert Canadian municipalities of any encroachment on their jurisdictions;

AND BE IT FURTHER RESOLVED THAT the City of Toronto Council state its support for the Union of British Columbia Municipalities motion on GATS (copy attached);

AND BE IT FURTHER RESOLVED THAT a copy of this Motion be:

- (1) circulated to Members of Parliament representing areas within the City of Toronto, with the request that they endorse the City's action;
- (2) forwarded to all Ontario municipalities for their support;
- (3) made available to the public;
- (4) forwarded to the Federation of Canadian Municipalities Executive for endorsement;
- (5) forwarded to the Toronto-area consulates of WTO member countries; and
- (6) forwarded to the Union of British Columbia Municipalities Executive for their information."

The following persons appeared before the Policy and Finance Committee in connection with the foregoing matter:

- Ms. Kim Phillips, Council of Canadians; and
- Mr. Jacob Allderdice.

Councillor Michael Walker, St. Paul's, also appeared before the Policy and Finance Committee in connection with the foregoing matter.

- A. Councillor Minnan-Wong moved that the foregoing communication be received. **(Redundant)**

- B. Councillor McConnell moved that the Policy and Finance Committee forward this matter to Council without recommendation; and that the Chief Administrative Officer be requested to submit a report to Council for its meeting on May 30, 2001, on the action taken at the Federation of Canadian Municipalities meeting respecting this matter and the action that Council should take in regard thereto. **(Redundant)**
- C. Councillor Lindsay Luby moved that the Policy and Finance Committee refer the foregoing communication to the Chief Administrative Officer for report thereon to the Policy and Finance Committee. **(Carried)**

(Chief Administrative Officer – May 17, 2001)

(Clause No. 8(c) – Report No. 8)

5-7. Establishment of an Intergovernmental Office.

The Policy and Finance Committee had before it a communication (May 10, 2001) from the City Clerk, advising that City Council, at its regular meeting on April 23, 24, 25, 26, 27 and its special meeting held on April 30, May 1 and 2, 2001, referred the following Motion to the Policy and Finance Committee:

Moved by: Councillor Mihevc

Seconded by: Councillor Pitfield

“WHEREAS the City of Toronto clearly requires improved inter-governmental relations with the two senior levels of government over the current term of Council, in order to properly address the City’s \$305 million budgetary shortfall; and

WHEREAS many municipal jurisdictions in North America, such as Montreal and New York, understand the importance of having inter-governmental relations offices that vigorously promote their respective City’s interest with senior levels of government; and

WHEREAS the City of Toronto is facing a serious budgetary shortfall, due in part to senior levels divesting themselves of responsibility for public transit, social housing and other soft services, without the allocation of sufficient funding to administer such services; and

WHEREAS in the case of the City of Toronto, there may be opportunities to leverage additional financial resources and legislative powers beneficial to the City through better relations; and

WHEREAS the City of Toronto needs an institutional guide to effectively steer communication between the City and the two senior levels of government; and

WHEREAS the Chief Administrator's Office, which currently is charged with inter-governmental relations, is in need of additional support and stature to effectively advocate on the City's behalf;

NOW THEREFORE BE IT RESOLVED THAT the Chief Administrative Officer be requested to prepare a report, as part of the Chief Administrative Officer's review of the Administrative and Council Committee structure, on the following proposals, and that such report be presented at the earliest date possible, for Council's consideration:

- (1) that an inter-governmental office be created, that would effectively guide relationships between the City's agencies, boards and commissions and departments with their respective agencies and ministries at the provincial and federal levels; and
- (2) that a political steering committee be formed, comprised of Members of Council, to act as a reference group for the inter-governmental office."

Councillor Joe Mihevc, St. Paul's, appeared before the Policy and Finance Committee in connection with the foregoing matter.

On motion by Councillor Lindsay Luby, on behalf of Councillor Mihevc, the Policy and Finance Committee referred the foregoing communication to the Chief Administrative Officer for report thereon to the Policy and Finance Committee.

(Chief Administrative Officer; c. Councillor Mihevc; Councillor Pitfield – May 17, 2001)

(Clause No. 8(d) – Report No. 8)

5-8. Resignation from the Sustainability Roundtable.

The Policy and Finance Committee had before it a communication (April 27, 2001) from Councillor Lindsay Luby, Etobicoke Centre, submitting her resignation from the Sustainability Roundtable due to timetable conflicts; and requesting that another member of the Policy and Finance Committee be appointed to replace her.

The Policy and Finance Committee received the foregoing communication.

(Committee Secretary, Sustainability Roundtable; c: Committee Administrator, Striking Committee – May 17, 2001)

(Clause No. 8(e) – Report No. 8)

5-9. Coliseum Project – Modifications to the Offer to Lease.

The Policy and Finance Committee had before it the following:

- (i) confidential report (May 3, 2001) from the General Manager and CEO, Exhibition Place, respecting the “Coliseum Project – Modifications to the Offer to Lease”, such report to be considered in camera having regard that the subject matter relates to the security of the property of the municipality or local board, in accordance with the Municipal Act; and
- (ii) communication (May 15, 2001) from Councillor Mario Silva, Chairman, Exhibition Place, requesting that the Policy and Finance Committee defer consideration of the confidential report (May 3, 2001) from the General Manager and CEO of Exhibition Place respecting the Coliseum Project, until its meeting scheduled to be held on June 14, 2001.

The Policy and Finance Committee deferred consideration of the foregoing confidential report until its meeting scheduled to be held on June 14, 2001.

(General Manager and CEO, Exhibition Place; Councillor Mario Silva, Chairman, Exhibition Place – May 17, 2001)

(Clause No. 8(f) – Report No. 8)

On motion by Councillor Lindsay Luby, the Policy and Finance Committee met privately to discuss the following item No. 5-10, having regard that the subject matter relates to the security of the property of the municipality or local board, in accordance with the Municipal Act.

5-10. Review of Options for City's Investment in Enwave.

The Policy and Finance Committee had before it a confidential report (May 7, 2001) from the Chief Administrative Officer, respecting a "Review of Options for City's Investment in Enwave", such report to be considered in camera having regard that the subject matter relates to the security of the property of the municipality or local board, in accordance with the Municipal Act.

The following persons appeared before the Policy and Finance Committee in connection with the foregoing matter:

- Mr. Ronald K. Lepin, Senior Vice President and Director, Project Finance and Privatization, PricewaterhouseCoopers Securities Inc.; and
- Mr. Will Lomax, Vice President, Project Finance and Privatization, PricewaterhouseCoopers Securities Inc.

The Policy and Finance Committee recommended to Council the adoption of the Recommendations of the Policy and Finance Committee embodied in the confidential communication (May 17, 2001) from the City Clerk, entitled "Review of Options for the City's Investment in Enwave", which was forwarded to Members of Council under confidential cover; and further, that in accordance with the Municipal Act, discussions pertaining thereto be held in-camera having regard that the subject matter relates to the security of the property of the municipality.

(City Council; Chief Administrative Officer; Director, Treasury and Financial Services Division, Finance Department – May 17, 2001)

(Clause No. 3 – Report No. 8)

**5-11. Proposed Lester B. Pearson International
Airport Co-ordinating Committee (All Wards).**

The Policy and Finance Committee had before it a report (May 14, 2001) from the Chief Administrative Officer, recommending that City Council:

- (1) request the federal Members of Parliament for Etobicoke North (Mr. Roy Cullen), Etobicoke Centre (The Hon. Allan Rock), Etobicoke Lakeshore (Ms Jean Augustine), Parkdale High Park (Sarmite Bulte) and the Minister of Transport and Minister Responsible for the Greater Toronto Area (The Hon. David Collenette) to convene regular public semi-annual meetings in the City of Toronto to address airport issues of concern to the public;
- (2) request that the three City of Toronto nominees on the Greater Toronto Airport Authority's Board of Directors be invited these meetings; and
- (3) authorize and direct the appropriate City Officials to take the necessary action to give effect thereto.

On motion by Councillor Lindsay Luby, the Policy and Finance Committee recommended to Council the adoption of the foregoing report (May 14, 2001) from the Chief Administrative Officer.

(Clause No. 5 – Report No. 8)

**5-12. Update on the 2001 Final Tax Bill and Authority
to Introduce Education Levy By-law.**

The Policy and Finance Committee had before it a report (May 15, 2001) from the Chief Financial Officer and Treasurer, providing an update with respect to the 2001 Final Tax Bill; and recommending that:

- (1) authority be granted to introduce the necessary bill at the Council meeting of May 30, 2001 for the levy and collection of taxes for education purposes for the 2001 taxation year; and
- (2) staff be authorized to report directly to Council at its meeting of May 30, 2001 on any resulting delays in the 2001 Final Tax Bill.

On motion by Councillor Lindsay Luby, the Policy and Finance Committee recommended to Council the adoption of Recommendation No. (1) embodied in the foregoing report (May 15, 2001) from the Chief Financial Officer and Treasurer; and concurred with Recommendation No. (2) embodied in the aforementioned report.

(Clause No. 7 – Report No. 8)

5-13. 186 Bartley Drive – Proposed Conditional Agreement.

The Policy and Finance Committee had before it a confidential report (May 16, 2001) from the City Solicitor respecting a proposed conditional agreement regarding 186 Bartley Drive.

The Policy and Finance Committee reported to Council having concurred with the Recommendation embodied in the confidential report (May 16, 2001) from the City Solicitor, entitled “186 Bartley Drive”, which was forwarded to Members of Council under confidential cover; and further, that in accordance with the Municipal Act, discussions pertaining thereto be held in-camera having regard that the subject matter relates to the security of the property of the municipality.

(Clause No. 6 – Report No. 8)

5-14. Auction of Toronto Taxi Plates.

The Policy and Finance Committee had before it a communication (May 16, 2001) from Councillor Norm Kelly, Scarborough-Agincourt, requesting that Finance and Municipal Licensing staff report on:

- (a) the potential for an auction of taxi plates;
- (b) options for the use of any proceeds from the above mentioned auction.

Councillor Howard Moscoe, Eglinton-Lawrence, appeared before the Policy and Finance Committee in connection with the foregoing matter.

- A. Councillor Kelly moved that the Policy and Finance Committee refer the foregoing communication to the Commissioner of Urban Development Services for report thereon to the Planning and Transportation Committee for consideration and for the hearing of deputations. **(Lost)**

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- B. Councillor Minnan-Wong moved that the foregoing communication be received. **(Carried)**

(Councillor Kelly – May 17, 2001)

(Clause No. 8(g) – Report No. 8)

The Policy and Finance Committee adjourned its meeting at 1:10 p.m.

Chair.