

THE CITY OF TORONTO

City Clerk's Office

Minutes of the Policy and Finance Committee

Meeting No. 4

Thursday, May 6, 2004

The Policy and Finance Committee met on Thursday, May 6, 2004, 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 12:30 p.m.	2:15 p.m. to 4:10 p.m.
Mayor David R. Miller, Chair	X	X
Councillor Maria Augimeri	X	X
Councillor Sandra Bussin	X	X
Councillor Gay Cowbourne	X	X
Councillor Mark Grimes	X	X
Councillor Pam McConnell	X	X
Councillor Howard Moscoe	X	X
Councillor Joe Pantalone, Vice-Chair	X	X
Councillor David Soknacki	X	X
Councillor Sylvia Watson	X	X

Confirmation of Minutes.

On motion by Councillor Moscoe, the Policy and Finance Committee confirmed the minutes of its meeting held on April 13, 2004.

4-1. Updated Development Charge Background Study and Proposed Development Charge By-Law

The Policy and Finance Committee had before it a joint report (May 3, 2004) from the Chief Financial Officer and Treasurer, the Commissioner of Urban Development Services and the Commissioner of Economic Development, Culture and Tourism discussing various matters related to the 2004 Development Charge By-law, including the public consultation process, technical changes to the Background Study, summarizing the proposed By-law

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content, the implications of the recently announced Federal and Provincial financing arrangements for the City of Toronto, the impact of proposed new development charges on intensification and growth objectives of the new Official Plan; providing options for development charge transitional provisions, reductions and exemptions for Council consideration; and recommending that:

- (1) the City of Toronto 2004 Development Charge Background Study and proposed By-law dated April 21, 2004, be received; and
- (2) staff be directed to report to the next meeting of the Policy and Finance Committee, subsequent to receipt of public comments at the May 6, 2004 statutory public meeting, with any recommended changes to the proposed 2004 Development Charge By-law.

The Policy and Finance Committee also had before it the following communications respecting the 2004 Development Charges:

- (March 23, 2004) from Mr. Gaetano Franco, Vice President, 1402249 Ontario Inc.;
- (May 4, 2004) from Mr. Neil Morrow and Mr. Colin Soule, Vice Presidents, Giffels Design Build;
- (May 5, 2004) from Mr. Joel Flatt, President, Give & Go Prepared Foods Corporation;
- (February 24, 2004) from Mr. Neil Rodgers, President Urban Development Institute/Ontario;
- (May 5, 2004) from Mr. Steven Zakem, Aird & Berlis, Barristers and Solicitors;
- (May 6, 2004) from Mr. B. S. Onyschuk, Gowlings Lafleur Henderson, Barristers and Solicitors;
- (April 14, 2004) from Mr. Derek Ballantyne, CEO, Toronto Community Housing Corporation;
- (April 26, 2004) from Mr. Ron Lackner, Director of Operations, Crompton Co.;
- (Undated) from Mr. Jim Murphy, Director of Government Relations, the Greater Toronto Home Builders Association;
- (May 6, 2004) from Mr. Paul Scrivener on behalf of the Toronto Industry Network;
- (April 15, 2004) from Karen Palkowski, Chair, High Park Residents Association;

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- (May 6, 2004) from Mr. Robert Blazeovski, Vice President Planning, Minto Urban Communities Inc.;
- (Undated) from Ms. Julie Di Lorenzo, President of Diamante Development Corporation and First Vice President of The Greater Toronto Home Builders Association;
- (May 6, 2004) from Mr. Patrick Berne, The Pemberton Group;
- (Undated) from Mr. Peter F. Cutten Vice-Chair, Rooming House Working Group;
- (May 6, 2004) from Mauro Ritacca, Manager, Government Relations Toronto Real Estate Board; and
- (May 6, 2004) from Mr. Neil Rodgers, Urban Development Institute/Ontario.

The Chief Financial Officer and Treasurer gave a presentation to the Policy and Finance Committee in connection with the foregoing matter, and filed a copy of his presentation material.

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

- Mr. Mauro Ritacca, Manager of Government Relations, Toronto Real Estate Board, and filed a written submission in regard thereto;
- Mr. Jim Murphy, Director of Government Relations, Greater Toronto Home Builders' Association, and filed a written submission in regard thereto;
- Mr. Neil Rodgers, President, Urban Development Institute, and filed a written submission in regard thereto;
- Mr. Howard Cohen, Context Development Inc.;
- Mr. Brad Lamb, Brad Lamb Real Estate;
- Mr. Frank Belerique, Vice President, Horizon Legacy;
- Mr. Zygmund Uznanski;
- Mr. Cecil Bradley, Director of Policy, Toronto Board of Trade;
- Mr. Patrick Berne, The Pemberton Group, and filed a written submission in regard thereto;

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- Mr. Andy Manahan, Development Promotion Representative, Local 183, Universal Workers' Union;
- Mr. Ian Brown, and Mr. Paul Scrivener, representing The Toronto Industry Network, and filed a written submission in regard thereto;
- Mr. Steven A. Zakem, Aird & Berlis, representing Loblaw Properties Limited, and filed a written submission in regard thereto;
- Mr. Bohdan S. Onyschuk, Q.C., representing Canderel Stoneridge;
- Ms. Julie Di Lorenzo, President, Diamante Development Corporation, and filed a copy of an aerial photograph depicting the density of a development in the City of Toronto versus a development in the City of Vaughan;
- Mr. Harry Stinson; and
- Mr. Randy Eadie, Viewmark Homes (The Conservatory Group).

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

- Councillor Frank Di Giorgio, York South-Weston; and
- Councillor Michael Walker, St. Paul's.

The Policy and Finance Committee held a statutory public meeting on May 6, 2004, in accordance with The *Development Charges Act* (DCA) Act and appropriate notice of this meeting was given in accordance with The *Development Charges Act* (DCA) and the regulations thereunder.

The Policy and Finance Committee:

- (1) concurred with the recommendations contained in the joint report (May 3, 2004) from the Chief Financial Officer and Treasurer, the Commissioner of Urban Development Services and the Commissioner of Economic Development, Culture and Tourism; **(Motion by Councillor Pantalone)**
- (2) referred all submissions filed on this issue to the Chief Financial Officer and Treasurer, the Commissioner of Urban Development Services and the Commissioner of Economic Development, Culture and Tourism, for consideration and report thereon to the June 14,

2004 meeting of the Policy and Finance Committee; (**Motion by Councillor Pantalone**)

- (3) requested the Chief Financial Officer and Treasurer, to report to the meeting of the Policy and Finance Committee, scheduled to be held on June 14, 2004:
- (i) in consultation with the Commissioner of Urban Development Services, on an appropriate differential and/or elimination of development charges on types of development that achieve good urban planning objectives; such report to provide further options for small retail, larger retail including big box, waterfront redevelopment, parking, and connection or vicinity to the subway; (**Motion by Councillor Pantalone**)
 - (ii) on the Development Charge Reserve Funds, such report to include, but not be limited to:
 - (a) the utilization of the Funds since the current by-law was implemented in 1999;
 - (b) the current balance of the Funds;
 - (c) planned utilization in 2005 and subsequent years;
 - (d) forecasted balance as at December 31, 2004; and
 - (e) provincial regulations governing the use of these Funds; (**Motion by Councillor Soknacki**)
 - (iii) on the following option with respect to non-residential development:
 - (a) exemption for industrial;
 - (b) exemption for office/hotel; and
 - (c) reduce all other non-residential development charges by charging only for roads and transit; and (**Motion by Councillor Soknacki**)
 - (iv) on exempting rental residential units that are less than 500 square feet and exempting rental residential units that

receive any grants or government support for their creation,
such as RRAP grants; **(Motion by Councillor Watson)**

- (4) requested the Chief Financial Officer and Treasurer to consult with ratepayer groups to give them an opportunity to review the proposed Development Charges By-law and the submissions of the development industry and report thereon to the Policy and Finance Committee for its meeting scheduled to be held in June, 2004; and that Members of Council be invited to propose ratepayers organizations that should be contacted; **(Motion by Councillor Moscoe)**
- (5) requested staff to review the feasibility of a phase-in of development charges if the industry is prepared to accept the higher development charges as a trade off; and **(Motion by Councillor Moscoe)**
- (6) requested staff to add “The Toronto Industry Network” to their list of target groups in any future consultations with regard to Development Charges. **(Motion by Councillor Grimes)**

(Chief Financial Officer and Treasurer; Commissioner of Urban Development Services; Commissioner of Economic Development, Culture and Tourism; c. All Interested Parties – May 6, 2004)

(Clause No. 16(a) - Report No. 4)

4-2. Intergovernmental Update

The Policy and Finance Committee had before it a report (April 22, 2004) from Mayor David Miller advising that he intends to provide an Intergovernmental Update to the Policy and Finance Committee on a regular basis, beginning at the meeting on May 6, 2004, and that these updates will:

- (1) highlight the status of Toronto’s most significant intergovernmental requests, initiatives and activities;
- (2) provide an opportunity for Committee and Council Members to reflect on how their work relates to and supports the City’s intergovernmental agenda; and
- (3) provide Members of Council, staff and the public with a tool to monitor Toronto’s progress toward achieving a New Deal with Ontario and Canada.

The Policy and Finance Committee:

- (1) received the foregoing report; and
- (2) received intergovernmental updates from Deputy Mayor Sandra Bussin respecting the Larger Urban Mayors Conference of Ontario (LUMCO); Councillor Howard Moscoe respecting Association of Municipalities of Ontario (AMO); and Councillor Pam McConnell regarding the Federation of Canadian Municipalities (FCM):

(Clause No. 16(b) - Report No. 4)

4-3. Update on Community Safety Initiatives

The Policy and Finance Committee had before it the following:

- (i) report (April 20, 2004) from the Chief Administrative Officer responding to Councillor Michael Thompson's action plan to deal with drugs, gangs, guns and violence in Toronto; updating Committee and Council on the status of the City's community safety strategy; reviewing the initial progress in implementing the Community Safety Plan (CSP); responding to issues raised in "An Action Plan to Deal with Drugs, Gangs, Guns and Violence in Toronto" and related Council motions; providing an overview of ongoing community safety initiatives; and recommending that this report be received for information; and
- (ii) communication (May 6, 1004) from Mr. James L. Robinson, Executive Director and Ms. Megan Winkler, Operations, Co-ordinator, Downtown Yonge Business Improvement Area, expressing support for the Mayor's Panel on Community Safety and the additional nine components of the Community Safety Plan.

Councillor Maria Augimeri provided the Policy and Finance Committee with an update on the first meeting of the Jane Finch Community Safety Group held April 29, 2004, advising that in attendance were 32 members from various service provider groups within the community:

- representatives from emerging ethnic groups (i.e. Laotian and Vietnamese Associations);
- the public school trustee for the area;
- community police representatives from 31 Division;
- community activists and leaders;
- City Staff (Public Health and Community Services);
- Representative of the Mayor's Office;

that as the first gathering of this group, it was insightful to hear first-hand accounts about issues important to the community from its front-line citizens and that this brainstorming

session revealed ideas that gave insight to the group about how to mould the Neighbourhood Action Plan – which is the next step.

On motion by Councillor Cowbourne, the Policy and Finance Committee:

- (1) received the foregoing report; and
- (2) requested the Chief Administrative Officer, in the next Update on Community Safety initiatives, to report on how literacy will be included as part of the Community Safety Plan.

(Chief Administrative Officer; c. Mr. James L. Robinson, Executive Director, Downtown Yonge Business Improvement Area; Ms. Megan Winkler, Operations Co-ordinator, Downtown Yonge Business Improvement Area – May 6, 2004)

(Clause No. 16(c) - Report No. 4)

4-4. Establishment of Public Safety and Emergency Political Reference Group

The Policy and Finance Committee had before it a joint report (April 20, 2004) from the Chief Administrative Officer and the Commissioner of Works and Emergency Services responding to the recommendation made by Councillor Michael Walker at the February 24, 2004 meeting of the Policy and Finance Committee for a report on the establishment of a new Council Sub-Committee pertaining to Public Safety and Emergency Preparedness to formally report six times per year to City Council through Policy and Finance Committee; and recommending that:

- (1) the City of Toronto Emergency Management Committee, as described in the City of Toronto Municipal Code Chapter 59, Emergency Planning, continue in its composition and reporting through Community Services Committee;
- (2) the mechanism for reporting security, intelligence and terrorist risk assessment information to City Council continue through the Toronto Police Service;
- (3) should consideration be given to the creation of a political reference group to provide political input on emergency management policy and associated inter-governmental issues and linkages, membership include the Mayor, the Chair of Community Services Committee, Deputy Mayor Pantalone, a Councillor who is a member of the Toronto Police Service Board and the Chair of the Board of Health; and
- (4) the appropriate City officials be authorized and directed to give effect thereto.

The Policy and Finance Committee also had before it a communication (May 5, 2004) from Councillor Walker, Ward 22 – St. Paul’s, recommending that:

- (1) the Policy and Finance Committee adopt and implement all staff recommendations contained in the April 20, 2004, joint report from the Chief Administrative Officer and the Commissioner of Works and Emergency Services, Establishment of Public Safety and Emergency Preparedness Sub-Committee, including Recommendation No. 3: the establishment of a “Public Safety and Emergency Preparedness Political Reference Group”; and
- (2) the appropriate City staff be directed to report on the following:
 - (a) the status of emergency management funding for Montreal with comparison to Toronto given by the Federal and Provincial governments since September 2001, such report to include:
 - (i) how much was given and by which department and when;
 - (ii) what was the funding specifically directed to and where was it eventually spent;
 - (iii) what stockpiles of materials and surge-capacity staff resources does Montreal have;
 - (iv) how much was given for security of their industrial and commercial sea-port;
 - (b) the extent and design of Montreal’s Emergency Preparedness Plan compared to Toronto’s, including comparison of the level of political direction involved in planning and response decision making;
 - (c) the cost to Toronto for establishing a similar emergency task force to Montreal’s;
 - (d) the City of Toronto’s plan to respond to an emergency at Bruce Nuclear Power Plant;
 - (e) the Senate Committee’s recommendation that a representative of Canadian Security Intelligence Service (CSIS) be included in our emergency planning and preparedness organization;

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- (f) an audit of the effectiveness of the present system for information distribution to residents, elected officials and City staff before and during any potential emergency in Toronto or vicinity, in comparison to the best practices of other large metropolitan areas in North America; and
- (3) the appropriate City officials be requested to take any action necessary to give effect to the foregoing, including the introduction in Council of any Bills that may be required.

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

On motion by Mayor Miller, on behalf of Councillor Walker, the Policy and Finance Committee recommended to Council:

- (I) the adoption of the joint report (April 20, 2004) from the Chief Administrative Officer and the Commissioner of Works and Emergency Services, subject to amending the recommendations contained therein to read as follows:

“It is recommended that:

- (1) the City of Toronto Emergency Management Committee, as described in the City of Toronto Municipal Code Chapter 59, Emergency Planning, continue in its composition and reporting through Community Services Committee;
- (2) the mechanism for reporting security, intelligence and terrorist risk assessment information to City Council continue through the Toronto Police Service;
- (3) Council establish a Public Safety and Emergency Preparedness Political Reference Group to provide political input on emergency management policy and associated inter-governmental issues and linkages, membership include the Mayor, the Chair of the Community Services Committee, Deputy Mayor Pantalone, a Councillor who is a member of the Toronto Police Service Board, the Chair of the Board of Health and the Chair of the Toronto Transit Commission or his designate; and
- (4) the appropriate City officials be authorized and directed to give effect thereto;”

- (II) that the appropriate City staff be directed to report on the following:
- (a) the status of emergency management funding for Montreal with comparison to Toronto given by the Federal and Provincial governments since September 2001, such report to include:
 - (i) how much was given and by which department and when;
 - (ii) what was the funding specifically directed to and where was it eventually spent;
 - (iii) what stockpiles of materials and surge-capacity staff resources does Montreal have;
 - (iv) how much was given for security of their industrial and commercial sea-port;
 - (b) the extent and design of Montreal's Emergency Preparedness Plan compared to Toronto's, including comparison of the level of political direction involved in planning and response decision making;
 - (c) the cost to Toronto for establishing a similar emergency task force to Montreal's;
 - (d) the City of Toronto's plan to respond to an emergency at Bruce Nuclear Power Plant;
 - (e) the Senate Committee's recommendation that a representative of Canadian Security Intelligence Service (CSIS) be included in our emergency planning and preparedness organization; and
 - (f) an audit of the effectiveness of the present system for information distribution to residents, elected officials and City staff before and during any potential emergency in Toronto or vicinity, in comparison to the best practices of other large metropolitan areas in North America; and
- (III) that the appropriate City officials be requested to take any action necessary to give effect to the foregoing, including the introduction in Council of any Bills that may be required.

(Clause No. 1 - Report No. 4)

4-5. Submission of the City of Toronto Accessibility Design Guidelines

The Policy and Finance Committee had before it a report (April 19, 2004) from the Chief Administrative Officer providing for the Committee's information and endorsement, the City of Toronto Accessibility Design Guidelines as a resource guide of best practices; and recommending that:

- (1) the Accessibility Design Guidelines be forwarded to Council for endorsement as the City's resource guide on best practices;
- (2) the Accessibility Design Guidelines be forwarded to the Province of Ontario to meet the City's Accessibility Plan as submitted under the Ontarians with Disabilities Act;
- (3) this report be provided to the Roundtable on Access, Equity and Human Rights and the Disability Issues Advisory Committee for information; and
- (4) the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

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

On motion by Councillor Moscoe, on behalf of Councillor Mihevc, the Policy and Finance Committee recommended to Council the adoption of the report (April 19, 2004) from the Chief Administrative Officer; and further, that the Accessibility Design Guidelines be forwarded to relevant agencies in the City of Toronto that deal with issues of disabilities; and that staff from the Access and Equity office organize workshop/training sessions for staff in various departments and Agencies Boards and Commissions on how to integrate the Accessibility Design Guidelines into their regular work.

(Clause No. 2 - Report No. 4)

4-6. Summary of City Applications Submitted to the FCM Green Municipal Funds

The Policy and Finance Committee had before it a report (April 21, 2004) from the Chief Administrative Officer providing a summary of applications from Toronto to the Federation of Canadian Municipalities Green Municipal Funds in 2004; advising that if FCM approves the applications submitted by the CAO as outlined in this report, City agencies or community partners could receive up to \$1,085,500 in grants to support the implementation of environmental initiatives in Toronto; that none of the proposed projects require additional funding from the City; that the CAO has authorized the submission of

four projects to the FCM Green Municipal Funds under the authority granted to the CAO by Council at its October 2, 3 and 4, 2001 meeting; and that the Chief Financial Officer and Treasurer has been consulted in the preparation of this report, and concurs with the statement of financial implications; and recommending that this report be received for information.

The Policy and Finance Committee received the foregoing report.

(Clause No. 16(d) - Report No. 4)

4-7. Amendment to the Proposed Ban on the Use of Diesel Powered Generators on City Property

The Policy and Finance Committee had before it a report (April 15, 2004) from the Commissioner of Corporate Services reporting on the effect to the City's emergency operations should the City adopt the proposed ban on the use of diesel powered generators on City Property; and recommending that:

- (1) the motion to ban the use of diesel powered generators on all City of Toronto property be amended to read "Now therefore be it resolved that the City of Toronto ban the use of diesel powered generators on all City of Toronto property other than diesel powered generators used for non-continuous uses including construction and maintenance activities, emergency back-up power systems and operational requirements"; and
- (2) the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

On motion by Councillor Cowbourne, the Policy and Finance Committee:

- (1) referred the foregoing report back to the Commissioner of Corporate Services for further consideration and report back to the Policy and Finance Committee; and
- (2) requested the Commissioner of Corporate Services to meet with Toronto Hydro and report to the Policy and Finance Committee on the Province of Ontario's current plans to use diesel generators in the future, such report to be prepared in conjunction with the Toronto Board of Health.

(Commissioner of Corporate Services – May 6, 2004)

(Clause No. 16(e) - Report No. 4)

**4-8. Tax Arrears - 103 and 111 Ingram Drive
(Ward 12 – York South-Weston)**

The Policy and Finance Committee had before it a report (April 1, 2004) from the Chief Financial Officer and Treasurer reporting on taxes owing for the property municipally known as 103 and 111 Ingram Drive (Assessment Roll No. 1908-02-1-060-01400-0000), including recommended collection strategies; advising that there are no financial implications arising from the adoption of this report; and recommending that:

- (1) the Chief Financial Officer and Treasurer be directed to immediately register a Tax Arrears Certificate on title to the property returned on the Assessment Roll as 103 Ingram Drive, Assessment Roll Number 1908-02-1-060-01400-0000, thus commencing Municipal Tax Sale proceedings under the Municipal Act, 2001; and
- (2) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

On motion by Councillor Pantalone, the Policy and Finance Committee:

- (1) recommended to Council the adoption of the report (April 1, 2004) from the Chief Financial Officer and Treasurer.
- (2) referred the following motion to the Commissioner of Urban Development Services for report to the Policy and Finance Committee as soon as possible:

Moved by Councillor Pantalone, on behalf of Councillor DiGiorgio:

That the Commissioner of Urban Development Services be requested to submit a report to the Planning and Transportation Committee, as soon as possible, on whether the site could be used predominantly as a transfer station; and

- (3) referred the following motion to the Commissioner of Urban Development Services for report to the Policy and Finance Committee at the appropriate time:

Moved by Councillor Moscoe:

That the Commissioner of Urban Development Services be requested to review the future possible uses of the property including a number of “difficult” uses such as body shops and other less desirable industrial uses, and submit a report thereon to the Planning and Transportation Committee at the appropriate time.

(Commissioner of Urban Development Services; c. Chief Financial Officer and Treasurer – May 6, 2004)

(Clause No. 3 - Report No. 4)

4-9. Section 65 of the Ontario Municipal Board Act

The Policy and Finance Committee had before it a report (April 2, 2004) from the Chief Financial Officer and Treasurer providing an update on the authority granted to the Chief Financial Officer and Treasurer to approve an expenditure or commitment by local Boards, Agencies and Commissions that extends beyond the term of Council; and advising that it has been demonstrated that the Chief Financial Officer and Treasurer's approval of the expenditures and/or commitments that extend beyond the term of Council has resulted in an efficient and effective process whereby the Agencies, Boards and Commissions can conduct their normal business and administrative operations without incurring unreasonable delays in obtaining additional Council approval under section 65 of the Ontario Municipal Board Act when the expenditure meets the criteria set out in this report's recommendations; and recommending that this report be received for information.

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

(Clause No. 16(f) - Report No. 4)

**4-10. Status Report on the Corporate Program "Property Tax Rebates
- Ethno-Cultural Centres and Similar Organizations" – All Wards**

The Policy and Finance Committee had before it a report (March 12, 2004) from the Chief Financial Officer and Treasurer reporting on the current standing of the corporate program "Property Tax Rebates – Ethno Cultural Centres and Similar Organizations"; and advising that this report, which provides the cost of the rebate program for ethno-cultural centres, is provided in accordance with Council's direction that the Chief Financial Officer and Treasurer submit an annual report in regard to the property tax rebate program for ethno-cultural centres; that for the 2003 taxation year, the municipality provided rebates of \$1,063,836.11 (\$553,141.58 representing the municipal portion and \$510,694.53 representing the education portion) to certain ethno-cultural centres that applied and qualified for such rebates pursuant to By-Law No. 829-1999 - To Create a Tax Rebate Program for Ethno-Cultural Centres, as amended; and recommending that that this report be received for information.

On motion by Councillor Moscoe, the Policy and Finance Committee:

- (i) received the foregoing report; and
- (ii) requested the Chief Financial Officer and Treasurer to provide to the Policy and Finance Committee a list of those ethno-cultural organizations that receive exemptions by legislation.

(Chief Financial Officer and Treasurer – May 6, 2004)

(Clause No. 16(g) - Report No. 4)

4-11. Financial Statements of Toronto Hydro Corporation

The Policy and Finance Committee had before it a report (April 26, 2004) from the Chief Financial Officer and Treasurer providing the annual audited Financial Statements of Toronto Hydro Corporation for the two years ended December 31, 2003, to the Shareholder; and recommending that this report be received for information.

On motion by Councillor Moscoe, the Policy and Finance Committee recommended to Council that the foregoing report (April 26, 2004) from the Chief Financial Officer and Treasurer be received, and that a copy thereof be forwarded to the Audit Committee for information. **(See Also Minute No. 4-30)**

(Audit Committee – May 6, 2004)

(Clause No. 14 - Report No. 4)

**4-12. Chinese Chamber of Commerce (East Toronto) Inc. –
“Zhong Hua Men” Archway
(Ward 30 - Toronto–Danforth)**

The Policy and Finance Committee had before it a communication (April 8, 2004) from the City Clerk, Toronto South Community Council advising that the Toronto South Community Council on April 7, 2004, recommended to the Policy and Finance Committee the adoption of the report (March 23, 2004) from the Commissioner of Economic Development, Culture and Tourism respecting the Chinese Chamber of Commerce (East Toronto) Inc., “Zhong Hua Men” Archway, recommending that:

- (1) the request from the Chinese Chamber of Commerce (East Toronto) Inc. (herewith referred to as the Chinese Chamber) to donate two stone lion statues as Phase One of the “Zhong Hua Men” Archway (Chinese Archway) to the City of Toronto be approved;
- (2) the Commissioner of Economic Development, Culture and Tourism be authorized to enter into an agreement with the Toronto Parking Authority (TPA), based upon the terms and conditions outlined in Attachment No. 2 to this report, for the use of the two parking spaces required for Phase One of the Chinese Archway;
- (3) the request from the Chinese Chamber to donate the Chinese Archway (project Phase Two) to the City of Toronto be approved, and that the Economic Development, Culture and Tourism Department assume responsibility for project implementation, subject to the recommendations below;

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- (4) subject to the completion of the necessary plans and drawings by the Chinese Chamber, at no net cost to the City, the Commissioner of Economic Development, Culture and Tourism facilitate the review of these plans and drawings by all appropriate City officials and utilities;
- (5) Council request the Toronto Parking Authority to consider the allocation of three additional parking spaces required for Phase Two of the project, and that the loss of revenue to the Toronto Parking Authority from these spaces, not to exceed \$8,500.00 in 2005 and not to increase by more than Consumer Price Index in each year thereafter, be funded from the City's share of the Parking Authority profit, and further that the Commissioner of Economic Development, Culture and Tourism be authorized to enter into an agreement with the Toronto Parking Authority to secure use of the three parking spaces;
- (6) upon the execution of the agreement with the Toronto Parking Authority noted in Recommendation No. 5 above, the Commissioner of Economic Development, Culture and Tourism include funding for Phase Two of the Archway project for Council's consideration in the Economic Development, Culture and Tourism capital budget submission for 2005, based upon a 50/50 cost-share partnership with the Chinese Chamber;
- (7) Council establish an obligatory reserve fund, called the "Chinese Archway Reserve Fund", the purpose of which is to provide funding for the construction and maintenance of Phase Two of the Chinese Archway structure at Gerrard Street East at Hamilton Street;
- (8) Municipal Code Chapter 227 (Reserves and Reserve Funds) be amended by adding the "Chinese Archway Reserve Fund" to "Schedule B3 Donations";
- (9) all donations received by the City of Toronto towards the development of the Chinese Archway be held in the "Chinese Archway Reserve Fund" and receipts for income tax purposes be issued for eligible donations to donors in accordance with the Income Tax Act and City policy in this regard;
- (10) any unspent funds from the Economic Development 2004 capital budget allowance for the construction of Phase One of the Chinese Archway project be held in the aforementioned reserve fund until Phase Two of the Chinese Archway project is ready to proceed; and
- (11) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto and that leave be granted for the introduction of any necessary bills in Council to give effect thereto.

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

- Mr. Edward Lam, Student, Leslieville Public School; and
- Ms. Marilyn Churley, MPP, Toronto-Danforth.

The Policy and Finance Committee recommended to Council the adoption of the recommendations of the Toronto South Community Council contained in the communication (April 8, 2004) from the City Clerk.

(Clause No. 4 - Report No. 4)

4-13. 2004 Water and Wastewater Rate Increase

The Policy and Finance Committee had before it a communication (March 5, 2004) from the City Clerk enclosing for information and any attention deemed necessary Clause No. 35 contained in Report No. 2 of the Policy and Finance Committee, headed "2004 Water and Wastewater Rate Increase, 2005-2006 Rate Strategy and Rate Projections for 2007-2013" which was adopted, as amended, by the Council of the City of Toronto at its meeting held on March 1, 2 and 3, 2004; and advising that Council recommended that the Policy and Finance Committee undertake a consolidated review of the affordability of the water rate increase in the context of all the other increases facing businesses and residents.

On motion by Councillor Moscoe, the Policy and Finance Committee referred the communication (March 5, 2004) from the City Clerk to the Commissioner of Works and Emergency Services and the Chief Financial Officer and Treasurer for report to the Policy and Finance Committee in September, 2004, together with the following motions approved by Council at its Special meeting held on April 19, 20, 21, 22, 23, 26, 27 and 28, 2004:

‘WHEREAS there is a commercial tax increase of 1.5 percent, effective January 2004; and

WHEREAS there was a water rate increase, in 2003, of 9 percent; and

WHEREAS there is a 6 percent water increase, in April 2004; and

WHEREAS there is a projected 6 percent water increase on January 1, 2005; and

WHEREAS there is a further projected 6 percent water increase on January 1, 2006; and

WHEREAS the water infrastructure is ageing and the cost of maintaining it is increasing dramatically;

NOW THEREFORE BE IT RESOLVED THAT the Commissioner of Works and Emergency Services and the Chief Financial Officer and Treasurer be requested to report to the Works Committee, as well as to the Policy and Finance Committee, by September 2004 on:

- (i) efforts undertaken to consult with high volume customers, such as industry groups and the School Boards, and conservation groups and ratepayer associations, as well as with Toronto Industry Network on the impact of water rates;
- (ii) the competitiveness impacts of future water rates;
- (iii) a comparison to similar sized cities to Toronto of water rates for large consumers, including those cities that encourage the conservation of water;
- (iv) the revenue that would accrue to the City if the City stopped subsidizing heavy water users and charged heavy users the same rate as residential users, i.e., a single rate structure for all users; and
- (v) the feasibility of using the water rate structure to encourage water conservation;

AND BE IT FURTHER RESOLVED THAT staff provide opportunities to consult with high volume customers, such as industry groups and the School Boards, and the Toronto Industry Network and experts on water efficiency and conservation, to include the Toronto Environmental Alliance, the Canadian Environmental Law Association and Environmental Defence Canada, to promote more efficient water usage, in order to manage demand, and water infrastructure requirements.’

(Commissioner of Works and Emergency Services; Chief Financial Officer and Treasurer – May 6, 2004)

(Clause No. 16(h) - Report No. 4)

4-14. List of Multi-Residential Properties that are Subject to Automatic Rent Reduction Due to Property Tax Decreases in 2003 – (All Wards)

The Policy and Finance Committee had before it a communication (March 10, 2004) from the City Clerk advising that City Council on March 1, 2 and 3, 2004 referred the following Clause No. 51, Item (a) contained in Report No. 2 of the Policy and Finance Committee, headed “Other Items Considered by the Committee” back to the Policy and Finance Committee for further consideration:

- (a) List of Multi-Residential Properties that are subject to Automatic Rent Reduction Due to Property Tax Decreases in 2003 - (All Wards)

The Policy and Finance Committee reports having received the following report:

(January 9, 2004) from the Chief Financial Officer and Treasurer providing a list, by wards, of all multi-residential properties that are subject to automatic rent reduction as a result of property tax reductions in 2003; and recommending that this report be received for information.

On motion by Councillor Moscoe, the Policy and Finance Committee recommended to Council that:

- (1) the form of Tax notification to tenants for 2004, where requested, be drafted co-operatively with the Local Councillor and he/she be provided with a list of all units within the Ward that are eligible for rent reductions;
- (2) the number of tenants so notified for 2004 be consistent with the notification for 2003 and it be the policy of the City to continue the enhanced notification on an on-going basis; and
- (3) the communication (March 10, 2004) from the City Clerk be received.

(Clause No. 5 - Report No. 4)

**4-15. 2004 Business Improvement Area – Operating Budgets
– Report No. 1 (All Wards)**

The Policy and Finance Committee had before it a communication (February 2, 2004) from the City Clerk enclosing for information and any attention deemed necessary Clause No. 4 contained in Report No. 1 of the Economic Development and Parks Committee, headed “2004 Business Improvement Area Operating Budgets – Report No. 1 (All Wards) which was adopted, without amendment, by Council on January 27, 28 and 29, 2004; and advising that Council directed that a copy of the Clause be forwarded to the Policy and Finance Committee for information.

On motion by Councillor Moscoe, the Policy and Finance Committee received the foregoing communication.

(Clause No. 16(i) - Report No. 4)

**4-16. Toronto Police Service Parking Enforcement Unit –
2003 Final Operating Budget Variance Report**

The Policy and Finance Committee had before it a report (April 20, 2004) from the Chair, Toronto Police Services Board, providing the 2003 Operating Budget Variance report for the Toronto Police Service – Parking Enforcement Unit; and recommending that the Policy and Finance Committee receive the report for information.

On motion by Councillor Soknacki, the Policy and Finance Committee received the foregoing report; and forwarded a copy thereof to the Budget Advisory Committee for its information.

(Budget Advisory Committee – May 6, 2004)

(Clause No. 16(j) - Report No. 4)

4-17. Toronto Police Service – 2003 Final Operating Budget Variance Report

The Policy and Finance Committee had before it a report (April 20, 2004) from the Chair, Toronto Police Services Board, providing the final 2003 Operating Budget Variance report for the Toronto Police; and recommending that the Policy and Finance Committee receive the report for information.

On motion by Councillor Soknacki, the Policy and Finance Committee received the foregoing report; and forwarded a copy thereof to the Budget Advisory Committee for its information.

(Budget Advisory Committee – May 6, 2004)

(Clause No. 16(k) - Report No. 4)

4-18. Toronto Police Service Parking Enforcement Unit – Tag Issuance and Absenteeism for the year 2003

The Policy and Finance Committee had before it a report (April 20, 2004) from the Chair, Toronto Police Services Board, advising the Policy and Finance Committee on the level of parking tags issued and employee absenteeism for the period between January and December 2003; and recommending that the Policy and Finance Committee receive the report for information.

On motion by Councillor Soknacki, the Policy and Finance Committee received the foregoing report; and forwarded a copy thereof to the Budget Advisory Committee for its information.

(Budget Advisory Committee – May 6, 2004)

(Clause No. 16(l) - Report No. 4)

**4-19. Toronto Police Service – Traffic Services
“Strategic Traffic Enforcement Measures” - Year Ending 2003**

The Policy and Finance Committee had before it a report (April 20, 2004) from the Chair, Toronto Police Services Board, responding to the Toronto City Council request for quarterly reports containing information on traffic enforcement initiatives by the Toronto Police Service; and recommending that the Budget Advisory Committee and the Policy and Finance Committee receive the report for information.

On motion by Councillor Soknacki, the Policy and Finance Committee received the foregoing report; and forwarded a copy thereof to the Budget Advisory Committee for its information.

(Budget Advisory Committee – May 6, 2004)

(Clause No. 16(m) - Report No. 4)

4-20. Funding for Final Three Bargaining Units Entitled to Past Service Costs for OMERS Participation at the Hummingbird Centre for the Performing Arts

The Policy and Finance Committee had before it a confidential report (April 22, 2004) from the Chief Financial Officer and Treasurer respecting funding for final three bargaining units entitled to past service costs for OMERS participation at the Hummingbird Centre for the Performing Arts, such report to be considered in-camera having regard that the subject matter relates to labour relations or employee negotiations.

On motion by Councillor Pantalone, the Policy and Finance Committee recommended to Council the adoption of the confidential report (April 22, 2004) from the Chief Financial Officer and Treasurer respecting funding for final three bargaining units entitled to past service costs for OMERS participation at the Hummingbird Centre for the Performing Arts, which was forwarded to Members of Council under confidential cover; and further in accordance with the Municipal Act, that discussions pertaining thereto be held in-camera having regard that the subject matter relates to labour relations or employee negotiations.

(Clause No. 6 - Report No. 4)

4-21. Hotel Development at Exhibition Place

The Policy and Finance Committee had before it a confidential report (April 21, 2004) from the Board of Governors of Exhibition Place respecting hotel development at Exhibition Place, such report to be considered in-camera having regard that the subject matter relates to the security of the property of the municipality.

On motion by Councillor Pantalone, the Policy and Finance Committee:

- (i) amended the confidential report (April 21, 2004) from the Board of Governors of Exhibition Place, respecting Hotel Development at Exhibition Place; and referred such report, as amended, to the Chief Financial Officer and Treasurer for his review and report to the June, 2004 meeting of the Policy and Finance Committee; and

- (ii) referred the following motion to the Chief Financial Officer and Treasurer for report to the Policy and Finance Committee:

Moved by Councillor Moscoe:

That in accordance with the Official Plan, provisions shall be made for an on-site taxi stand with accommodation for at least one vehicle per 20 guest rooms; the hotel shall agree to ensure that only taxis and limousines licensed by the City of Toronto are permitted to service this site and that all hotel employees, as a condition of employment, be aware of their responsibility to observe this requirement.

(Chief Financial Officer and Treasurer – Confidential – May 6, 2004)

(Clause No. 16(n) - Report No. 4)

4-22. Roundtables: Designation of Chairs and Recommendations for Community Membership on the Arts and Culture Roundtable

The Policy and Finance Committee had before it a report (April 28, 2004) from Mayor David Miller advising that he has now had the opportunity to designate members of Council to serve as roundtable chairs, as follows:

Roundtable on Access Equity and Human Rights:	Councillor Joe Mihevc;
Roundtable on Arts and Culture:	Councillor Kyle Rae;
Roundtable on a Beautiful City:	Deputy Mayor Sandra Bussin;
Roundtable on Children, Youth and Education:	Councillor Olivia Chow;
Roundtable on the Environment:	Deputy Mayor Joe Pantalone; and
Roundtable on Seniors:	Councillor Gay Cowbourne; and

recommending a revision to the terms of reference for the Roundtable on Arts and Culture, to increase the overall number of community members, including the position of Toronto's Poet Laureate, which was inadvertently missed during development of the terms of reference; and recommending that:

- (1) the following community members for the Roundtable on Arts and Culture be approved, with a term of office commencing immediately and expiring on November 30, 2006:

Anne Collins, Vice President, Random House of Canada Limited;
Brian Topp, Executive Director, Alliance of Canadian Cinema, Television and Radio Artists (ACTRA);
Clifton Joseph, Artist/Poet;
David Baile, General Manager, Opera Atelier;

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Dennis Lee, City of Toronto Poet Laureate;
Gordon Graham, President, International Alliance of Theatrical Stage Employees Local 58;
Kevin Garland, Executive Director, National Ballet of Canada;
Lenny Lombardi, President, CHIN Radio/TV International;
Mallory Gilbert, General Manager, Tarragon Theatre;
Phil Goldsmith, Architect, Goldsmith Borgal and Company Limited;
Piers Handling, Director, Toronto International Film Festival Group;
Richard Fung, Artist;
Shirley Blumberg, Partner, Kuwabara Payne McKenna Blumberg;
Sonja Smits, Actor;
Suzanne Birchwood, Director of Communications, Toronto Reference Library; and
William Thorsell, President/CEO, Royal Ontario Museum; and

- (2) the terms of reference for the Roundtable on Arts and Culture, Section (C) (1), Composition and Membership, be amended to read as follows: “The Roundtable will be composed of up to 19 members including the Mayor and up to two members of Council. The remaining members will be community members representative of arts, culture, heritage, diverse communities, creative enterprises, cultural industries, and will include Toronto’s Poet Laureate. The membership should reflect the diversity of Toronto’s population.”

On motion by Councillor Augimeri, the Policy and Finance Committee recommended to Council the adoption of the report (April 28, 2004) from Mayor David Miller noting the Members of Council who have been designated as chairs of the Roundtables:

Roundtable on Access Equity and Human Rights:	Councillor Joe Mihevc;
Roundtable on Arts and Culture:	Councillor Kyle Rae;
Roundtable on a Beautiful City:	Deputy Mayor Sandra Bussin;
Roundtable on Children, Youth and Education:	Councillor Olivia Chow;
Roundtable on the Environment:	Deputy Mayor Joe Pantalone;
	and
Roundtable on Seniors:	Councillor Gay Cowbourne.

(Clause No. 7 - Report No. 4)

4-23. Clean and Beautiful City Initiative – Implementation and Operational Plan (All Wards)

The Policy and Finance Committee had before it a joint report (April 30, 2004) from the Chief Administrative Officer and the Commissioner of Works and Emergency Services providing the proposed implementation and operational plan for the Clean and Beautiful City initiative over the next two years and the activities undertaken to date; and recommending that this report be received for information.

Councillor Jane Pitfield, Don Valley West, appeared before the Policy and Finance Committee in connection with the foregoing matter.

The Policy and Finance Committee:

- (1) received the foregoing joint report;
- (2) requested staff to build into the Clean and Beautiful City Initiative budget, a training component so that an amount is available for public education; and **(Motion by Councillor Moscoe)**
- (3) directed that a copy of the aforementioned report be forwarded to the Roundtable on a Beautiful City; and the Commissioner of Economic Development, Culture and Tourism be requested to include tree planting and parks and ravine as part of the beautiful city initiative. **(Motion by Councillor Pantalone)**

(Chief Administrative Officer; Commissioner of Works and Emergency Services; Commissioner of Economic Development, Culture and Tourism; Roundtable on a Beautiful City – May 6, 2004)

(Clause No. 16(o) - Report No. 4)

4-24. Consolidation of Reserve Funds

The Policy and Finance Committee had before it a report (April 30, 2004) from the Chief Financial Officer and Treasurer setting out a strategy to reduce the number of reserve funds by a process of: (a) setting principles for their creation; (b) identifying reserve funds to be applied to the Operating/Capital budget and closed; (c) closing accounts which are not necessary; (d) consolidating some reserve funds and (e) re-organizing the structure of Municipal Code Chapter 227 – Administration of Reserves and Reserve Funds – to make it easier to use; and advising that when this report is fully implemented the number of reserve/reserve funds will be reduced from 233 to 39 and the result will be enhanced

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mechanisms of internal controls/reporting and the maximization of existing funds; and recommending that:

- (1) the Chief Financial Officer and Treasurer consult with Departments, Agencies, Boards and Commissions to utilize available reserve funds which no longer are required per Appendix A, based on the understanding that the funds need to be applied for the purposes for which they were acquired;
- (2) the remaining funds in the legacy water/wastewater reserve/reserve funds be transferred to the water/wastewater capital reserve funds as noted in Appendix B1;
- (3) the two categories of accounts found in Appendix B2 be closed and deleted in the accounting system and their names expunged from Municipal Code Chapter 227 as appropriate;
- (4) consistent with the new classification:
 - (i) that the following reserves be reclassified as reserve funds:
Arbitration and Legal Awards Reserve;
Division No. 43 Capital City Reserve;
Efficiency Incentive Reserve;
Information and Technology Reserve;
Utility Conservation Fund Reserve;
Winter Control Stabilization Reserve; and
Waste Management Reserve;
 - (ii) that the Wheel-Trans Vehicle Replacement Reserve Fund (discretionary reserve fund) be reclassified as a reserve; and
 - (iii) that the titles, owners and purposes as set out in Appendix A and Appendix C2: Schedules 1 through 16 be adopted;
- (5) the Municipal Code Chapter 227 be repealed and a new Municipal Code Chapter 227 be enacted substantially in the form of Appendix E, together with the Schedules to the new Chapter 227 of the Municipal Code which are described in Appendix F to this report, and which shall form part of the newly enacted Chapter 227 as appropriate; and
- (6) the appropriate officials be authorized and directed to take the necessary action to give effect thereto, and that leave be granted for the introduction of any necessary bills in Council to give effect thereto.

On motion by Councillor Moscoe, the Policy and Finance Committee recommended to Council the adoption of the foregoing report (April 30, 2004) from the Chief Financial Officer and Treasurer.

(Clause No. 8 - Report No. 4)

4-25. LOFT Community Services - Withdrawal of Funds from the Social Housing Federal Reserve Fund and Approval of a Second Mortgage

The Policy and Finance Committee had before it a communication (April 29, 2004) from the City Clerk advising that the Community Services Committee on April 29, 2004, recommended to the Policy and Finance Committee, and Council, the adoption of the attached report (April 15, 2004) from the Commissioner of Community and Neighbourhood Services respecting LOFT Community Services - Withdrawal of Funds from the Social Housing Federal Reserve Fund and Approval of a Second Mortgage, recommending that:

- (1) authority be given to the Commissioner of Community and Neighbourhood Services (the "Commissioner") to:
 - (a) withdraw from the Social Housing Federal Reserve Fund amounts required for capital repairs at 661 Dufferin Street (the "Property") up to an amount not to exceed \$1,126,700.00 and lend these funds to LOFT Community Services ("LOFT");
 - (b) negotiate, execute and deliver a loan agreement, collateral security and ancillary agreements and documentation, including a second mortgage on the Property, subject to the following terms and conditions:
 - (i) the loan will be non-interest bearing and not repayable until the earlier of the date (the "Commencement Date") (1) that the mortgage on the Property held by CMHC is due to mature in 2019, or (2) such mortgage is redeemed;
 - (ii) starting the Commencement Date the loan will bear interest at a rate equal to the prime lending rate charged by the City's leading banker plus one percent and be subject to a repayment schedule that would amortize the loan over a period of fifteen (15) years, subject to the right of LOFT to pre-pay the loan at any time without interest or penalty;
 - (iii) the interest rate and repayment schedule will be renegotiable, subject to further Council approval; and

- (iv) such other terms and conditions that are satisfactory to the Commissioner, and in a form acceptable to the City Solicitor;
- (c) consent, on behalf of the City of Toronto to LOFT mortgaging, charging or encumbering the Property in connection with the 2nd mortgage, as required under the Operating Agreement being administered by the City of Toronto as Service Manager pursuant to the Social Housing Reform Act, 2000 (the "SHRA"); and
- (d) apply for the consent of the Minister of Municipal Affairs (the "Minister") required under a Transfer Order made pursuant to the provisions of the SHRA;
- (2) the loan of up to \$1,126,700.00 be deemed to be in the interests of the City of Toronto in accordance with section 107 of the Municipal Act 2001, S.O. 2001, Chapter 25;
- (3) the 2004 budget for Shelter Housing and Support be increased by up to \$1,126,700.00 gross and \$0 net and be funded by a withdrawal from the Federal Reserve Fund;
- (4) this report be referred to the Policy and Finance Committee for its consideration; and
- (5) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

On motion by Councillor Moscoe, the Policy and Finance Committee recommended to Council the adoption of the recommendation of the Community Services Committee contained in the communication (April 29, 2004) from the City Clerk.

(Clause No. 9 - Report No. 4)

4-26. Fleet Services - Green Fleet Transition Plan

The Policy and Finance Committee had before it a communication (April 30, 2004) from the City Clerk advising that the Administration Committee on April 29, 2004, amongst other things, recommended to the Policy and Finance Committee and City Council the adoption of the report (April 20, 2004) from the Commissioner of Corporate Services respecting Fleet Services, Green Fleet Transition Plan, subject to amending Recommendation (4) by indicating that estimated additional cost for bio-diesel, less fuel savings from hybrid-electric and natural gas vehicles, be considered for inclusion in the

corporate operating account, rather than be included, so that this recommendation now reads:

- “(4) consideration be given for the inclusion in the corporate operating account for fuel for 2005 to 2007 inclusive for the estimated additional cost for bio-diesel, less the fuel savings from hybrid-electric and natural gas vehicles (\$91,828 for 2005, \$164,174 for 2006 and \$144,519 for 2007);” .

On motion by Councillor Moscoe, the Policy and Finance Committee recommended to Council the adoption of the recommendation of the Administration Committee contained in the communication (April 30, 2004) from the City Clerk, subject to deleting recommendation No. (2) contained in the report (April 20, 2004) from the Commissioner of Corporate Services and renumbering the recommendations accordingly, so that the recommendations now read as follows:

- (1) City Council adopt the “Green Fleet Transition Plan 2004-2007” to guide green fleet management actions for the City;
- (2) the Green Fleet Transition Plan 2004-2007 be aligned with the 2004-2006 Vehicle Replacement Plan, as approved by Council at its meeting in September 2003, and that the reserve fund for vehicle replacement be amended as follows:
 - (a) no change for 2004 as the incremental cost for natural gas vehicles is being covered by the Better Transportation Partnership (BTP) and an application to cover the incremental cost of hybrid-electric vehicles has been submitted to City Council as part of the 2004 Operating Budget by the Toronto Interdepartmental Environment (TIE) team;
 - (b) capital budget pre-approval be given for an additional \$547,000 for 2005 and \$419,500 for 2006 from the fleet reserve to fund estimated incremental costs for hybrid-electric and natural gas vehicles as set out in the Green Fleet Transition Plan 2004-2007;
 - (c) an additional \$419,500, subject to capital budget approval for 2007, to cover the estimated to fund estimated incremental costs for hybrid-electric and natural gas vehicles as set out in the Green Fleet Transition Plan 2004-2007;

- (3) consideration be given for the inclusion in the corporate operating account for fuel for 2005 to 2007 inclusive for the estimated additional cost for bio-diesel, less the fuel savings from hybrid-electric and natural gas vehicles (\$91,828 for 2005, \$164,174 for 2006 and \$144,519 for 2007);” .
- (4) the operating account for the Fleet Services Division include \$12,500 in the 2005 Operating Budget to cover the estimated cost of creating an environmental management system registered to the ISO 14001 standard at the Central Garage at 843 Eastern Avenue;
- (5) copies of this staff report and the Green Fleet Transition Plan 2004-2007 be forwarded to all municipalities in the Greater Toronto Area, all Toronto Members of Provincial Parliament, all Toronto Members of Parliament, the Toronto Atmospheric Fund, and the Greater Toronto Area Clean Air Council, for their information;
- (6) the Commissioner of Corporate Services provide an annual progress report to the Administration Committee on the implementation of the Green Fleet Transition Plan 2004-2007, including progress towards environmental benefits and targets, and
- (7) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

(Clause No. 10 - Report No. 4)

4-27. Provision of Professional Services to Provide Energy and Water Efficiency Improvements in City's Arenas – Request for Proposal No. 9119-03-7275

The Policy and Finance Committee had before it a communication (April 30, 2004) from the City Clerk advising that the Administration Committee on April 29, 2004, recommended to the Policy and Finance Committee and City Council the adoption of the report (April 24, 2004) from the Commissioner of Corporate Services, the Commissioner of Economic Development, Culture and Tourism and the Chief Financial Officer and Treasurer respecting Provision of Professional Services to provide Energy and Water Efficiency Improvements in City's Arenas, recommending that:

- (1) Council approve the Arenas Energy and Water Retrofit Project as a subproject of the \$20 million Energy Retrofit Program to be managed as part of the Parks and Recreation Capital program with a project cost of \$10.213 million gross including cash flow of \$1.2 million in 2004, \$5.9 million in 2005, and \$3.113 million in 2006, financed in 2004 by \$0.3 million of the Federation of Canadian Municipalities

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(FCM) loan and \$0.9 million of debt, in 2005 by \$1.475 million of the FCM loan and \$4.425 million of debt, and in 2006 by \$0.127 million in grants and incentives, \$0.746 million of FCM loan and \$2.239 million of debt;

- (2) the Commissioner of Corporate Services and the Commissioner of Economic Development Culture and Tourism in consultation with the Chief Financial Officer and Treasurer, and the City Solicitor, be authorized to negotiate and enter into an energy and water services agreement commencing in 2004 with Vestar Ltd., the highest overall scoring proponent meeting requirements based on a maximum simple payback period of 8 years for up to \$10,212,964 in gross capital costs inclusive of all taxes and charges;
- (3) the Commissioner of Corporate Services and the Commissioner of Economic Development Culture and Tourism in consultation with the Chief Financial Officer and Treasurer and the City Solicitor, be authorized to enter into energy and water services agreements with the Boards of Management and with lessors of City arenas that opt in to the program to ensure that the energy and water savings are applied towards debt repayment;
- (4) the Commissioner of Corporate Services, in consultation with the City Solicitor, the Chief Financial Officer and Treasurer and the Chief Administrative Officer, be authorized to enter into a loan agreement with the Federation of Canadian Municipalities for Green Municipal Investment Fund (GMIF) financing in order to facilitate a disbursement of approximately \$2.521 million from an approved low interest \$8.750 million loan to the arenas energy and water retrofit project subject to finalizing an energy and water services agreement with Vestar Ltd.;
- (5) energy and water cost savings to be realized annually of up to \$0.350 million in 2005, \$1.0 million in 2006 and \$1.35 million in 2007, for a full annual savings of \$1.35 million be budgeted separately in the operating budgets of Parks and Recreation and other arena facilities and used to fund the full debt service costs of the projects and that any excess savings annually be contributed to a separate corporate account according to the policy adopted by Council in the report entitled "A Framework for Establishing an Energy Retrofit Program and Financing Strategy";
- (6) this report be forwarded to the Policy and Finance Committee for consideration;
and
- (7) the appropriate City Officials be authorized and directed to take any necessary action to give effect thereto including the execution of any financing agreements in a form and substance satisfactory to the Commissioner of Corporate Services, Commissioner of Economic Development Culture and Tourism, the Chief Financial Officer and Treasurer, and the City Solicitor.

On motion by Councillor Moscoe, the Policy and Finance Committee recommended to Council the adoption of the recommendation of the Administration Committee contained in the communication (April 30, 2004) from the City Clerk.

(Clause No. 11 - Report No. 4)

**4-28. Tax Adjustment Applications, Municipal Act, 2001 Section 358 –
Toronto Wildlife Centre, 60 John Drury Drive
(Ward 9 – York Centre)**

The Policy and Finance Committee had before it a communication (April 30, 2004) from the City Clerk advising that the Administration Committee on April 29, 2004, recommended to the Policy and Finance Committee and City Council, that:

- (A) the report (April 1, 2004) from the Chief Financial Officer and Treasurer be adopted, wherein it is recommended that:
 - (1) the tax appeal applications made pursuant to section 358 of the Municipal Act, 2001 (detailed in Appendix A of this report), to correct the tax classification and assessed value of the property municipal known as 60 John Drury Drive (Assessment Roll No. 19 08 03 1 580 00153) for the taxation years 2001 and 2002 be approved; and
 - (2) the appropriate City officials be authorized to take the necessary action to give effect thereto; and
- (B) a one-time exceptional grant in the amount of \$13,402.73 which reflects the phase-in adjustment of \$10,698.76 and interest due of \$2,703.97 of the property tax bill for the taxation years 1998-2001 and the outstanding penalty/interest projected to June 1, 2004, be provided to the Toronto Wildlife Centre, 60 John Drury Drive, and that the Policy and Finance Committee identify the funding source.

On motion by Councillor Augimeri, the Policy and Finance Committee recommended to Council the adoption of the recommendations of the Administration Committee contained in the foregoing communication (April 30, 2004) from the City Clerk; amended to read as follows:

- (1) the report (April 1, 2004) from the Chief Financial Officer and Treasurer be adopted;
- (2) a one-time exceptional grant in the amount of \$13,402.73 which reflects the phase-in adjustment of \$10,698.76 and interest due of \$2,703.97 of the property tax bill for the taxation years 1998-2001

and the outstanding penalty/interest projected to June 1, 2004, be provided to the Toronto Wildlife Centre, 60 John Drury Drive; and

- (3) that funds therefor be provided from the Non-Program Tax Deficiency Account:

(Clause No. 12 - Report No. 4)

**4-29. Allocation of Underutilized Reserve Funds
Parks and Recreation Capital Budget (Various Wards)**

The Policy and Finance Committee had before it a communication (May 4, 2004) from the City Clerk advising that the Economic Development and Parks Committee recommended to the Policy and Finance Committee, and Council, the adoption of the report (April 28, 2004) from the Commissioner of Economic Development, Culture and Tourism, recommending that:

- (1) the unallocated portion of the balance of the Infrastructure Reserve Fund (XR3014) (\$1.483 million), be allocated to the following projects, as indicated below:
- (i) Allan Gardens Landscape Plan (\$0.200 million – new capital project);
 - (ii) Wychwood Park Site Remediation (\$0.200 million – increase to 2004 project);
 - (iii) Ashbridges Bay Skateboard Park (\$0.200 million – new capital project);
 - (iv) Victoria Memorial Park (\$0.103 million – change of project scope);
 - (v) St. Andrew's Playground (\$0.150 million – change of project scope);
 - (vi) Trinity Bellwoods (\$0.150 million – new capital project);
 - (vii) Leslie Grove Park Lighting (\$0.030 – million new capital project); and
 - (viii) Sports Pads (Various Parks) (\$0.450 million – new capital project);
- (2) this report be forwarded to the Policy and Finance Committee for consideration; and
- (3) that the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

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

On motion by Councillor Moscoe, on behalf of Councillor Mihevc, the Policy and Finance Committee recommended to Council the adoption of the recommendation of the Economic Development and Parks Committee contained in the communication (May 4, 2004) from the City Clerk, subject to:

- (1) amending Recommendation No. (1) (ii) embodied in the report (April 28, 2004) from the Commissioner of Economic Development, Culture and Tourism to read as follows:

“(ii) Wychwood Park Site Remediation (\$0.200 million – increase to 2004 project) and that funds be also used, if necessary, for all the tasks related to the development of the site;” and

- (2) deleting Recommendation No. (2);

so that the recommendations now read as follows:

“It is recommended that:

- (1) the unallocated portion of the balance of the Infrastructure Reserve Fund (XR3014) (\$1.483 million), be allocated to the following projects, as indicated below:
 - (i) Allan Gardens Landscape Plan (\$0.200 million – new capital project);
 - (ii) Wychwood Park Site Remediation (\$0.200 million – increase to 2004 project) and that funds be also used, if necessary, for all the tasks related to the development of the site;
 - (iii) Ashbridges Bay Skateboard Park (\$0.200 million – new capital project);
 - (iv) Victoria Memorial Park (\$0.103 million – change of project scope);
 - (v) St. Andrew's Playground (\$0.150 million – change of project scope);
 - (vi) Trinity Bellwoods (\$0.150 million – new capital project);

- (vii) Leslie Grove Park Lighting (\$0.030 – million new capital project); and
- (viii) Sports Pads (Various Parks) (\$0.450 million – new capital project); and
- (2) that the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.”

(Clause No. 13 - Report No. 4)

4-30. 2003 Annual General Meeting - Toronto Hydro Corporation

The Policy and Finance Committee had before it the following reports:

- (May 3, 2004) from the City Solicitor transmitting the agenda and annual report of Toronto Hydro Corporation for Shareholder consideration, and recommending that the following recommendations embodied in the report (April 28, 2004) from Toronto Hydro Corporation be adopted:

“It is recommended that City Council, as the sole shareholder of Toronto Hydro Corporation, hold an annual shareholder meeting to:

- (1) approve and adopt the shareholder resolutions attached to this report;
- (2) authorize and direct appropriate City officials to take the necessary action to give effect thereto; and
- (3) receive any additional reports attached hereto, for informational purposes.”
- (April 26, 2004) from the Chief Financial Officer and Treasurer entitled “Financial Statements of Toronto Hydro Corporation”, providing the annual audited Financial Statements of Toronto Hydro Corporation for the two years ended December 31, 2003, to the Shareholder; and recommending that this report be received for information.

Councillor Bill Saundercook, Parkdale-High Park appeared before the Policy and Finance Committee in connection with the foregoing matter.

On motion by Councillor Moscoe, on behalf of Councillor Saundercook, the Policy and Finance Committee recommended to Council:

- (1) the adoption of the report (May 3, 2004) from the City Solicitor; and further, that the Chief Administrative Officer, the Chief Financial Officer and Treasurer and the City Solicitor be requested to review the Toronto Hydro Shareholder Direction dated July 1, 1999, amended and restated as of October 3, 2002, as approved by City Council, to determine if the Shareholder Direction requires amendment in view of the time elapsed since its last amendment and the pending changes in legislation which might affect Toronto Hydro; and report thereon to the Policy and Finance Committee; and
- (2) that the foregoing report (April 26, 2004) from the Chief Financial Officer and Treasurer be received, and that a copy thereof be forwarded to the Audit Committee for information

(See Also Minute No. 4-11)

(Clause No. 14 - Report No. 4)

4-31. Water Meter Replacement and Meter Reading Technology Project - Status Update

The Policy and Finance Committee had before it a communication (May 5, 2004) from the City Clerk advising that the Works Committee on May 5, 2004, recommended to the Policy and Finance Committee, and Council, that:

- (1) staff be authorized to proceed with a Water Meter Replacement and Meter Reading Technology project to replace/retrofit flat rate customers and high volume commercial users only, with high volume users with meters 15-years old or older being given priority;
- (2) all flat rate customers be placed on meters;
- (3) City Council consider the installation of a standard meter for the high volume commercial users, and the installation for flat rate customers of a meter in the basement linked by wire to an outside touchpad for reading; and
- (4) City Council adopt a policy of mandatory replacement of 15-year old water meters and reading devices placed outside homes, and older.

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

- Councillor Jane Pitfield, Don Valley West; and
- Councillor Bill Saundercook, Parkdale-High Park.

The Policy and Finance Committee:

- (1) referred the foregoing communication containing the recommendations of the Works Committee regarding the “Water Meter Replacement and Meter Reading Technology Project”, to the Chief Financial Officer and Treasurer for report to the next meeting of the Policy and Finance Committee and the Works Committee (for information); such report to include any associated financial implications; **(Motion by Councillor Pantalone)**
- (2) requested the Commissioner of Works and Emergency Services to consult with Toronto Hydro to see if there are any efficiencies that could be included; and **(Motion by Councillor Pantalone)**
- (3) requested the Chief Financial Officer and Treasurer and the Commissioner of Works and Emergency Services to include in their further report respecting the recommendations of the Works Committee and the Fixed Area Network (FAN) technology, the following:
 - (a) all estimated staff costs;
 - (b) the estimated costs to implement software upgrades over the average life of major software implementations;
 - (c) the estimated costs of software maintenance;
 - (d) the potential for partnering relationships with Enbridge Gas and/or Toronto Hydro;
 - (e) the need for a pilot study;
 - (f) experiences of other cities with these meters;
 - (g) ensuring that savings and payback must be separately accounted for;

- (h) the replacement criteria for the meters;
- (i) the possibility of working with the Toronto Police Service and Emergency Medical Services in connection with the existing radio networks; and
- (j) the possibility of working with the Parking Enforcement Unit in relation to their hand-held parking ticket equipment.
(Motion by Councillor Pantalone on behalf of Councillor Pitfield)

(Chief Financial Officer and Treasurer; Commissioner of Works and Emergency Services; c. Committee Administrator, Works Committee – May 6, 2004)

(Clause No. 16(p) - Report No. 4)

4-32. Provincial Sales Tax (PST) on Wheel-Trans Buses and Accessibility Initiatives

On motion by Councillor Moscoe, the Policy and Finance Committee recommended to Council that:

- (1) the Province of Ontario be requested to eliminate the PST on all accessibility initiatives;
- (2) the City of Toronto express its disappointment to the Provincial Government that the Province of Ontario has refused to forgive the PST on wheel-trans buses; and
- (3) the Province of Ontario be requested to reconsider forgiving the PST on wheel-trans buses.

(Clause No. 15 - Report No. 4)

The Policy and Finance Committee adjourned its meeting at 4:10 p.m.

Chair.