

# THE CITY OF TORONTO

## City Clerk's Office

### Minutes of the Policy and Finance Committee

#### Meeting 5

**Monday, June 14, 2004**

A special meeting of the Policy and Finance Committee was held on Monday, June 14, 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 12:32 p.m.	2:05 p.m. to 6:10 p.m.	In-Camera Session
Mayor David R. Miller, Chair	X	X	-
Councillor Maria Augimeri	X	X	X
Councillor Sandra Bussin	X	X	X
Councillor Gay Cowbourne	X	X	X
Councillor Mark Grimes	X	X	-
Councillor Pam McConnell	X	X	X
Councillor Howard Moscoe	X	X	X
Deputy Mayor Joe Pantalone, Vice-Chair	X	X	-
Councillor David Soknacki	X	X	X
Councillor Sylvia Watson	X	X	X

#### Confirmation of Minutes.

On motion by Deputy Mayor Pantalone, the Policy and Finance Committee confirmed the minutes of its meeting held on May 6, 2004.

#### **5-1. Development Charge By-law**

The Policy and Finance Committee considered a report (June 9, 2004) from the Chief Financial Officer and Treasurer, the Commissioner of Urban Development Services, and the Commissioner of Economic Development, Culture and Tourism presenting the proposed Development Charge by-law (attached as Appendix "A") for Council adoption, having considered input, comments and concerns expressed at the statutory public meeting of May 6, 2004 and throughout the public consultation process.

Recommendations:

It is recommended that:

- (1) the Development Charge By-law, substantially attached as Appendix "A", be adopted and that the City Solicitor in consultation with the Chief Financial Officer and Treasurer be authorized to make such stylistic and minor amendments to the by-law as necessary to give effect to the recommendations contained herein;
- (2) for the purpose of complying with the Development Charges Act, 1997, Council adopt the Development Charge Background Study dated April 21, 2004 as amended, including the development-related capital program contained therein;
- (3) Council determine that no further public meeting is necessary in order to deal with the modifications made to the development charge by-law, pursuant to section 12 of the Development Charges Act, 1997;
- (4) Council request the Province to make the following changes to the Development Charges Act, 1997:
  - (a) the removal of subsection 2(4) of the Act so that no municipal services are excluded from the development charge calculation;
  - (b) the removal of subsection 5(5) and paragraph 8 of subsection 5(1) so that service discounts are eliminated from the development charge calculation;
  - (c) the amendment of paragraph 4 of subsection 5(1) to permit municipalities to adopt service levels that have actually been attained at any point in the prior ten years; and
- (5) the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

The Policy and Finance Committee also considered the following material and communications, which were distributed at the meeting:

- Table 1-1A – "Overview of Changes in 2003/2004 Development Charges, Figures 1-1 to 1-5 and Tables 1-1 to 1-2.
- (April 24, 2004) from Mr. Kumar Patel, Manager, Olympic Plastic Bags (1983) Ltd.;
- (May 6, 2004) from Pat Baker, President, Baker Real Estate Corporation;

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- (May 25, 2004) from May Chan, Chief Executive Officer, Viva Magnetics (Canada) Ltd.;
- (June 14, 2004) from Mr. William R. Rauenbusch, Federation of North Toronto Residents' Association (FONTRA);
- (June 13, 2004) from Mr. Brian Maguire, Secretary, North Hill District Home Owners' Association;
- (June 11, 2004) from Mr. Philip Mohtadi, President, Oriole Park Association;
- (June 11, 2004) from Mr. Bohdan S. Onyschuk, Gowling Lafleur Henderson LLP, solicitors on behalf of the Residences of College Park Inc.;
- (June 14, 2004) from Mr. Ian Brown, Toronto Industry Network;
- (June 14, 2004) from Mr. Jeffrey L. Davies, Davies Howe Partners, Lawyers to the Conservatory Group and Times Development Inc.

The Chief Financial Officer and Treasurer gave a presentation to the Policy and Finance Committee and filed a copy of his presentation material.

Professor David M. Nowlan, Professor Emeritus in Economics, University of Toronto, also gave a presentation to the Policy and Finance Committee.

The following persons appeared before the Policy and Finance Committee:

- Mr. Michael Visser, Coalition for Municipal Change;
- Mr. Tom Halinski, Aird and Berlis LLP, representing Loblaw Properties Limited;
- Mr. Jim Murphy, Director of Government Relations, Greater Toronto Home Builders' Association;
- Mr. Brian Parker, Urban Planner, and Ms. Denise C. Baker, Solicitor, Gowling Lafleur Henderson LLP, representing the Residences of College Park Inc. and College Park Tower II;
- Ms. Arlena Hebert, Lytton Park Residents' Organization Inc.;
- Mr. Paul Scrivener, Consultant, and Mr. Ian Brown, Member, The Toronto Industry Network;
- Ms. Ornella Richichi;

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- Mr. Bill Rauenbusch, Federation of North Toronto Residents' Association (FoNTRA), and filed a submission;
- Mr. Terence West, Don Mills Residents' Inc. and
- Mr. Neil Rodgers, President, Urban Development Institute.

The following Members of Council also appeared before the Policy and Finance Committee:

- Councillor Brian Ashton, Scarborough Southwest;
- Councillor Doug Holyday, Etobicoke Centre; and
- Councillor Karen Stintz, Eglinton-Lawrence.

The Policy and Finance Committee:

(A) recommended to Council:

- (I) the adoption of the report (June 9, 2004) from the Chief Financial Officer and Treasurer, the Commissioner of Urban Development Services and the Commissioner of Economic Development, Culture and Tourism subject to amending the section in Table 1 dealing with "Grandparenting provisions" by deleting the date "October 31, 2005" and replacing it with "December 31, 2005."; **(Motion by Councillor Soknacki carried on the following recorded vote:**

**FOR: Augimeri, Cowbourne, Grimes, McConnell,  
Mayor Miller, Moscoe, Pantalone,  
Soknacki, Watson)**

**AGAINST: Nil)**

- (II) the adoption of the following motion:

"WHEREAS the stakeholder consultations about Development Charges were only about Development Charges and were primarily with the development community;

WHEREAS a few large industrial water consumers pay a disproportionate share of water rates;

WHEREAS some large industrial users (particularly in the food and beverage sector) pay more for water each year than their municipal property tax bill;

WHEREAS the option of raising water rates instead of property taxes must be considered in the context of its impact on regional competitiveness; and

WHEREAS the water rate structure is scheduled to be reviewed in the Fall of 2004;

THEREFORE BE IT RESOLVED THAT when considering the structure of 2005 water rates, Council also consider the impact of water rate increases on the regional competitiveness for large industrial users.”; and **(Motion by Councillor Grimes)**

- (B) requested the Chief Financial Officer and Treasurer, the Commissioner of Urban Development Services and the Commissioner of Economic Development, Culture and Tourism to submit a report directly to Council on June 22, 2004, on the feasibility of implementing a differentiated retail charge for oversized retail over a designated “big box” threshold. **(Motion by Councillor Moscoe carried on the following recorded vote:**

**FOR: Augimeri, Cowbourne, Mayor Miller, Moscoe, Pantalone, Watson**

**AGAINST: Grimes, McConnell, Soknacki)**

The following motions moved at the meeting were voted on and dealt with as follows:

Motion by Councillor Grimes:

“That in adopting the recommendations contained in the report regarding development charges, Council minimize any water rate increase in 2005 and beyond.” **(Ruled Out of Order)**

Motion by Deputy Mayor Pantalone:

“That Mayor David Miller, Deputy Mayor Pantalone, the Chair of the Budget Advisory Committee, the Chair of the Economic Development and Parks Committee and the Chair of the Planning and Transportation Committee be requested to meet with representatives of the development industry respecting the

proposed development charge by-law and submit a report thereon directly to Council for its meeting to be held on June 22, 2004.” **(Lost)**

Amendment by Councillor Grimes to Motion by Deputy Mayor Pantalone.

“That the motion by Councillor Pantalone be amended to provide that the industry consultation meeting proposed also include the Toronto Industry Network.” **(Redundant given that the Motion by Deputy Mayor Pantalone lost)**

Amendment by Councillor Moscoe to Motion by Deputy Mayor Pantalone.

“That the motion by Deputy Mayor Pantalone be amended to provide that a small representative group of community association/s and ratepayer groups be invited to attend the meeting to resolve outstanding development charge issues.” **(Redundant given that the Motion by Deputy Mayor Pantalone lost)**

Motion by Councillor Moscoe:

“That the motion by Councillor Soknacki be amended:

- (1) to provide that the quantum of the residential development charge reflect the maximum amounts calculated in the Background Development Charge Study dated April 21, 2004;
- (2) by reducing the phase-in period to six months (i.e., implementing the increase in the charge on January 1, 2005); and
- (3) by deleting any grandfathering provisions.” **(A vote on the referral of this motion to Council for consideration lost)**

(Chief Financial Officer and Treasurer; Commissioner of Urban Development Services; Commissioner of Economic Development, Culture and Tourism – June 14, 2004)

**(Clause 1 - Report 5)**

## **5-2. Intergovernmental Update (Verbal Reports)**

The Policy and Finance Committee received presentations and submissions filed by Mayor David Miller and Councillor Pam McConnel respecting the National Forum on Economic Growth of the Big Cities in Canada, Declaration of the 22 Big City Mayors to support the prosperity of City regions, Provinces and Canada; and the Big City Mayors’ Caucus resolution, Edmonton May 27, 2004.

**(Clause 33(a) - Report 5)**

**5-3. Report on the Wood Green Ravine Working Group Process  
(Ward 44 - Scarborough East)**

The Policy and Finance Committee considered a report (May 31, 2004) from the Chief Administrative Officer reporting on the results of the Wood Green Ravine Working Group meetings held May 6, 13 and 20th; advising that the Working Group was established to advise City staff on the feasibility of developing the parcel of land known as Manse Road and Lawrence Avenue East for affordable housing purposes; that the land is currently zoned for single-family residential development; that this is one of three reports that will be considered together in the discussion of this piece of land; that one of the two additional reports discusses the feasibility of proceeding with a home ownership model on the land, the other report recommends the land be declared surplus to City requirements, subject to the results of the feasibility study.

Recommendation:

It is recommended that:

- (1) Council commit to affordable housing development on the Manse Road and Lawrence Ave. East lands North of Part 5, not including the Police and Ambulance facility site (Attachment 1);
- (2) should a development application be submitted by WRP for the Manse Road/Lawrence Ave. East site through the development review process, City staff pay specific attention to:
  - (i) the connection to the ravine and abutting parkland;
  - (ii) the preservation of existing vegetation on the development site where practical and feasible;
  - (iii) requirements for the planting of replacement vegetation within the development; and
  - (iv) secured public access through the site and connection to the walkway east of the future police station and the surrounding community;

it is further recommended that these considerations be balanced against the need for the development on the land to be viable, sustainable, and affordable.

- (3) the Applications Co-ordinating Team (ACT) be utilized to co-ordinate and expedite the review of the development proposal, ensuring all proper steps are adhered to in the process;

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- (4) staff from Urban Development Services and Economic Development, Culture and Tourism work to ensure that any future development interfaces with the parkland to the South and the existing buffer area;
- (5) staff from Economic Development, Culture and Tourism investigate opportunities within the general vicinity of the development site to improve and enhance existing conditions within active parkland owned by the City; and
- (6) the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

The Policy and Finance Committee also considered:

- (1) a communication (June 7, 2004) from Aloysius Cardinal Ambrozic, Archbishop of Toronto; and
- (2) a site map 59 depicting the area in question.

A communication (June 16, 2004) from Mr. Bruce L. Smith, respecting this matter, was filed after the meeting of the Policy and Finance Committee held on June 14, 2004.

The following persons appeared before the Policy and Finance Committee:

- Sister Margaret Myatt, Chair of WRP Neighbourhood Housing, and filed a submission;
- Ms. Gisèle Côté, on behalf of Ms. Glenis Emmett;
- Mr. Neil Hetherington, CEO, Habitat For Humanity Toronto;
- Ms. Jean Roberts;
- Mr. Don York, Chair, Manse Valley Community Association;
- Mr. Bruce Smith and Mrs. Betty Smith, and filed a written submission;
- Mr. Stephen Diamond, McCarthy Tetrault LLP, Barristers and Solicitors;
- Mr. Gerry Wood, WRP Neighbourhood Housing; and
- Ms. Cynthia Romany representing the Manse Valley Community Association.

Councillor Brian Ashton, Scarborough Southwest, also appeared before the Policy and Finance Committee.



On motion by Councillor Moscoe, the Policy and Finance Committee recommended to Council adoption of the report (May 31, 2004) from the Chief Administrative Officer. **(Carried on the following recorded vote:**

**FOR: Augimeri, Bussin, Mayor Miller, Moscoe, Pantalone, Watson, McConnell, Soknacki)**

**AGAINST: Cowbourne**

The following motion moved by Councillor Cowbourne was voted on and lost:

“That the Policy and Finance Committee recommend to Council that the following reports be received:

- (i) (May 31, 2004) from the Chief Administrative Officer,
- (ii) (June 1, 2004) from the Chief Administrative Officer; and
- (iii) (May 31, 2004) from the Commissioner of Corporate Services; and

that the land referred to as Part 2 of the Manse Road/Lawrence Avenue site, remain in City ownership for future incorporation into the Parks system.” **(Lost on the following recorded vote:**

**FOR: Cowbourne**

**AGAINST: Augimeri, Bussin, Mayor Miller, Moscoe, Pantalone, Watson, McConnell, Soknacki)**

**(Clause 2 - Report 5)**

**5-4. Towards an Affordable Home Ownership Policy for Families and Feasibility Assessment of a Proposed Project at Manse Road and Lawrence Avenue East (Ward 44 - Scarborough East)**

The Policy and Finance Committee considered a report (June 1, 2004) from the Chief Administrative Officer providing an overview of the City's Affordable Housing Strategy as it pertains to Affordable Home Ownership and, as directed by Council, reporting on the feasibility of a proposed affordable home ownership project at Manse Road and Lawrence Avenue East.

Recommendations:

It is recommended that:

- (1) based on the results of the feasibility assessment as outlined in this report, Council confirm its commitment to the development of an affordable ownership housing project on the Manse Road site by WRP Neighbourhood Housing; "WRP Neighbourhood Housing" means WRP Neighbourhood Housing, its successors or another entity associated with or controlled by WRP Neighbourhood Housing and acceptable to the Commissioner of Community and Neighbourhood Services;
- (2) WRP Neighbourhood Housing seek all normal planning and development related approvals required for the development of affordable housing on the Manse Road site;
- (3) the value of the Manse Road site, estimated at \$1,600,000 be the first part of the City's repayable investment in the affordable ownership housing project;
- (4) the value of all development charges, estimated at the time of application, be the second part of the City's repayable investment in the affordable ownership housing project;
- (5) upon re-sale by the initial housing unit purchaser, repayment of the City's investment in the affordable ownership housing project, as outlined in (3) and (4) plus interest be directed to the Capital Revolving Fund for Affordable Housing;
- (6) staff be directed to undertake all relevant negotiations as expeditiously as possible; and
- (7) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

The Policy and Finance Committee also considered:

- (1) a communication (June 7, 2004) from Aloysius Cardinal Ambrozic, Archbishop of Toronto; and
- (2) a site map 59 depicting the area in question.

A communication (June 16, 2004) from Mr. Bruce L. Smith, respecting this matter, was filed after the meeting of the Policy and Finance Committee held on June 14, 2004.

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The following persons appeared before the Policy and Finance Committee:

- Sister Margaret Myatt, Chair of WRP Neighbourhood Housing, and filed a submission;
- Ms. Gisèle Côté, on behalf of Ms. Glenis Emmett;
- Mr. Neil Hetherington, CEO, Habitat For Humanity Toronto;
- Ms. Jean Roberts;
- Mr. Don York, Chair, Manse Valley Community Association;
- Mr. Bruce Smith and Mrs. Betty Smith, and filed a written submission;
- Mr. Stephen Diamond, McCarthy Tétrault LLP, Barristers and Solicitors;
- Mr. Gerry Wood, WRP Neighbourhood Housing; and
- Ms. Cynthia Romany representing the Manse Valley Community Association.

Councillor Brian Ashton, Scarborough Southwest, also appeared before the Policy and Finance Committee.

On motion by Councillor Moscoe, the Policy and Finance Committee recommended to Council adoption of the report (June 1, 2004) from the Chief Administrative Officer. **(Carried on the following recorded vote:**

**FOR: Augimeri, Bussin, Mayor Miller, Moscoe, Pantalone, Watson, McConnell, Soknacki)**

**AGAINST: Cowbourne**

The following motion moved by Councillor Cowbourne was voted on and lost:

“That the Policy and Finance Committee recommend to Council that the following reports be received:

- (i) (May 31, 2004) from the Chief Administrative Officer,
- (ii) (June 1, 2004) from the Chief Administrative Officer; and
- (iii) (May 31, 2004) from the Commissioner of Corporate Services; and

that the land referred to as Part 2 of the Manse Road/Lawrence Avenue site, remain in City ownership for future incorporation into the Parks system.” **(Lost on the following recorded vote:**

**FOR: Cowbourne**

**AGAINST: Augimeri, Bussin, Mayor Miller, Moscoe, Pantalone, Watson, McConnell, Soknacki)**

**(Clause 3 - Report 5)**

**5-5. Declaration of Surplus Parcel of Vacant Land  
East of Manse Road, South of Lawrence Avenue East  
(Ward 44 – Scarborough East)**

The Policy and Finance Committee considered a report (May 31, 2004) from the Commissioner of Corporate Services requesting authority to declare Parts 2, 3, 4, 6, and 9 on Sketch No. PMC-99-005e (the "Property"), located east of Manse Road and south of Lawrence Avenue East, surplus to municipal requirements, subject to City Council approving the feasibility of an affordable housing demonstration project on the Property, and to undertake negotiations for a sale and any other agreements deemed appropriate for the affordable housing project.

Recommendations:

It is recommended that:

- (1) subject to City Council approving the feasibility of the proposed affordable housing project, the Property be declared surplus to the City's requirements, with the intended method of disposal to be by way of a sale, to facilitate the affordable housing project, to WRP Neighbourhood Housing, its successors or another entity associated with or controlled by it and acceptable to the Commissioner of Community and Neighbourhood Services, on the terms outlined in the body of this report and subject to the retention of a permanent sewer easement over Part 4 on Sketch No. PMC-99-005e and an access easement over Parts 6 and 9 on said Sketch;
- (2) all steps necessary to comply with Chapter 213 of the City of Toronto Municipal Code be taken;
- (3) authority be granted for the negotiation of an agreement of purchase and sale and any other agreements, deemed appropriate, all on such terms and conditions as are satisfactory to the Commissioner of Corporate Services and the Commissioner of Community and Neighbourhood Services, in consultation with the Commissioner of

Economic Development, Culture and Tourism, and all in a form acceptable to the City Solicitor, and to report back on the results of such negotiations; and

- (4) the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

The Policy and Finance Committee also considered:

- (1) a communication (June 7, 2004) from Aloysius Cardinal Ambrozic, Archbishop of Toronto; and
- (2) a site map 59 depicting the area in question.

A communication (June 16, 2004) from Mr. Bruce L. Smith, respecting this matter, was filed after the meeting of the Policy and Finance Committee held on June 14, 2004.

The following persons appeared before the Policy and Finance Committee:

- Sister Margaret Myatt, Chair of WRP Neighbourhood Housing, and filed a submission;
- Ms. Gisèle Côté, on behalf of Ms. Glenis Emmett;
- Mr. Neil Hetherington, CEO, Habitat For Humanity Toronto;
- Ms. Jean Roberts;
- Mr. Don York, Chair, Manse Valley Community Association;
- Mr. Bruce Smith and Mrs. Betty Smith, and filed a written submission;
- Mr. Stephen Diamond, McCarthy Tetrault LLP, Barristers and Solicitors;
- Mr. Gerry Wood, WRP Neighbourhood Housing; and
- Ms. Cynthia Romany representing the Manse Valley Community Association.

Councillor Brian Ashton, Scarborough Southwest, also appeared before the Policy and Finance Committee.

On motion by Councillor Moscoe, the Policy and Finance Committee recommended to Council adoption of the report (May 31, 2004) from the Commissioner of Corporate Services. **(Carried on the following recorded vote:**

**FOR: Augimeri, Bussin, Mayor Miller, Moscoe, Pantalone, Watson, McConnell, Soknacki)**

**AGAINST: Cowbourne**

The following motion moved by Councillor Cowbourne was voted on and lost:

“That the Policy and Finance Committee recommend to Council that the following reports be received:

- (i) (May 31, 2004) from the Chief Administrative Officer,
- (ii) (June 1, 2004) from the Chief Administrative Officer; and
- (iii) (May 31, 2004) from the Commissioner of Corporate Services; and

that the land referred to as Part 2 of the Manse Road/Lawrence Avenue site, remain in City ownership for future incorporation into the Parks system.” **(Lost on the following recorded vote:**

**FOR: Cowbourne**

**AGAINST: Augimeri, Bussin, Mayor Miller, Moscoe, Pantalone, Watson, McConnell, Soknacki)**

**(Clause 4 - Report 5)**

**5-6. Restructuring of the Provincial Loan,  
\$20 Million Payment Deferral for 2004**

The Policy and Finance Committee considered a report (May 31, 2004) from the Chief Financial Officer and Treasurer informing the Committee that the Chief Financial Officer and Treasurer will be requesting Council’s authority for the issuance of a debenture to the Province to facilitate the deferral of the 2004 payment of \$20 million at its June 22, 2004 meeting; and advising that the Chief Financial Officer and Treasurer will report to Council at its June 22, 2004, meeting on the Agreement and the necessary by-law to authorize the issuance of the Debenture and the new repayment schedule that will facilitate the deferral of the 2004 payment of \$20 million until 2014.

Recommendation:

It is recommended that the Chief Financial Officer and Treasurer be authorized to report directly to Council at its meeting on June 22, 2004 regarding the restructuring of the provincial loan.

The Policy and Finance Committee concurred with the recommendation contained in the report (May 31, 2004) from the Chief Financial Officer and Treasurer.

**(Clause 5 - Report 5)**

**5-7. City of Toronto 2003 Investment Report**

The Policy and Finance Committee considered a report (May 31, 2004) from the Chief Financial Officer and Treasurer reviewing the City of Toronto's 2003 investment results and investment practices being used and reporting on the Investment Policies and Procedures previously approved by Council.

Recommendations:

It is recommended that:

- (1) the report be received as satisfying the requirements of the Municipal Act, 2001;
- (2) the City's Investment Policies and Procedures be approved, as amended, to incorporate the revised issuer and percentage limits per the attached Appendix B; and
- (3) the appropriate City of Toronto officials be authorized to take the necessary actions to give effect thereto.

The following Finance Department staff gave a presentation to the Policy and Finance and filed a copy of their presentation material:

- Mr. Martin Willschick, Manager, Treasury Services; and
- Mr. Kirk Blancher, Senior Investment Analyst.

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

- (1) recommended to Council adoption of the report (May 31, 2004) from the Chief Financial Officer and Treasurer;

- (2) received the presentation from Mr. Martin Willschick, Manager, Treasury Services; and Mr. Kirk Blancher, Senior Investment Analyst respecting the 2003 City of Toronto Investment results; and
- (3) requested the Chief Financial Officer and Treasurer to submit a report to the Policy and Finance Committee on how the City can use its investment portfolio to further the City's objectives related to growth and economic development in line with its "natural person powers" as a result of the last change in the Municipal Act.

(Chief Financial Officer and Treasurer – June 14, 2004)

**(Clause 6 - Report 5)**

**5-8. Annual Report on International Activities (2003)**

The Policy and Finance Committee considered a report (May 31, 2004) from the Chief Administrative Officer reporting on the 2003 achievements of goals and objectives as set out in the international policy framework for the City of Toronto.

Recommendation:

It is recommended that this report be received for information.

On motion by Councillor Pantalone, the Policy and Finance Committee recommended that Council receive the report (May 31, 2004) from the Chief Administrative Officer.

**(Clause 31 - Report 5)**

**5-9. 2003 Year-End Capital Variance Report**

The Policy and Finance Committee considered a communication (May 25, 2004) from the Budget Advisory Committee recommending the adoption of the report (May 19, 2004) from the Chief Financial Officer and Treasurer presenting the City of Toronto Final Capital Budget Variance Report for the year ended December 31, 2003, noting that this report does not differ in any material way from the Preliminary Variance Report previously submitted; and recommending that:

- (1) the technical and in-year capital budget adjustments detailed in Appendix 2 herewith attached, be approved;



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- (2) the funding shortfall of \$42.9 million resulting from less than budgeted funding support from the other levels of government for the TTC 2003 capital budget be financed from debt room created by under-spending on other capital projects; and
- (3) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

On motion by Councillor Soknacki, the Policy and Finance Committee recommended to Council adoption of the recommendation of the Budget Advisory Committee contained in the communication (May 25, 2004) from the Budget Advisory Committee.

**(Clause 7 - Report 5)**

**5-10. 2003 Final Operating Variance Report**

The Policy and Finance Committee considered a communication (May 25, 2004) from the Budget Advisory Committee recommending the adoption of the report (May 21, 2004) from the Chief Financial Officer and Treasurer providing the City of Toronto Final Operating Variance report for the year ended December 31, 2003; and recommending that:

- (1) the technical adjustments contained in this report, and detailed in Appendix D attached, be approved;
- (2) this Final 2003 Operating Variance report for the year ended December 31, 2003, be forwarded to the Policy and Finance Committee, and Council, for consideration; and
- (3) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

On motion by Councillor Soknacki, the Policy and Finance Committee recommended to Council adoption of the recommendation of the Budget Advisory Committee contained in the communication (May 25, 2004) from the Budget Advisory Committee.

**(Clause 8 - Report 5)**

**5-11. Terms of Reference for Long-Term Fiscal Plan Committee**

The Policy and Finance Committee considered a communication (May 26, 2004) from the Ad Hoc Committee on the Development of a Long-term Fiscal Plan recommending to the Policy and Finance Committee, and Council, the adoption of the joint report (May 25, 2004) from the Chief Administrative Officer and Chief Financial Officer and Treasurer wherein “it is recommended that the Terms of Reference for the Long-term Fiscal Plan Committee, as contained in Appendix A, be approved”, subject to amending Appendix A, Section B, No. 1(b) to read:

“(b) Uploading of costs and/or selected services to senior governments;”.

On motion by Councillor Moscoe, the Policy and Finance Committee recommended to Council adoption of the recommendation of the Ad Hoc Committee on the Development of a Long-Term Fiscal Plan contained in the communication (May 26, 2004) from the Ad Hoc Committee on the Development of a Long-term Fiscal Plan.

**(Clause 9 - Report 5)**

**5-12. City’s True Liability - Annual Employee Benefit Costs**

The Policy and Finance Committee considered a communication (May 28, 2004) from the City Clerk enclosing Clause No. 5 contained in Report No. 3 of the Audit Committee, headed “2003 Audited Consolidated Financial Statements”, which was adopted, as amended, by the Council of the City of Toronto on May 18, 19 and 20, 2004; and advising that Council referred the following Recommendation No. (3) of the Audit Committee to the Policy and Finance Committee for further consideration:

“(3) Council adopt a policy that the City’s annual budget include the true liability of the annual employee benefit costs as an expenditure.”

On motion by Deputy Mayor Pantalone, the Policy and Finance Committee received the communication.

**(Clause 33(b) - Report 5)**

### **5-13. Capital Policy Review**

The Policy and Finance Committee considered a communication (May 6, 2003) from the City Clerk advising that Council on April 19, 20, 21, 22, 23, 26, 27 and 28, 2004, adopted the recommendations of the Policy and Finance Committee contained in Clause No. 1 of Report No. 3 of the Policy and Finance Committee, headed "City of Toronto 2004 Budget Advisory Committee Recommended Capital Budget and 2005-2013 Recommended Capital Plan; and

- (1) referred the following Corporate Capital Budget Recommendation No. (8) to the Policy and Finance Committee, for consideration as soon as possible after consultation with Councillors, for a detailed review of such policy prior to the next budget process:

“(8) the capital expenditures and financing definitions, principles and procedural guidelines outlined in this report and detailed in Appendix G herewith attached be adopted and that staff be directed to update financial policies and procedures accordingly;” and

- (2) referred the following suggestions to the Policy and Finance Committee as part of its review of the Capital Policy for the 2005 budget:

(i) that the Capital Budget only include those expenditure items which:

- (1) in relation to the maintenance of a single immovable asset in a state of good repair, total \$50,000.00 or more, and which result in an enduring benefit of at least 10 years; or
- (2) relate to any asset for which the program department regularly contributes to a reserve through a charge to its Operating Budget, to the extent that the Capital expenditures are met fully from that reserve; or
- (3) in any other case, relate to an expenditure proposal with a payback period of less than three years, through permanent reductions in the Operating Budget;

(ii) any expenditure that does not qualify as a Capital expenditure, must be met from the Operating Budget; and

(iii) for the purposes of a Capital Budget under section (1)(a) above, different locations or assets may be grouped together under a single project; however, in such situations, the planned expenditure for each location or asset must

exceed the prescribed threshold and must be set up as a separate sub-project for funds control.’; and

- (3) referred the following motion to the Policy and Finance Committee for consideration as soon as possible after consultation with Councillors:

Moved by Councillor Balkissoon:

‘That, in the future, City policies and procedures affecting the budget be subject to Council approval prior to the budget process and prior to any Standing Committee of Council or the Budget Advisory Committee making any recommendations contrary to the existing policies.’ ”

The Policy and Finance Committee:

- (1) referred part (1) contained in the foregoing communication to the Chief Financial Officer and Treasurer; and
- (2) received Parts (2) and (3) contained in the aforementioned communication.

(Chief Financial Officer and Treasurer – June 14, 2004)

**(Clause 33(c) - Report 5)**

**5-14. Service Agreement Contracts Awarded and Executed  
by the Medical Officer of Health**

The Policy and Finance Committee considered a communication (May 11, 2004) from the Board of Health advising that at its meeting on May 10, 2004, the Board of Health had before it a report (April 23, 2004) from the Acting Medical Officer of Health, updating the Policy and Finance Committee, through the Board of Health, about the purchase of service contracts currently awarded and executed by the Medical Officer of Health.

Recommendation:

The Board of Health recommends that:

- (1) the Medical Officer of Health be authorized to amend service contracts as necessary to reflect adjustments in funding and contingent on City Council approval of the Toronto Public Health 2004 Operating budget for the Preschool Speech and Language program, the Infant Hearing Program, the Healthy Babies Healthy Children program, the Early Postpartum Discharge program, the Sexual Health program, and the Community Heart Health Partnership Initiative;

- (2) the Medical Officer of Health be authorized to award and execute new purchase of service contracts for these programs within the approved budget and in accordance with corporate financial and legal protocols; and
- (3) 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 adoption of the recommendation of the Board of Health contained in the communication (May 11, 2004) from the Board of Health.

**(Clause 10 - Report 5)**

**5-15. Cumulative Results of Carpark 414 - Jolly Miller Site  
at 3885 Yonge Street, Pursuant to Direction of  
North York Council on June 25, 1997**

The Policy and Finance Committee considered a report (May 10, 2004) from the President, Toronto Parking Authority, reporting on the status of the recovery of the initial acquisition costs of the Jolly Miller site through net parking income as required by Section 10 of the minutes of the meeting of North York City Council held on June 25, 1997.

Recommendation:

It is recommended that this report be received for information only as no decision is required until the acquisition costs have been recovered.

Councillor Cliff Jenkins, Don Valley West, appeared before the Policy and Finance Committee.

The Policy and Finance Committee:

- (1) recommended that Council receive the report (May 10, 2004) from the President, Toronto Parking Authority; **(Motion by Councillor Soknacki)**
- (2) requested the Commissioner of Corporate Services, in consultation with the Chief Financial Officer and Treasurer to determine the proper calculation, formulation and reporting of the revenues generated from the "Jolly Miller lands" for the purpose of accounting for the recovery for its purchase price and submit a report

thereon to the Administration Committee; and **(Motion by Councillor Soknacki)**

- (3) requested the Chief Financial Officer and Treasurer to meet with Toronto Transit Commission officials to review both lots in tandem to determine what policies might be more appropriate than the current ones and report thereon to the Administration Committee. **(Motion by Councillor Moscoe)**

(Commissioner of Corporate Services; Chief Financial Officer and Treasurer – June 14, 2004)

**(Clause 32 - Report 5)**

#### **5-16. Adequacy of Financial Controls and Process for In-Year Changes**

The Policy and Finance Committee considered a report (May 26, 2004) from the President, Toronto Parking Authority, reporting on the adequacy of the Parking Authority's financial controls and process for in-year changes.

Recommendation:

It is recommended that this report be received for information.

The Policy and Finance Committee received the report.

**(Clause 33(d) - Report 5)**

#### **5-17. Payments in Lieu of Taxes**

The Policy and Finance Committee considered a Notice of Motion (Undated) by Councillor Howard Moscoe stating that:

Whereas the Federal Government has expressed an interest in a new "New Deal for Cities"; and

Whereas fundamental to this "new deal" ought to be a respect for the integrity of municipalities as an order of government; and

Whereas respect for municipalities includes paying property taxes like all other citizens and businesses do; and

Whereas the Federal Government could largely eliminate an entire layer of bureaucracy which duplicates provincial assessment mechanisms if they agreed to have their properties assessed like all other properties and pay property taxes like everyone else; and

Whereas preliminary estimates suggest that this would generate more than \$60M in annual revenue for cities; and

Whereas this could be done unilaterally by the Federal Government without having to have the agreement of the provinces; and

Whereas the FCM has established a technical working group called the "Payments in Lieu of Taxes" (PILT) working group to negotiate payments in lieu of taxes with the Federal Government.

Therefore Be It Resolved that the City of Toronto take the position that the Federal Government ought to pay taxes on their properties based on MPAC Assessments like all other citizens (even the Queen pays property taxes); and

Be It Further Resolved that the City of Toronto representative on the PILT working group be directed to advance this position; and

Be It Further Resolved that the Chief Financial Officer and Treasurer report to the Policy and Finance Committee on:

- (1) the Payments in Lieu received from the Federal and Provincial Governments of federal and provincial properties within the City of Toronto; and
- (2) what these properties would pay if they were assessed by MPAC and paid property taxes like everyone else; and

Be It Further Resolved that this be reported to Committee at the earliest possible opportunity.

On motion by Councillor Moscoe, the Policy and Finance Committee referred the foregoing Notice of Motion to the Chief Financial Officer and Treasurer for report thereon to the Policy and Finance Committee.

(Chief Financial Officer and Treasurer – June 14, 2004)

**(Clause 33(e) - Report 5)**

**5-18. Competitive Property Assessment System in Ontario**

The Policy and Finance Committee considered a communication (March 19, 2004) from Mr. John Hogg, President, CEO, Cole Layer Trumble Canada Inc., requesting that the City of Toronto Council, by way of resolution, support the concept of a competitive property assessment system in Ontario; and that the resolution be forwarded to local MPPs as well as the Ministers of Finance and CLT Canada Inc.

On motion by Councillor McConnell, the Policy and Finance Committee referred the foregoing communication, together with the submission filed by Councillor McConnell on behalf of Mr. Hogg, to the Chief Financial Officer and Treasurer for a report to the Policy and Finance Committee on assessment related issues, including the performance of MPAC, and that the report also provide information on on-going assessment appeals related to golf courses.

(Chief Financial Officer and Treasurer; c: Mr. John Hogg, President, CEO, Cole Layer Trumble Canada Inc. – June 14, 2004)

**(Clause 33(f) - Report 5)**

**5-19. Review of Business Licensing Fees/Establishment of Traditional Medicine Establishment and Practitioner Licences**

The Policy and Finance Committee considered a communication (June 1, 2004) from the Planning and Transportation Committee advising that the Committee on June 1, 2004, recommended to the Policy and Finance Committee that City Council adopt the report (May 7, 2004) from the Commissioner of Urban Development Services, and the option for a two year phase-in contained in the aforementioned report; such report containing the following recommendations:

Recommendations:

It is recommended that:

- (1) the fees for business licences be adopted as detailed in Schedule B, effective for all 2005 renewals as well as applications, as of July 1, 2004; and that Appendix B to Chapter 545, Licensing, of the Toronto Municipal Code be amended accordingly;
- (2) a fee of \$54, be adopted for the amendment of a licence at any time other than that of renewal, effective July 1, 2004;



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- (3) Business licence renewal dates be amended for each licence to the anniversary date of the issuance of the licence, effective no earlier than July 1, 2004 and immediately after the current date of renewal for the licence in question;
- (4) year 2005 business licence renewal fees for each licence be charged on a pro-rated basis for the period from the current renewal date to the first new renewal date, effective July 1, 2004;
- (5) the validity of endorsement be subject to the activity they endorse being carried out by the business, and failure to do so result in a cancellation of said endorsement and the incurring of the licence amendment fee;
- (6) a fee be charged on all late renewals of business licences, as per Schedule E, and failure to pay within 90 days result in an automatic cancellation of the licence, effective January 1, 2005;
- (7) Licensing fees be collected and recognized for revenue purposes as detailed in Schedule F, effective January 1, 2005;
- (8) separate licence types be established for certified acupuncturists and traditional Chinese medicine establishments and practitioners who meet the corresponding licensing requirements as set out in Schedule C, effective July 1, 2004;
- (9) unearned license revenue pertaining to the new policy on collection and recognition of revenue be recognized on July 1, 2004, as outlined in Schedule F;
- (10) Council consider implementing the new holistic centre licence fees immediately;
- (11) approval for the hiring of ten new full-time enforcement officers effective January 1, 2005, to address enforcement pressure and service demands that divert resources from general enforcement, and that the 2005 Operating Budget submission of Urban Development reflect this;
- (12) the City Solicitor be directed to prepare the necessary bill to amend Chapter 545, Licensing, of the Toronto Municipal Code as required to give effect to the recommendations in this report, as outlined above;
- (13) the 2005 Operating Budget submission of Urban Development Services reflect the impact contained in the financial impact statement;
- (14) the Commissioner, Urban Development Services, report back through the 2006 Budget Process on the ability of the fee changes to cover actual expenditures in 2005, prior to recommending any additional fee changes within Municipal Licensing and Standards;

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- (15) the Commissioner, Urban Development Services, report back through the 2006 Budget Process on the results of levelling the volume of license renewals and its impact on front-line resources; and
- (16) the Commissioner, Urban Development Services, in consultation with the Chief Financial Officer and Treasurer, report back during 2004 on options to stabilize revenue, stemming from the levelling of license application volumes.

Mr. Timothy Phillips, CST, Clinic Director, Healing on the Danforth, appeared before the Policy and Finance Committee.

The Policy and Finance Committee:

- (A) recommended to Council:
  - (1) adoption of the recommendations of the Planning and Transportation Committee save and except the recommendations pertaining to license fees for Holistic establishments; and **(Motion by Councillor Moscoe)**
  - (2) that the Commissioner of Urban Development Services, in consultation with the Chief Financial Officer and Treasurer, be requested to report to the Policy and Finance Committee, on how the City can re-establish a sustainable licence fee stabilization reserve; **(Motion by Councillor Moscoe)**
- (B) referred the portions of the report (June 1, 2004) from the Commissioner of Urban Development Services pertaining to the license fees for Holistic establishments back to the Commissioner of Urban Development Services for further consideration and report thereon to the Planning and Transportation Committee; and **(Motion by Councillor Bussin)**
- (C) requested the Commissioner of Urban Development Services, in consultation with the Chief Financial Officer and Treasurer, to report directly to Council for its meeting scheduled to be held on June 22, 2004, on the costs that would be assigned to each if the Adult Establishment licence functions were split into two categories:
  - (a) adult entertainment establishments; and
  - (b) body rubs;along with the resulting licence fees. **(Motion by Councillor Moscoe)**

(Commissioner of Urban Development Services c. Chief Financial Officer and Treasurer; Mr. Timothy Phillips, CST, Clinic Director, Healing on the Danforth– June 14, 2004)

The following motion by Councillor Moscoe was declared to be redundant:

“That staff be requested to report directly to Council for its meeting to be held on June 22, 2004, on the feasibility of establishing examining panels in a number of the holistic categories to see if this process can be advanced.”

**(Clause 11 - Report 5)**

**5-20. Harmonized Demolition Approvals Process**

The Policy and Finance Committee considered a communication (June 1, 2004) from the Planning and Transportation Committee advising that the Committee on June 1, 2004:

- (I) recommended to the Policy and Finance Committee that City Council adopt the following Recommendations Nos. (2) to (4) contained in the report (May 25, 2004) from the Commissioner of Urban Development Services:
  - “(2) the Building Permit By-law (By-law No.163-1998) be amended to introduce a new class of demolition permit, and the appropriate fee, effective July 5, 2004, for demolitions with potential environmental risks that will be reviewed by Toronto Public Health. Two full time staff, dedicated to the review of demolition permit applications be reinstated, the City portion to be funded by revenues received from the new class of demolition permit fees;
  - (3) the City Solicitor be authorized to prepare the necessary changes to the Building Permit By-law and Bills for Council and the appropriate City officials be authorized and directed to take the necessary action to give effect thereto; and
  - (4) funds in the amount of \$70,000 in 2004, \$140,000 full-year impact, be added to the gross expenditures of Public Health, to be offset by 50 percent recovery from the Province and 50 percent recovery from a new Building revenue in Urban Development Services”; and
- (II) referred Recommendation No. (1) contained in the report (May 25, 2004) from the Commissioner of Urban Development Services, back to the Commissioner of Urban Development Services for further consideration and consultation with members of the Roundtable on a Beautiful City.

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

- (I) recommended to Council adoption of the recommendation of the Planning and Transportation Committee contained in the communication (June 1, 2004) from the Planning and Transportation Committee; and
- (II) requested the Commissioner of Urban Development Services to submit a report to the Planning and Transportation Committee on each of the following proposals:
  - (1) that the Province of Ontario be requested to extend the powers granted to the City of York under the City of York Act 1994, which permits the municipality to undertake beautification measures directly and charge back costs to the property owner but with the maximum limit of \$30.00 per foot frontage lifted to cover actual costs to the City of Toronto; and
  - (2) that the By-law be amended to permit the City to extend site plan controls to any demolition where a building permit has not been obtained or where construction has not commenced for a period of one year after demolition.

(Commissioner of Urban Development Services – June 14, 2004)

**(Clause 12 - Report 5)**

- 5-21. Water and Wastewater Services Funded Contracts:  
Contract No. 04D1-40WS, Tender Call No. 141-2004 (Ward 18);  
Contract No. 04D2-16WS, Tender Call No. 98-2004 (Ward 5);  
Contract No. 04D2-17WS, Tender Call No. 134-2004 (Ward 2);  
and Contract No. 04D3-06WS, Tender Call No. 115-2004 (Ward 23)**

The Policy and Finance Committee considered a communication (June 2, 2004) from the Works Committee advising that the Committee on June 2, 2004, recommended to the Policy and Finance Committee that City Council adopt the report (May 26, 2004) from the Commissioner of Works and Emergency Services and the Chief Financial Officer and

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Treasurer respecting the award of Water and Wastewater Services funded contracts wherein it is recommended that:

- (1) \$3,675,156.00 from the Watermain Rehabilitation Capital Account No. CPW528 be transferred to the 2004 Watermain Replacement Capital Account No. CPW534, and subject to approval, that:
  - (a) project costs of \$4,877,342.64 be approved, to be included and allocated in the Water and Wastewater Capital Accounts as follows: Watermain (CPW534-02 - \$916,244.21), Watermain Services (CPW536-03 - \$496,924.05), Sanitary Sewer (CWW446-02 - \$495,711.74), Watermain (CPW534-03 - \$1,906,288.62), Watermain (CPW534-04 - \$852,623.08) and Watermain Services (CPW536-04 - \$209,550.94);
  - (b) Contract No. 04D1-40WS, Tender Call No. 141-2004 for the watermain replacement in District 1 – Gladstone Avenue from Bloor Street West to Dupont Street, be awarded to Co-X-Co Construction, in the amount of \$1,908,880.00 including all taxes and charges, being the lowest Tender received;
  - (c) Contract No. 04D2-16WS, Tender Call No. 98-2004 – Poplar Avenue, Treeview Drive and Bloor Street West, Phase II, be awarded to Timbel Limited, in the amount of \$1,537,162.00 including all taxes and charges, being the lowest Tender received;
  - (d) Contract No. 04D2-17WS, Tender Call No. 134-2004 - Stavely Crescent from Frost Street to Redwater Drive, be awarded to Rabcon Contractors Limited, in the amount of \$369,126.62 including all taxes and charges, being the lowest Tender received;
  - (e) Contract No. 04D3-06WS, Tender Call No. 115-2004 - Homewood Avenue from Shetland Street to Peckham Avenue, Patricia Avenue from Hilda Avenue to Shetland Avenue and Hilda Avenue from Drewry Avenue to Connaught Avenue, be awarded to Sebco Contracting Ltd., in the amount of \$1,062,174.02 including all taxes and charges, being the lowest Tender received; and
  - (f) this report be forwarded to the Policy and Finance Committee for consideration; and
- (2) the appropriate City officials be authorized and directed to take the necessary actions to give effect thereto.

On motion by Councillor Moscoe, the Policy and Finance Committee recommended to Council adoption of the recommendation of the Works Committee contained in the communication (June 2, 2004) from the Works Committee.

**(Clause 13 - Report 5)**

**5-22. Contract No. 04FS-45WS, Tender Call No. 32-2004  
1800 mm Water Main Construction on Ellesmere Road from  
Ellesmere Road Pumping Station to Neilson Road  
(Ward 43 – Scarborough East)**

The Policy and Finance Committee considered a communication (June 2, 2004) from the Works Committee advising that the Committee on June 2, 2004, recommended to the Policy and Finance Committee that City Council adopt the report (May 26, 2004) from the Commissioner of Works and Emergency Services and the Chief Financial Officer and Treasurer respecting Contract No. 04FS-45WS, Tender Call No. 32-2004, for the construction of a water main on Ellesmere Road from Ellesmere Road Pumping Station to Neilson Road wherein it is recommended that:

- (1) a project cost of \$4,176,206.00 be approved for the water main construction on Ellesmere Road from Ellesmere Road Pumping Station to Neilson Road with 2004 cash flow of \$1,816,129.00 in 2004 and a future year commitment of \$2,290,786.00 in 2005 (\$69,293.00 was cash flowed in prior years);
- (2) subject to approval of Recommendation No. (1), that Contract No. 04FS-45WS, Tender Call No. 32-2004, for the 1800 mm water main construction on Ellesmere Road from Ellesmere Road Pumping Station to Neilson Road, be awarded to Clearway Construction Inc. in the amount of \$3,784,000.00, including all taxes and charges, being the lowest Tender received;
- (3) subject to approval of Recommendation No. (1), authority be granted to amend Purchase Order No. 6003289 for contracted professional engineering services with R.V. Anderson Associates Limited for the provision of general office administration and site supervision services during construction by an additional amount of \$229,786.00 inclusive of GST, resulting in revised engineering fees from \$162,420.00 to \$392,206.00;
- (4) this report be forwarded to the Policy and Finance Committee for consideration;  
and
- (5) the appropriate 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 adoption of the recommendation of the Works Committee contained in the communication (June 2, 2004) from the Works Committee.

**(Clause 14 - Report 5)**

**5-23. Proposed Hotel and Conference Centre Development at Exhibition Place**

The Policy and Finance Committee considered the following:

- (i) confidential report (June 8, 2004) from the Chief Financial Officer and Treasurer respecting the proposed Hotel and Conference Centre Development at Exhibition Place, such report to be considered in-camera as the subject matter relates to the security of the property of the municipality;
- (ii) confidential communication (May 6, 2004) from the City Clerk advising of the action taken by the Policy and Finance Committee at its meeting held on May 6, 2004 respecting the proposed Hotel and Conference Centre Development at Exhibition Place, such communication to be considered in-camera as the subject matter relates to the security of the property of the municipality;
- (iii) communication (June 8, 2004) from the Corporate Secretary, Exhibition Place, forwarding communications from the following in support of the proposed Hotel and Conference Centre Development at Exhibition Place:
  - (May 4, 2004) from Mr. David Bednar, General Manager, CNE;
  - (May 20, 2004) from Mr. Bob Elliott, President, Canadian Retail Hardware Association;
  - Mr. Duncan Payne, Regional Show Director, DMG World Media;
  - Mr. John Ransom, General Manager, Medieval Times Toronto;
  - Ms. Linda Lizardi Rubin, Director, Domestic Operations, Messe Frankfurt;
  - Ms. Lise Bujold, Vice President, PPA Canada;
  - Mr. Robert Mathieu, Group Show Manager, Industrial Shows, Reed Exhibitions Canada;
  - Mr. William M. Duron, CEO, Royal Agricultural Winter Fair; and

- Mr. Thom Connors, SMG Network;
- (iv) confidential report (June 9, 2004) from the City Solicitor respecting the Hotel and Conference Development at Exhibition place such report to be considered in-camera as the subject matter relates to the security of the property of the municipality; and
- (v) communication (June 14, 2004) from the Corporate Secretary, Exhibition Place forwarding a communication (June 6, 2004) from Mr. John W. Campbell, President and CEO Toronto Waterfront Revitalization Corporation, in support of the proposed Hotel and Conference Centre Development at Exhibition Place.

The Policy and Finance Committee recommended to Council adoption of the recommendation of the Policy and Finance Committee contained in the confidential communication (June 14, 2004) from the Policy and Finance Committee, respecting the proposed Hotel and Conference Centre Development at Exhibition Place, 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 as the subject matter relates to the security of the property of the municipality.

(City Council; c. Chief Financial Officer and Treasurer – Confidential – June 14, 2004)

**(Clause 15 - Report 5)**

**5-24. Request for Proposal No. 0613-03-0298 for the Supply and Delivery of Food and Related Supplies to Various Child Care Centres for Children's Services**

The Policy and Finance Committee considered a communication (June 3, 2004) from the Community Services Committee advising that the Committee on June 3, 2004, recommended to the Policy and Finance Committee that City Council adopt Recommendations (2), as amended, (3), (4) and (5) contained in the report (April 13, 2004) from the Commissioner of Community and Neighbourhood Services and the Director, Purchasing and Materials Management respecting the Request for Proposal No. 0613-03-0298 for the Supply and Delivery of Food and Related Supplies to Various Child Care Centres for Children's Services, so that the recommendations now read:

- “(2) the balance of the contract for an additional four (4) months in the estimated amount of \$453,333.33 including all charges and applicable taxes, for the period January 1, 2005 to April 30, 2005, be awarded to Derry Foods Limited, the highest



scoring Proponent for the supply and delivery of Food and Related Supplies to various Child Care Centres for Children's Services;

- (3) the option to renew for the three (3) additional one (1) year periods, renewable on an annual basis for the period May 1, 2005 to April 30, 2008, be reviewed by the Commissioner of Community and Neighbourhood Services in co-operation with the Purchasing Agent, provided the supply and delivery were performed at a satisfactory level, to ensure it is feasible to extend the quotation and that funds are available in the Children Services Operating Budgets for the three renewal periods;
- (4) provided that there is a favourable review in accordance with Recommendation No. (3), the Commissioner of Community and Neighbourhood Services be the delegated authority to exercise the option on the terms and conditions set out above and be authorized to instruct the Purchasing Agent to process the necessary contract; and
- (5) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.”

The Policy and Finance Committee recommended to Council adoption of the recommendation of the Community Services Committee contained in the communication (June 3, 2004) from the Community Services Committee.

**(Clause 16 - Report 5)**

**5-25. Request for Quotation No. 0501-04-0056 for the Supply, Fitting, and Delivery of Prescription Eyeglasses to Individuals in Receipt of Ontario Works**

The Policy and Finance Committee considered a communication (June 3, 2004) from the Community Services Committee advising that the Committee on June 3, 2004, recommended to the Policy and Finance Committee that City Council adopt the report (May 11, 2004) from the Commissioner of Community and Neighbourhood Services and the Chief Financial Officer and Treasurer respecting the Request for Quotation No. 0501-04-0056 for the Supply, Fitting, and Delivery of Prescription Eyeglasses to Individuals in Receipt of Ontario Works wherein it is recommended that:

- (1) the quotation submitted by the lowest bidder, City Optical Inc. be approved and accepted for a one (1) year period from July 1, 2004 to June 30, 2005, in the estimated amount of \$675,081.90 including all charges and applicable taxes for the supply, fitting and delivery of prescription eyeglasses to individuals in receipt of Ontario Works throughout the Toronto area;

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- (2) the option to renew for the two (2) additional one (1) year periods, in the estimated amount of \$675,081.90 per annum for the period of July 1, 2005 to June 30, 2006 and July 1, 2006 to June 30, 2007 for a total amount of \$1,350,163.80 including all charges and applicable taxes under the same terms, conditions, and pricing be reviewed by the Commissioner of Community and Neighbourhood Services, in co-operation with the Purchasing Agent, provided that the supply, fitting and delivery were performed at a satisfactory level, to ensure it is feasible to extend the contract and that funds are available in the Social Services operating budget for each one (1) year renewable period;
- (3) provided that there is a favourable review in accordance with Recommendation No. (2), the Commissioner of Community and Neighbourhood Services be delegated the authority to exercise the option to renew with the same terms and conditions set out above and be authorized to instruct the Purchasing Agent to process the necessary contract; and
- (4) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

The Policy and Finance Committee recommended to Council adoption of the recommendation of the Community Services Committee contained in the communication (June 3, 2004) from the Community Services Committee.

**(Clause 17 - Report 5)**

**5-26. Youth Employment Job Development Initiative**

The Policy and Finance Committee considered a communication (June 3, 2004) from the Community Services Committee advising that the Committee on June 3, 2004, recommended to the Policy and Finance Committee that City Council adopt the report (May 20, 2004) from the Commissioner of Community and Neighbourhood Services respecting the Youth Employment Job Development Initiative wherein it is recommended that:

- (1) the Social Development and Administration Division assume direct management of this initiative upon withdrawal of the Ontario Association of Youth Employment Centres, and that the Social Development and Administration Division 2004 budget be adjusted accordingly; and
- (2) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

The Policy and Finance Committee recommended to Council adoption of the recommendation of the Community Services Committee contained in the communication (June 3, 2004) from the Community Services Committee.

**(Clause 18 - Report 5)**

**5-27. Comparison of City of Toronto Benefit Plans**

The Policy and Finance Committee considered a communication (June 4, 2004) from the Employee and Labour Relations Committee advising that the Committee on June 4, 2004, received the report (April 24, 2004) from the Chief Financial Officer and Treasurer, entitled "Comparison of City of Toronto Benefit Plans" and forwarded a copy to the Policy and Finance Committee for its information.

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

**(Clause 33(g) - Report 5)**

**5-28. Salary and Selected Benefit Information for Police, Fire and Paramedic Services in Ontario**

The Policy and Finance Committee considered a communication (June 4, 2004) from the Employee and Labour Relations Committee advising that the Committee on June 4, 2004:

- (1) received the joint report (May 20, 2004) from the Chief Administrative Officer, the Commissioner of Corporate Services and the Commissioner of Works and Emergency Services respecting salary and selected benefit information for Police, Fire and Paramedic Services in Ontario, and forwarded a copy to the Policy and Finance Committee for its information; and
- (2) requested the Chief Administrative Officer, the Commissioner of Corporate Services and the Commissioner of Works and Emergency Services to provide to the Policy and Finance Committee meeting of June 14, 2004, revised copies of attachments 3, 4, and 5 to include the appropriate information from the City of Mississauga.

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

**(Clause 33(h) - Report 5)**

**5-29. Human Rights 2003 Annual Report**

The Policy and Finance Committee considered a communication (June 4, 2004) from the Employee and Labour Relations Committee advising that the Committee on June 4, 2004, received the report (April 27, 2004) from the Chief Administrative Officer respecting Human Rights 2003 Annual report, and forwarded a copy to the Policy and Finance Committee, and Council, for information.

On motion by Councillor Moscoe, the Policy and Finance Committee recommended that Council receive the communication (June 4, 2004) from the Employee and Labour Relations Committee as information.

**(Clause 19 - Report 5)**

**5-30. Monetary Assistance to Surviving Spouses  
and Dependant Children of Firefighters**

The Policy and Finance Committee considered a communication (June 4, 2004) from the Employee and Labour Relations Committee advising that the Committee on June 4, 2004, recommended to the Policy and Finance Committee that City Council adopt the report (May 17, 2004) from the Chief Financial Officer and Treasurer, entitled "Monetary Assistance to Surviving Spouses and Dependant Children of Firefighters", wherein it is recommended that:

- (1) By-law No. 1994-0716 of the former City of Toronto, as amended to date, be further amended by adding thereto a new section 2 providing that at the beginning of each calendar year, commencing with 1998 but without interest on back payments, all monthly benefit amounts called for therein be increased by any percentage increase in the Canada All-Item Consumer Price Index over the 12-month period ending on October 31 of the previous calendar year;
- (2) authority be granted for the introduction in Council of the necessary Bill to give effect to Recommendation (1); and
- (3) the appropriate City officials be authorized and directed to take the necessary action to give effect to Recommendations (1) and (2).

On motion by Councillor Moscoe, the Policy and Finance Committee recommended to Council adoption of the recommendation of the Employee and Labour Relations Committee contained in the communication (June 4, 2004) from the Employee and Labour Relations Committee.

**(Clause 20 - Report 5)**

On motion by Councillor Watson, the Policy and Finance Committee met privately to discuss the following Item No. 5-31, having regard that the subject matter deals with personal matters about identifiable individuals, in accordance with the Municipal Act.

**5-31. Renewal of Senior Staff Contracts  
(In-camera - Personal matters about identifiable individuals)**

The Policy and Finance Committee considered a communication (June 4, 2004) from the Employee and Labour Relations Committee advising that the Committee on June 4, 2004, recommended to the Policy and Finance Committee that City Council adopt the confidential report (May 12, 2004) from the Chief Administrative Officer respecting the Renewal of Senior Staff Contracts, such report to be considered in-camera as the subject matter deals with personal matters about identifiable individuals.

The Policy and Finance Committee recommended to Council adoption of the recommendation of the Policy and Finance Committee contained in the confidential communication (June 14, 2004) from the Policy and Finance Committee, respecting the renewal of senior staff contracts, 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 as the subject matter deals with personal matters about identifiable individuals.

(City Council; c. Chief Administrative Officer – Confidential – June 14, 2004)

**(Clause 21 - Report 5)**

**5-32. Career Bridge Internship Program**

The Policy and Finance Committee considered a communication (June 4, 2004) from the Employee and Labour Relations Committee advising that the Committee on June 4, 2004, recommended to the Policy and Finance Committee that City Council adopt the report (May 31, 2004) from the Chief Administrative Officer respecting Career Bridge Internship Program wherein it is recommended that the City participate in the Career Bridge internship program with up to 10 internships for non-union positions.

The Policy and Finance Committee recommended to Council adoption of the recommendation of the Employee and Labour Relations Committee contained in the communication (June 4, 2004) from the Employee and Labour Relations Committee.

**(Clause 22 - Report 5)**

**5-33. Status of Service Improvement Initiatives**

The Policy and Finance Committee considered a communication (June 4, 2004) from the Employee and Labour Relations Committee advising that the Committee on June 4, 2004, recommended to the Policy and Finance Committee that:

- (1) City Council adopt the report (June 1, 2004) from the Chief Administrative Officer respecting Status of Service Improvement Initiatives; and
- (2) the Chief Administrative Officer be requested to report to the Employee and Labour Relations Committee, for information, on an annual basis, showing the service levels and costs achieved after implementing continuous improvement initiatives; that this report contain performance benchmarks, including those from outside the Corporation if possible, to ensure savings are identified and improvements sustained; and further that the report also contain a prioritized list of planned service improvement initiatives with estimated start dates.

The Policy and Finance Committee recommended to Council adoption of the recommendation of the Employee and Labour Relations Committee contained in the communication (June 4, 2004) from the Employee and Labour Relations Committee.

**(Clause 23 - Report 5)**

**5-34. Pilot Project for 25 Information Pillars  
Request for Proposal No. 3012-03-7369**

The Policy and Finance Committee considered a communication (June 8, 2004) from the Economic Development and Parks Committee advising that the Committee on June 7, 2004, recommended to the Policy and Finance Committee that City Council adopt the report (May 13, 2004) from the Commissioner of Economic Development, Culture and Tourism and the Chief Financial Officer and Treasurer, subject to amending Recommendation (3) by deleting "2007" and replacing it with "2006", so that the Recommendations now reads:

- (1) Astral Media Outdoor L.P., the highest overall scoring proponent meeting the requirements, and their "Streetsmart 100 series" as the preferred design, be selected to provide for the design, provision, installation, and maintenance of twenty-five Information Pillars for the pilot project initiative;
- (2) authority be given to the Commissioner of Economic Development, Culture and Tourism, the Chief Financial Officer and Treasurer, and the City Solicitor to negotiate and enter into an agreement with Astral Media Outdoor L.P. to provide

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for the design, provision, siting, installation, and maintenance of twenty-five Information Pillars for a term of up to five years as a pilot project initiative in accordance with the terms and conditions set out in the RFP, and in a form and content acceptable to the City Solicitor;

- (3) staff conduct an evaluation in 2006, and submit a report to Council with recommendations on whether the project should be continued, expanded or terminated at the end of the contract period;
- (4) provided that there is a favourable review in accordance with Recommendation 3, and Council decides not to pursue a revised comprehensive street furniture program in 2009, and Council authorizes the continuation or expansion of the project, Astral Media Outdoor L.P. be granted the option of first right of refusal to extend the agreement for a further five years, excluding portions of land on the public rights-of-way, in accordance with the terms and conditions set out in the RFP;
- (5) the appropriate City officials be authorized to issue a permit for erecting information pillar(s) in Nathan Phillips Square, and in accordance with the Toronto Municipal Code, Chapter 237, Article II;
- (6) this report be forwarded to the Policy and Finance Committee for consideration;
- (7) any revenue increase arising from implementation of this proposal be reported to the Budget Advisory Committee for consideration with the Parks and Recreation and Facilities and Real Estate 2005 Operating budgets; and
- (8) the appropriate City officials be authorized and directed to take all actions necessary and execute all documents to give effect thereto.

The Policy and Finance Committee also considered a communication (June 14, 2004) from Mr. Michael Comstock, Co-Chair St. Lawrence Market Neighbourhood BIA, Vice-President T.A.B.I.A. respecting this matter.

On motion by Councillor McConnell, the Policy and Finance Committee recommended to Council adoption of the recommendation of the Economic Development and Parks Committee contained in the communication (June 8, 2004) from the Economic Development and Parks Committee, subject to adding the following:

- (1) that no information pillars be placed within BIAs;
- (2) that local Councillors be consulted by staff on the placement of information pillars within their Ward; and
- (3) that historical districts be respected.

**(Clause 24 - Report 5)**

**5-35. Winchester Square Capital Facilities  
Recreation Reserve Funds  
(Ward 28 - Toronto Centre-Rosedale)**

The Policy and Finance Committee considered a communication (June 8, 2004) from the Economic Development and Parks Committee advising that the Committee on June 7, 2004, recommended to the Policy and Finance Committee that City Council adopt the report (May 7, 2004) from the Commissioner of Economic Development, Culture and Tourism and the Chief Financial Officer and Treasurer wherein it is recommended that:

- (1) Council establish an obligatory reserve fund called the “Winchester Square Capital Facilities Recreation Reserve Fund” to support capital projects related to recreation facilities in the vicinity of the Winchester Square lands, located at 225 Wellesley Street East and 550 Ontario Street;
- (2) the Old Municipal Code Chapter 227 (Reserves and Reserve Funds) be amended by adding the Reserve Fund as noted in Recommendation 1 to Schedule B2 (Third Party Agreements Reserve Fund) or to the New Chapter 227 Schedule 10 - Planning Act Reserve Fund;
- (3) this report be forwarded to Policy and Finance Committee for consideration; and
- (4) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto, and leave be granted for the introduction of any necessary bills in Council to give effect thereto.

On motion by Councillor Augimeri, the Policy and Finance Committee recommended to Council adoption of the recommendation of the Economic Development and Parks Committee contained in the communication (June 8, 2004) from the Economic Development and Parks Committee.

**(Clause 25 - Report 5)**

**5-36. Main Square Community Centre  
(Ward 22 - Beaches-East York)  
(In-camera - Receiving of advice that is subject to solicitor-client privilege)**

The Policy and Finance Committee considered a communication (June 8, 2004) from the Economic Development and Parks Committee advising that the Committee on June 7, 2004, recommended to the Policy and Finance Committee that City Council adopt the confidential report (May 18, 2004) from the City Solicitor, the Commissioner of Corporate Services, and the Commissioner of Economic Development, Culture and Tourism



respecting Main Square Community Centre, such report to be considered in-camera as the subject matter deals with the receiving of advice that is subject to solicitor-client privilege.

On motion by Councillor Bussin, the Policy and Finance Committee recommended to Council adoption of the recommendation of the Economic Development and Parks Committee contained in the communication (June 8, 2004) from the Committee, respecting Main Square Community Centre; and further, that in accordance with the Municipal Act, discussions pertaining thereto be held in-camera as the subject matter deals with the receiving of advice that is subject to solicitor-client privilege.

**(Clause 26 - Report 5)**

**5-37. Property Tax Policies for 2005 and Beyond,  
Consultative Framework**

The Policy and Finance Committee considered a report (June 8, 2004) from the Chief Financial Officer and Treasurer seeking approval of guiding principles and of a consultative framework with regard to City and Provincial property tax policies for 2005 and beyond; advising that there are no direct financial implications arising from adoption of this report; that staff will report back to the Policy and Finance Committee at its meeting in September 2004, on the outcome of public and stakeholder consultations and recommend a longer-term property tax policy strategy for consideration of Council and the Province.

Recommendations:

It is recommended that:

- (1) the following guiding principles with respect to property tax policy be endorsed:
  - (I) Tax ratios are an important measure of tax fairness and equity between the various property classes. Reasonable targets for tax ratios should be set, and tax policies regarding budgetary levy increases and tax ratio-related tax burden shifts between classes should be made with a view of respecting and achieving these targets over a reasonable period of time;
  - (II) the current capping regime is ineffective and will prolong historic tax inequities. However, any changes to the capping program in order to facilitate the transition to Current Value Assessment (CVA) should have regard for maintaining a manageable pace of change for property owners. A longer transition period should be available for those properties facing large increases;

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- (III) it is recognized that small retail businesses are an important sector of the economy. They contribute to the vitality and character, and hence value, of our communities. Property tax protection for vulnerable business must be developed in conjunction with any other changes that facilitate the transition to CVA, with a view to achieving equity to the extent possible between various property types, objectivity in defining eligible properties, longer-term stability and certainty for property owners, and transparency in administration; and
- (IV) a view to achieving equity and fairness in tax rates for both the municipal and education portion taxes should be taken. The Province must be encouraged to show its commitment to reduce Toronto's business education tax rate disparity vis-à-vis the surrounding GTA municipalities.
- (2) staff be directed to hold stakeholder consultations during July and August with the objective of making recommendations to the Policy and Finance Committee in the Fall of 2004 in order to meet the Fall session of the Provincial legislature; and
- (3) the appropriate City Officials be authorized and directed to give effect thereto.

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

- (1) adoption of the report (June 8, 2004) from the Chief Financial Officer and Treasurer; and
- (2) that the Chief Financial Officer and Treasurer be requested to report to the Policy and Finance Committee on the feasibility of establishing a "big box" category for retail and how, if possible, that classification could be achieved.

**(Clause 27 - Report 5)**

**5-38. Composition – Aboriginal Affairs Committee**

The Policy and Finance Committee considered a communication (June 7, 2004) from Councillor Joe Mihevc, St. Paul's West, advising that Councillor Jane Pitfield, Chair of the Aboriginal Affairs Committee, based on her discussions with community members and staff, is recommending that the membership of the Aboriginal Affairs Committee be based on organizational representation and that the members of the previous committee who were appointed to serve as individuals be invited to continue in an advisory capacity for one year; advising that he concurs with this recommendation; and requesting the Policy and Finance Committee to recommend approval to City Council at its June meeting as part of the City's recognition of National Aboriginal Day on June 21.

The Policy and Finance Committee recommended to Council that:

- (1) Council approve the organizations listed in the communication from Councillor Jane Pitfield respecting membership on the Aboriginal Affairs Committee for a term commencing immediately and expiring on November 30, 2006;
- (2) these organizations be included in the revised Terms of Reference currently being prepared by the Chief Administrative Officer for consideration at the committee's first meeting and for submission to the Policy and Finance Committee for its consideration and approval; and
- (3) the organizations identify members to represent them on the committee for the specified term.

**(Clause 28 - Report 5)**

#### **5-39. Composition – Disability Issues Advisory Committee**

The Policy and Finance Committee considered a communication (June 7, 2004) from Councillor Joe Mihevc recommending that the composition of the Disability Issues Advisory Committee be based on organizational representation and that the members of the previous committee who were appointed to serve as individuals be invited to continue as individual members of the committee; and attaching a list of organizations who should also be invited.

The Policy and Finance Committee recommended to Council that:

- (1) Council approve the organizations listed in the communication from Councillor Joe Mihevc respecting membership on the Disability Issues Advisory Committee for a term commencing immediately and expiring on November 30, 2006;
- (2) these organizations be included in the revised Terms of Reference currently being prepared by the Chief Administrative Officer for consideration at the committee's first meeting and for submission to the Policy and Finance Committee for its consideration and approval; and
- (3) the organizations identify members to represent them on the committee for the specified term.

**(Clause 29 - Report 5)**

**5-40. Recommended Community Members  
for the Roundtable on Seniors**

The Policy and Finance Committee considered a report (June 9, 2004) from Mayor David Miller recommending that the following members for the Roundtable on Seniors be approved, with a term of office commencing immediately and expiring on November 30, 2006:

- Geoff Quirt, Assistant Deputy Minister, Ontario Seniors' Secretariat, Ministry of Citizenship and Immigration;
- Al Gorlick, Alliance of Seniors to Protect Canada's Social Programs;
- Margaret Watson, Canadian Pensions Concerned (CPC)
- Bea Levis, Care Watch Toronto; Ontario Coalition of Senior Citizens' Organizations (OCSCO);
- Judith Wahl, Advocacy Centre for the Elderly (ACE);
- Lynne Lawrie, Toronto District Health Council;
- Margaret Hawthorn, Older Women's Network (OWN);
- Zul Kassamali, Multicultural Alliance for Seniors and Aging (MASA);
- Susan Thorning, Ontario Community Support Association (OCSA); and
- Lois Dent, Concerned Friends of Ontario Citizens in Care Facilities;

and advising that the Council Members appointed to the Roundtable on Seniors are Councillor Gay Cowbourne (Chair), Deputy Mayor Michael Feldman and Councillor Gloria Lindsay Luby.

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On motion by Councillor Cowbourne, the Policy and Finance Committee recommended to Council adoption of the report (June 9, 2004) from Mayor David Miller.

**(Clause 30 - Report 5)**

The Policy and Finance Committee adjourned its meeting at 6:10 p.m.

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Chair.