
**POLICY AND FINANCE COMMITTEE
AGENDA
MEETING No. 9**

Date of Meeting:	Thursday, October 20, 2005	Enquiry:	Patsy Morris
Time:	9:30 a.m.		Administrator
Location:	Committee Room 1		(416) 392-9151
	City Hall		pmorris@toronto.ca
	100 Queen Street West		
	Toronto		

Under the *Municipal Act, 2001*, the Policy and Finance Committee must adopt a motion to meet in-camera (privately) and the reason must be given.

Declarations of Interest under the *Municipal Conflict of Interest Act*.

Confirmation of Minutes – September 20, 2005

Speakers/Presentations - A complete list will be distributed at the meeting.

Communications/Reports

- 1. Final Recommendations - Enhancing Toronto's Business Climate - It's Everybody's Business (All Wards)**

(Deputation Item.)

Note: A report from the Deputy City Manager and Chief Financial Officer pertaining to the aforementioned matter will be considered at a joint meeting of the Policy and Finance Committee and the Economic Development and Parks Committee at 10:00 a.m., and the report will be distributed as soon as it is available.

2. Potential Impacts of Existing Sewers and Proposed Trunk Sewers in York Region on Waterbodies in the City of Toronto (City-Wide) 2:00 p.m.

(Presentation/Deputation Item)

(Deferred from the September 20, 2005 meeting.)

Communication (September 14, 2005) from the Works Committee advising that the Works Committee on September 14, 2005:, recommended to the Policy and Finance Committee that:

- (a) the City of Toronto oppose the current design and construction of the York Durham Sanitary Sewer trunk sewers and associated de-watering practices (present and future);
- (b) the City of Toronto request the Province of Ontario through the Minister of Environment to:
 - (i) deny approval to the 19th Avenue sewer which traverses the Oak Ridges Moraine and sensitive aquifers, and that alternatives and local sewage solutions be explored as per the Minister of Environment's list of conditions; and
 - (ii) refer the Big Pipe Project Description to the Federal Minister of Fisheries and Oceans for an assessment under the Canadian Environmental Assessment Act;
- (c) the City of Toronto request the Federal Minister of the Environment and Federal Minister of Fisheries and Oceans, to issue an order to stop the massive de-watering and require Fisheries Act authorizations; and that a full Federal Environmental Assessment for current and proposed construction related to the York Durham Sanitary Sewer be conducted for all sections of the project; and that alternative ways of providing sanitary services be examined, without contravening the Oak Ridges Moraine Conservation Act, without massive groundwater removal from beneath the watersheds flowing south from the Oak Ridges Moraine into Toronto, and without installing trunk sewers directly into underground aquifers;
- (d) the City of Toronto allocate \$100,000.00, to be funded from the Wastewater Stabilization Reserve, for an independent hydro geological and ecological impact assessment with regard to the potential and actual impacts of the massive de-watering on the watersheds flowing into Toronto and Toronto's streams, parks, bluffs, aquifers, flora and fauna and riparian rights, and on the safety and security of Toronto residents;
- (e) the City of Toronto work with the charitable groups Friends of the Rouge Watershed and Environmental Defence in the preparation of the hydro geological

and ecological impact assessment due to their long-standing involvement, experience and knowledge with respect to this issue, and their proven public interest mandates;

- (f) the City of Toronto provide \$25,000.00, to be funded from the Wastewater Stabilization Reserve, to support King City Preserve the Village Inc.'s application for judicial review of York Region's decision to proceed with construction of the King City York Durham Sewer System project in contravention of the Oak Ridges Moraine Conservation Act and Plan; and
 - (g) the City Solicitor commence an application for judicial review seeking a declaration that the Region of York is not in compliance and must comply with the Oak Ridges Moraine Conservation Act and Plan by conducting further studies of the King City York Durham Sewer System project and halting further construction until those studies have been completed.
- 2(a).** Communication (September 20, 2005) from the City Clerk advising that the Policy and Finance Committee on September 20, 2005, tabled consideration of the following motion until its meeting scheduled to be held on October 20, 2005:
- Moved by Councillor Soknacki:
- “That the Policy and Finance Committee recommends that:
- (1) any funding required for initiatives to oppose the proposed trunk sewers in York Region be funded from the City of Toronto's increased funding of \$2.0 million to the 2005 Toronto Region Conservation Authority Capital Budget for land acquisition for source water protection; and
 - (2) the Toronto Region Conservation Authority be requested not to complete any transaction which would not allow funding of initiatives to oppose proposed trunk sewers in York Region.”
- 2(b).** Communication (September 20, 2005) from Catherine Rosnuk.
- 2(c).** Communication (September 16, 2005) from Paula J. Tenuta, Director, Municipal Government Relations, Greater Toronto Home Builders' Association.
- 2(d).** Communication (September 20, 2005) from Marilyn Churley, M.P.P.
- 2(e).** Communication (July 30, 2004) from Jack Layton, M.P., Toronto-Danforth, addressed to The Honourable Geoff Regan, Minister of Fisheries and Oceans.
- 2(f).** Presentation by Jim Robb;
- 2(g).** Communication (October 6, 2005) from Ms. Kathleen Bell.

3. “Green Building Code”: Energy Efficiency Provisions in the Ontario Building Code

Report (October 4, 2005) from the Chief Building Official responding to the Council request that the Chief Building Official report on the progress of requesting that the Provincial government implement a "Green Building Code".

Recommendations:

It is recommended that:

- (1) Council convey its support for the recently announced Ministry of Municipal Affairs and Housing initiative to complete the technical research necessary to introduce Building Code requirements that would introduce new mandatory requirements to increase the level of energy efficiency for both small and large buildings beyond the current Code requirements and other “green building initiatives”;
- (2) Council request at a minimum, the province update the version of the referenced ASHRAE/IES 90.1 standard and/or work towards adopting the proposal in the federal Kyoto plan to require that new commercial/institutional construction meet standards that are 25 percent higher than the current Model National Energy Code for Buildings;
- (3) Council further encourage the Minister, based on technical research currently underway by the Ministry of Municipal Affairs and Housing, to amend the Ontario Building Code to facilitate the broader use of “green technologies” in new building construction with the objective of increasing energy efficiency and supporting the principle of energy conservation;
- (4) Council convey its support to the Deputy Minister, Municipal Affairs and Housing of his recommendation to the Canadian Commission on Building and Fire Codes that it not discontinue the 1997 Model National Energy Codes for Buildings, but revise the standard;
- (5) this report be forwarded to the Planning and Transportation Committee for information; and
- (6) the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

4. Increase of On-Street Meter Rates from \$1.00 per hour to \$1.50 per hour on Queen Street East between Woodbine Avenue and Nursewood Road

Report (October 3, 2005) from the President, Toronto Parking Authority reporting back to the Policy and Finance Committee regarding the adjustment of on-street rates on Queen Street East in accordance with the motion adopted by the committee at their meeting of February 15, 2005.

Recommendations:

It is recommended that Toronto City Council:

- (1) approve a rate of \$1.50 per hour for the on-street paid parking on Queen Street East between Woodbine Avenue and Nursewood Road; and
- (2) authorize the appropriate City Officials to take the necessary actions required to implement the change identified in recommendation 1.

5. Health Canada Funding for Peer Nutrition Program Evaluation

Communication (September 28, 2005) from the Board of Health advising that the Board of Health on September 26, 2005 recommended to the Policy and Finance Committee that a one-time increase in the Toronto Public Health 2005 Operating Budget in the amount of \$51.0 thousand with an off-setting increase in revenue from the Health Canada Innovation Fund, be approved.

6. Request for Government Action to Lower Gasoline Prices

Communication (October 3, 2005) from the City Clerk advising that City Council on September 28, 29 and 30, 2005, referred the following Motion to the Policy and Finance Committee:

Moved by Councillor Walker, seconded by Councillor Altobello

“WHEREAS current government taxation on gasoline accounts for approximately 15 cents/litre in provincial taxes, 11 cents/litre in federal excise taxes; and

WHEREAS the federal government charges 7 percent GST on top of all provincial and federal excise taxes (double taxation) which together account for approximately 40 percent of the pump price, thereby taxing the existing tax; and

WHEREAS citizens of the City of Toronto, as well in other towns and cities, are consistently subjected to exorbitant and unexplainable increases in gasoline prices that have occurred to excess over this last several weeks; and

WHEREAS given the vast, natural layout of our country, many citizens outside of downtown urban areas must commute long distances to work via automobile and are increasingly unable to afford this due to substantial increases in gasoline prices; and

WHEREAS the auto industry is one of the largest job creators in Canada and the recent increase in gasoline prices will directly and negatively affect both the manufacturing and distribution of automobiles and automobile parts; and

WHEREAS domestic and foreign trade will undergo significant change as transporters will no longer be able to maintain current contracts as their variable cost of gasoline has far surpassed any normal or projected foreseeable increase; and

WHEREAS individual station franchisees cannot possibly argue that gas prices reflect localized supply and demand when centralized offices set the prices for these locations (Petro-Canada, Shell, Imperial Oil, Suncor, etc); and

WHEREAS Canada's Big Four Oil Cartel (Petro-Canada, Shell, Imperial Oil, Suncor) raked in record profits last year of well over \$6 billion and at today's prices, profits are likely to be in excess of \$12 billion this year; and

WHEREAS Canada has the second largest reserves of petroleum in the world and as such should be immune to these current price fluctuations; and

WHEREAS Canada exports over 2 million barrels of crude oil each day and has a refining capacity greater than its domestic consumption, suggesting that it can easily maintain 'Oil Self-Sufficiency'; and

WHEREAS there has been an ongoing public concern as to the possibility of price fixing among the oil companies that cannot be justified in a democracy, especially in our country with its reserves and refining capacity; and

WHEREAS the federal government continuously is running up large annual budget surpluses;

NOW THEREFORE BE IT RESOLVED THAT City Council demand the federal government to at least temporarily remove the GST on gasoline (petroleum products);

AND BE IT FURTHER RESOLVED THAT City Council demand that the federal and/or provincial governments impose price controls on gasoline prices within the province and the country and develop a 'Made-in-Canada' pricing system for Canadians."

7. Aid to Disaster Stricken Areas in Southern United States

Communication (October 3, 2005) from the City Clerk advising that City Council on September 28, 29 and 30, 2005, referred the following Motion to the Policy and Finance Committee:

Moved by Councillor Ootes, seconded by Councillor Walker

“**WHEREAS** on August 29, 2005, Hurricane Katrina caused massive flooding in large sections of the states of Louisiana, Mississippi and Alabama in the Unites States; and

WHEREAS this disaster has directly affected millions of Americans; and

WHEREAS the magnitude of this disaster has been amplified by a public health epidemic of bacterial infections because the flood waters are contaminated; and

WHEREAS Canada has a close relationship with the United States, and this was most recently confirmed by the kind words of appreciation from the U.S. Ambassador to Canada, David Wilkins; and

WHEREAS children, women and men are presently living in terrible conditions without adequate shelter, food or clean water; and

WHEREAS there is an opportunity to aid these stricken communities by fostering education programs for the many impoverished children and adults of this region over the course of rebuilding their communities; and

WHEREAS the metropolitan centre of New Orleans was the most devastated of all the cities and Toronto, as a large city, can empathize with New Orleans during this disaster and can appreciate the many challenges it faces;

NOW THEREFORE BE IT RESOLVED THAT Toronto City Council hereby stands in recognition of the immensity of the Hurricane Katrina flood disaster in Louisiana, Mississippi and Alabama;

AND BE IT FURTHER RESOLVED THAT on behalf of the citizens of Toronto, City Council approve a contribution of \$1 million towards education programs and rehabilitation aid projects for the relief efforts;

AND BE IT FURTHER RESOLVED THAT this donation be distributed through established relief agencies.”

8. Proposal for Use of Proceeds from Possible Sale of Parkland between 274 and 280 Searle Avenue and 315 and 323 Brighton Avenue

Communication (October 3, 2005) from the City Clerk advising that City Council on September 28, 29 and 30, 2005, referred the following Motion to the Policy and Finance Committee:

Moved by Deputy Mayor Feldman, seconded by Councillor Stintz

“**WHEREAS** the property located between 274 and 280 Searle Avenue and 315 and 323 Brighton Avenue is currently designated as parkland; and

WHEREAS City staff have determined that the aforementioned property could be declared surplus and sold; and

WHEREAS this property is located in Ward 10 (York Centre), an area which has several parks that require significant work to bring them up to the standard of parks in other parts of the City; and

WHEREAS when any parkland is taken out of an area, it should be replaced elsewhere within the same boundaries of that area, or in lieu thereof, enhancements should be made to existing parkland in the area equal to the value of the parkland lost;

NOW THEREFORE BE IT RESOLVED THAT if this property is sold, all proceeds of that sale remain in a Parks and Recreation Division fund, and the monies be used for improvements to Kenard and Wilson Heights Parks.”

9. Results of Canvass – Avondale Composting and borrow Pit Site Located East of Keele Street, between Kirby Road and Teston Road (City of Vaughan)

Communication (October 5, 2005) from the Steeles Avenue Sub-Committee advising that the Steeles Avenue Sub-Committee on September 28, 2005 referred this matter back to the Policy and Finance Committee for resubmission to City Council.

10. Toronto Community Housing Corporation – 2004 Annual Report to Shareholder, Audited Consolidated Financial Statements and Annual General

Report (October 5, 2005) from the City Manager seeking direction for the City Manager or her designate to act as the City's proxyholder at the Annual General Meeting of Toronto Community Housing Corporation to be held on November 23, 2005.

Recommendations:

It is recommended that:

- (1) Council receive:
 - (a) the Toronto Community Housing Corporation 2004 Annual Report comprising the letter from the Corporation's Chief Executive Officer dated May 31, 2005 included as Attachment 1 to this report and the TCHC annual review "Partners in Communities", copies filed with the Clerk and distributed under separate cover to Council Members; and
 - (b) the 2004 Audited Consolidated Financial Statement, included as Attachment 2 to this report;
- (2) Council appoint the City Manager or designate as the proxy representative of the City of Toronto Shareholder of Toronto Community Housing Corporation;
- (3) authorize the proxy representative to vote as follows:
 - (a) reappoint the firm Ernst & Young as the Toronto Community Housing Corporation auditor for 2005;
 - (b) receive the Annual Report and Audited Financial Statement;
 - (c) approve the minutes of the previous Annual General Meeting;
 - (d) use his or her discretion on other matters properly on the agenda of the Annual General Meeting;
- (4) City Manager request the Toronto Community Housing Corporation to send notice of the Annual General Meeting to her attention; and
- (5) the appropriate City Officials be authorized and directed to take the necessary action to give full effect to the foregoing.

11. Toronto Strong Neighbourhoods Strategy

Report (October 5, 2005) from Sue Corke, Deputy City Manager, recommending that City Council adopt a Toronto Strong Neighbourhoods Strategy to strengthen priority neighbourhoods through targeted investment; and advising that the strategy encompasses the learnings of the Community Safety Plan and other City initiatives as well as the directions proposed by the Strong Neighbourhoods Task Force.

Recommendations:

It is recommended that:

- (1) Council adopt the Toronto Strong Neighbourhoods Strategy containing the following elements:
 - (a) designating the 13 neighbourhoods identified in this report as having priority for infrastructure investment;
 - (b) establishing a neighbourhoods investment board to guide implementation and expanding Neighbourhood Action processes at the local level; and
 - (c) using appropriate monitoring tools to identify existing infrastructure gaps and to determine which neighbourhoods are most in need of future investment by further developing the assessment methodology used by the Strong Neighbourhoods Task Force;
- (2) Deputy City Manager Sue Corke, working with the Interdivisional Committee on Integrated Responses for Priority Neighbourhoods, report through the 2006 budget process on the City resources required to implement the Toronto Strong Neighbourhoods Strategy in all 13 priority neighbourhoods;
- (3) the City seek funding support for implementation of the Toronto Strong Neighbourhoods Strategy through ongoing discussions with the federal and provincial governments;
- (4) the City begin working with inter-sectoral partners to determine the composition and mandate of the neighbourhoods investment board and to develop a plan for expanding Neighbourhood Action in priority communities; and
- (5) the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

12. Community Partnership and Investment Program (CPIP) - Policy Update

Report (October 12, 2005) from Sue Corke, Deputy City Manager, providing an update on issues relating to the Community Partnership and Investment Program, including the implementation of the City's Grants Accountability and Risk Management Framework, the Corporate Grants Information System, and other ongoing policy initiatives

Recommendations:

It is recommended that:

- (1) an Appeals Sub-committee be struck, comprised of two members of Council from each of the Administration, Community Services, and Economic Development and Parks Committees, to support all Standing Committees in the review of CPIP program allocation recommendations and to hear appeals from applicants;
- (2) the Terms of Reference for the Appeals Sub-Committee be adopted as presented in Appendix A attached to this report; and
- (3) the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

13. Toronto Symphony Orchestra (TSO) Line of Credit Guarantee Increase and Extension

Report (October 6, 2005) from the Deputy City Manager and Chief Financial Officer seeking approval to increase a line of credit guarantee for the Toronto Symphony Orchestra (TSO) to the total amount of \$2,250,000 from the current amount of \$1,050,000 effective October 31, 2005 to October 31, 2007.

Recommendations:

It is recommended that:

- (1) authority be granted to:
 - (a) increase the current line of credit guarantee provided by the City of Toronto, on behalf of the Toronto Symphony Orchestra (TSO), to HSBC Bank Canada (HSBC) by \$1,200,000 to a total amount of \$2,250,000 (inclusive of all interest payable by the TSO) effective October 31, 2005 to the remainder of the term of the current guarantee, October 31, 2007; and
 - (b) enter into an agreement with the TSO and a tri-party agreement with the TSO and HSBC, both with respect to the line of credit guarantee as increased pursuant to Recommendation (1)(a).
- (2) such guarantee and all related agreements be on terms and conditions to the satisfaction of the City Solicitor, the Deputy City Manager and Chief Financial Officer and the Deputy City Manager, Sue Corke;

- (3) for the duration of the line of credit guarantee, the Deputy City Manager, Sue Corke, be authorized to issue the City's grant payment to the TSO on monthly installments pro-rated to its annual grant allocation if the line of credit is in good standing and the TSO be requested to submit quarterly variance reports on their cash flow forecast to the Deputy City Manager and Chief Financial Officer;
- (4) The guarantee be deemed to be in the best interests of the City; and
- (5) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

14. 2005 Sinking Fund Surplus

Report (October 5, 2005) from the Deputy City Manager and Chief Financial Officer requesting Council's approval for payment of the 2005 sinking fund surplus in order to fulfil the legislative requirements of the *Municipal Act and the City of Toronto Act, 1997* (No. 2).

Recommendations:

It is recommended that:

- (1) Council approve the tax-supported sinking fund surplus of \$3,688,881.98 and \$751,311.68 for water and wastewater that was declared by the Sinking Fund Committee at its meeting held on October 12, 2005 and will be remitted to the City and used to offset 2006 City tax-supported and water and wastewater capital financing requirements, respectively;
- (2) Council approve the sinking fund surplus of \$2,969,634.55 attributable to the Toronto District School Board that was declared by the Sinking Fund Committee at its meeting held on October 12, 2005 and be remitted to the TDSB; and
- (3) the appropriate City officials be authorized to take the necessary actions to give effect thereto.

15. City of Toronto Hiring Practices and Employment Policies

Communication (October 7, 2005) from the Administration Committee advising that the Administration Committee on October 6, 2006, amended and adopted a Notice of Motion submitted by Councillor Soknacki and, in so doing, urgently requested the Policy and Finance Committee to take any and all immediate and necessary actions at its next meeting to address issues raised regarding City hiring practices and employment policies, including consideration of the following recommendation:

“That the City Manager, in consultation with other staff and stakeholders as appropriate, report back to the Policy and Finance Committee as soon as possible with a report and policy guidelines on what safeguards exist and whether changes need to be made to guard against conflicts of interest and the maintenance of standards in the hiring of permanent and temporary staff, such report to include

- (a) a summary of the number of temporary employees by division;
- (b) a description of the different types of “temporary” employment at the City and the rationale for each type of employment status, for example, contract, part time and seasonal;
- (c) a summary of existing policies and procedures; collective agreement language for Union and non-union staff related to internal and external job postings, interview and selection requirements or guidelines, and the role of Human Resource staff in these procedures; and
- (d) a recommendation that any proposed guidelines for Members of Council also apply to City staff; and

advising that the Administration Committee also urgently requested the Integrity Commissioner to provide input in responding to the above Committee recommendation, and report to Council as soon as possible with guidelines on:

- (a) appropriate responses to requests for letters of recommendation and requests for employment at the City of Toronto;
- (b) the appropriateness of family members of Members of Council being hired by the City, and if so what disclosure ought to be provided;
- (c) how Members of Council ought to respond to City business decisions where family members are employed by the City.

16. 2006 Election Contribution Rebate Program

Communication (October 7, 2005) from the Administration Committee advising that the Administration Committee on October 6, 2005, recommended to the Policy and Finance Committee that:

- (1) Council authorize a contribution rebate program for the 2006 election, the terms and conditions of the contribution rebate program be the same as that for the 2003 program as outlined in Appendix A to the report (September 27, 2005) from the City Clerk;
- (2) funding from the non-program account in the amount of \$0.6 million continue to be transferred to the Election Reserve in each of the years 2006, 2007 and 2008 to

pay for the program, provided that the 2006 rebate payment levels are identical to that of the 2003 election program; and

- (3) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto, including the introduction of a bill substantially in the form of Appendix “A” to the report (September 27, 2005) from the City Clerk.

17. Former CN Leaside Spur Line Lands Acquired by the City – Lands Located on the East Side of Leslie Street, Between Eglinton Avenue East And York Mills Road – Applying New Market Rental Rate to the Licence Agreement between the City and Sun Canadian Pipe Line Company Limited (“Sun Canadian”) (Ward 25 - Don Valley West)

Communication (October 7, 2005) from the Administration Committee advising that the Administration Committee on October 6, 2005, recommended to the Policy and Finance Committee that City Council adopt the following staff recommendations in the Recommendations Section of the report (September 15, 2005) from the Chief Corporate Officer:

It is recommended that:

- (1) a new market rental rate of \$24,000.00 per annum, net, plus GST be applied to the existing licence agreement with Sun Canadian for the ensuing ten (10) year period, effective August 25, 2003, subject to all other terms and conditions as in the original licence agreement; and
- (2) the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

18. Former CN Leaside Spur Line Lands Acquired by the City – Lands Located on the East Side of Leslie Street, Between Eglinton Avenue East And York Mills Road – Applying New Market Rental Rate to the Licence Agreement between the City and Trans-Northern Pipelines Inc. (“Trans-Northern”) (Ward 25 - Don Valley West)

Communication (October 7, 2005) from the Administration Committee advising that the Administration Committee on October 6, 2005, recommended to the Policy and Finance Committee that City Council adopt the following staff recommendations in the Recommendations Section of the report (September 15, 2005) from the Chief Corporate Officer:

It is recommended that:

- (1) a new market rental rate of \$24,000.00 per annum, net, plus GST be applied to the existing licence agreement with Trans-Northern for the ensuing ten (10) year

period, effective August 1, 2002, subject to all other terms and conditions as in the original licence agreement; and

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

19. Former CN Leaside Spur Line Lands Acquired by the City – Lands Located on the East Side of Leslie Street, Between Eglinton Avenue East And York Mills Road – Applying New Market Rental Rates for two Licence Agreements between the City and Imperial Oil Enterprises Limited (“Imperial”) (Ward 25 - Don Valley West)

Communication (October 7, 2005) from the Administration Committee advising that the Administration Committee on October 6, 2005, recommended to the Policy and Finance Committee that City Council adopt the following staff recommendations in the Recommendations Section of the report (September 15, 2005) from the Chief Corporate Officer:

It is recommended that:

- (1) a new market rental rate be applied to the two existing licence agreements for the ensuing ten (10) year periods as follows:
 - (a) \$24,000.00 per annum, net, plus GST, for the underground pipeline, effective August 1, 2002;
 - (b) \$100.00 per annum, net, plus GST, for the wire crossing, effective October 15, 2002; and
 - (c) subject to all other terms and conditions as in the original licence agreements; and
- (2) the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

20. 11 Bay Street – Ground Lease Amendment (Ward 28 – Toronto Centre-Rosedale)

Communication (October 7, 2005) from the Administration Committee advising that the Administration Committee on October 6, 2005, recommended to the Policy and Finance Committee that City Council adopt the following staff recommendations in the Recommendations Section of the report (September 22, 2005) from the Chief Corporate Officer and City Solicitor:

It is recommended that:

- (1) authority be granted to amend the ground lease for 11 Bay Street on the terms and conditions outlined in Appendix "A" attached to this report, together with such other terms and conditions as may be deemed appropriate by the Chief Corporate Officer and in a form satisfactory to the City Solicitor;
- (2) the Chief Corporate Officer, his successor or designate shall administer and manage the lease, as amended, including the provision of any consents, approvals, notices and notices of termination, provided that the Chief Corporate Officer may, at any time, refer consideration of any such matter (including their content) to City Council for its determination and agreement;
- (3) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

21. Leasing of Office Space for Toronto Social Services – Located at 220 Attwell Drive (Ward 2 – Etobicoke North)

Communication (October 7, 2005) from the Administration Committee advising that the Administration Committee on October 6, 2005, recommended to the Policy and Finance Committee that City Council adopt the following staff recommendations in the Recommendations Section of the report (September 21, 2005) from the Chief Corporate Officer:

It is recommended that:

- (1) a lease agreement with 220 Attwell Drive Inc. and Harold Holdings Inc. be approved in accordance with the terms and conditions set out in Appendix A attached to this report and in a form acceptable to the City Solicitor;
- (2) the Chief Corporate Officer shall administer and manage the lease agreement including the provision of any consents, approvals, waiver notices and notices of termination provided that the Chief Corporate Officer may, at any time, refer consideration of such matters (including their content) to City Council for its determination and direction; and
- (3) the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

22. Leasing of Office Space for Toronto Social Services – Located at 5639 Finch Avenue East (Ward 42 – Scarborough Rouge River)

Communication (October 7, 2005) from the Administration Committee advising that the Administration Committee on October 6, 2005, recommended to the Policy and Finance Committee that City Council adopt the following staff recommendations in the Recommendations Section of the report (September 21, 2005) from the Chief Corporate Officer:

It is recommended that:

- (1) a lease agreement with 651565 Ontario Limited be approved in accordance with the terms and conditions set out in Appendix A attached to this report and in a form acceptable to the City Solicitor;
- (2) the Chief Corporate Officer shall administer and manage the lease agreement including the provision of any consents, approvals, waiver notices and notices of termination provided that the Chief Corporate Officer may, at any time, refer consideration of such matters (including their content) to City Council for its determination and direction; and
- (3) the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

23. -term Lease to Kraft Canada Inc., for a Portion of the Schick Court Road Allowance, Located at the North East Corner of Progress Avenue and Schick Court, Scarborough (Ward 37 – Scarborough Centre)

Communication (October 7, 2005) from the Administration Committee advising that the Administration Committee on October 6, 2005, recommended to the Policy and Finance Committee that City Council adopt the following staff recommendations in the Recommendations Section of the report (September 7, 2005) from the Chief Corporate Officer:

Recommendations:

It is recommended that:

- (1) the City enter into a long-term lease agreement with Kraft for a portion of the Schick Court road allowance, shown as Part 2 on Sketch No. PS-2003-108a (the “Lease Lands”), on the terms and conditions outlined in the Appendix attached to this report;
- (2) Clause 14 of Toronto East Community Council Report 2, as adopted by City Council at its meeting held on March 1, 2 and 3, 2004 be amended by replacing

all references to Part 2 on Sketch No. PS-2003-108 with Part 1 on Sketch No. PS-2003-108a and by replacing all references to Part 3 on Sketch No. PS-2003-108 with Part 2 on Sketch No. PS-2003-108a;

- (3) the permanent closure of the portion of Schick Court shown as Part 1 on Sketch No. PS-2003-108 and the transfer of jurisdiction thereof to the General Manager of Parks, Forestry & Recreation be deferred until such time as Schick Court is extended northerly, then easterly to Brimley Road; and
- (4) the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

24. Union Station – Amending Agreement to the Reciprocal Rights Agreement with GO Transit (Ward 28 – Toronto Centre-Rosedale)

Communication (October 7, 2005) from the Administration Committee advising that the Administration Committee on October 6, 2005, recommended to the Policy and Finance Committee that City Council adopt the following staff recommendations in the Recommendations Section of the report (September 7, 2005) from the Chief Corporate Officer:

It is recommended that:

- (1) City Council approve the Reciprocal Rights Amending Agreement attached as Appendix A to this report in settlement of the outstanding title and repair issues with GO Transit;
- (2) City Council approve in principle GO Transit's proposal to create a central glass atrium over the train platforms encroaching into the City's airspace above as part of its Trainshed Roof Rehabilitation project on terms and conditions satisfactory to the Chief Corporate Officer and City Solicitor, to include execution of an encroachment agreement, ensuring that this element will not preclude or limit the City's ability to deal with the airspace, and that City staff continue to be involved in the design process; and
- (3) appropriate City staff be authorized and directed to take any action and execute any documents necessary to give effect thereto.

25. Union Station – Interim Building Management (Ward 28 – Toronto Centre-Rosedale)

Communication (October 7, 2005) from the Administration Committee advising that the Administration Committee on October 6, 2005, recommended to the Policy and Finance Committee that City Council adopt the following staff recommendations in the Recommendations Section of the report (September 23, 2005) from the Chief Corporate Officer:

It is recommended that:

- (1) the Interim Building Management Agreements with Toronto Terminals Railway Limited be amended to increase the fixed monthly management fee from \$217,740 in 2004 to \$224,272 in 2005 representing a 3% increase for this year of \$78,384; and
- (2) City staff be authorized to take the necessary action to give effect thereto.

26. Disclosure of Insurance Claims Information

Communication (October 7, 2005) from the Administration Committee advising that the Administration Committee on October 6, 2005:

- (1) recommended that City Council adopt staff Recommendations (1) and (3) in the Recommendations Section of the report (September 29, 2005) from the Deputy City Manager and Chief Financial Officer; and
- (2) forwarded a copy of the report to the Policy and Finance Committee for information.

27. Approval of the Best Start Service and Transition Plan as Amendments to the 2005-2009 Toronto Child Care Service Plan

Communication (October 11, 2005) from the Community Services Committee advising that the Community Services Committee on October 11, 2005, recommended to the Policy and Finance Committee that City Council adopt the staff recommendations in the Recommendations Section of the report (September 26, 2005) from the General Manager, Children's Services, subject to adding the following new Recommendations (8), (9) and (10) and renumbering the existing Recommendation (8) to (11):

- “(8) the General Manager of Children Services write to the Premier of Ontario giving notice that child care spaces in Toronto may have to be reduced by approximately 700 spaces per year as of 2006 due to there not being an inflationary increase in provincial funding for the current child care services and requesting that the

Premier respond to the City in regard to this ongoing funding crisis, and that a copy of this letter be sent to the leaders of both Opposition Parties;

- (9) that the First Duty Project, Best Start and the Best Generation Yet be integrated into the 2006/2007 Children's Service Plan and that this integrated plan be submitted to the Community Services Committee mid-year in 2006; and
- (10) that the representatives of the First Duty Steering Committee be included in the Best Start planning team;”,

so that the Recommendations now read as follows:

- (1) the recommendations contained in the Best Start Transition and Service Plan, attached as Appendix 1, be approved as amendments to the 2005-2009 Child Care Service Plan and forwarded to the Ministry of Children and Youth Services;
- (2) the equity principles of the 2005-2009 Child Care Service and the provincial Best Start “Schools First” policy guide the development of the Child Care Infrastructure Plan for 2005 to 2008.
- (3) in order to meet the provincial deadline of October 31, 2005, for submission of the Best Start Transition Infrastructure Plan the General Manager of Children's Services report directly to Council with the proposed plan;
- (4) the Best Start Infrastructure Transition Plan maximize capital funding available to the City and ensure that the City meets provincially set infrastructure targets;
- (5) subject to securing provincial approval, retroactive to January 1, 2005, base rate adjustments be made to eligible licensed child care programs, family resource programs, special needs resourcing services and home child care provider rates in accordance with City budget guidelines and in a manner that maximizes available provincial and municipal funding;
- (6) an additional 30.0 FTE positions, fully funded by the province, be approved to support the requirements of Best Start;
- (7) the City continue to advocate to the province for funding flexibility to address ongoing inflationary costs;
- (8) the General Manager of Children Services write to the Premier of Ontario giving notice that child care spaces in Toronto may have to be reduced by approximately 700 spaces per year as of 2006 due to there not being an inflationary increase in provincial funding for the current child care services and requesting that the Premier respond to the City in regard to this ongoing funding crisis, and that a copy of this letter be sent to the leaders of both Opposition Parties;

- (9) that the First Duty Project, Best Start and the Best Generation Yet be integrated into the 2006/2007 Children's Service Plan and that this integrated plan be submitted to the Community Services Committee mid-year in 2006;
- (10) that the representatives of the First Duty Steering Committee be included in the Best Start planning team; and
- (11) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

28. Five-Year Sole Source Contract Request for Ferno Canada

Communication (October 11, 2005) from the Community Services Committee advising that the Community Services Committee on October 11, 2005, recommended to the Policy and Finance Committee that City Council adopt the following staff recommendations in the Recommendations Section of the report (September 23, 2005) from the Chief and General Manager, Toronto Emergency Medical Services respecting Five-Year Sole Source Contract Request for Ferno Canada:

It is recommended that:

- (1) City Council approve a five-year sole source contract with Ferno Canada for stretchers, stretcher accessory equipment, and stretcher maintenance and repair equipment and service totaling up to \$1,000,000.00 for 2005 to 2010;
- (2) a capital budget project be created and its funding be financed from EMS's equipment reserve account XQ1019; and
- (3) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

29. Green Doors Open Proposal from the Clean Air Partnership

Communication (October 11, 2005) from Deputy Mayor Pantalone, advising that as Chair of the Roundtable on the Environment he has been requested by the Roundtable to forward the following recommendation to the Policy and Finance Committee for consideration and approval:

Recommendation:

It is recommended that the Policy and Finance Committee recommend that City Council direct the City of Toronto Culture Division, organizers of Doors Open Toronto, to implement a "Green Doors Open" component to the 2006 event.

30. Request to Province Regarding Changes to the Building Code to Allow Use of Non-potable Water for Non-drinking Water Uses

Communication (October 11, 2005) from Deputy Mayor Pantalone, advising that as Chair of the Roundtable on the Environment he has been requested by the Roundtable to forward the following recommendations to the Policy and Finance Committee for consideration and approval:

Recommendations:

It is recommended that:

- (1) the Policy and Finance Committee request City Council to request the province to amend the Ontario Building Code, subsection 7.1.6.3.(2), to permit the use of non-potable water for limited uses, even in situations where a supply of potable water is available;
- (2) the City of Toronto, in its negotiations on the new City of Toronto Act, look for opportunities to address the issue of the use of non-potable water and other issues regarding energy efficiency needs;
- (3) the Chief Building Official and Executive Director be requested to report and make recommendations to the Policy and Finance Committee on other amendments that would be required to the Ontario Building Code, in order to address retro-fitting and green building issues; and
- (4) a copy of these recommendations be forwarded to the Minister of Municipal Affairs and Housing and to the Minister of Energy.

31. Response to Request on Green Economic Development

Communication (October 11, 2005) from Deputy Mayor Pantalone, advising that as Chair of the Roundtable on the Environment he has been requested by the Roundtable to forward the following recommendations to the Policy and Finance Committee for consideration and approval and advising that these recommendations will help the City of Toronto to foster green industries and promote green economic development:

Recommendations:

It is recommended that:

- (1) the Policy and Finance Committee receive the attached Briefing Note (September 6, 2005) from Economic Development and Culture and Environmental Services, Technical Services Division, providing comments on how to move forward on developing a green economic development strategy and implementation plan as

well as a “green auditor” function, subject to amending Appendix A – Internal Activities, Item 2, to read as follows:

- “(2) the Policy and Finance Committee commission a study to determine existing strengths, weaknesses, opportunities and threats to existing and potential new green industries and business sector.”; and
- (2) the Policy and Finance Committee endorse the activities outlined in the Briefing Note (September 6, 2005) from Economic Development and Culture and Environmental Services, Technical Services Division, with specific attention and priority being given to, Appendix A – Internal Activities, Items 1 and 2.

32. Action on Renewable Energy at the City of Toronto

Communication (October 11, 2005) from Deputy Mayor Pantalone, advising that as Chair of the Roundtable on the Environment he has been requested by the Roundtable to forward the following recommendations to the Policy and Finance Committee for consideration and approval and advising that these recommendations will help the City of Toronto to foster green industries and promote green economic development:

Recommendations:

It is recommended that City staff:

- (1) develop a renewable energy action plan with targets and timelines and report back to the Roundtable on the Environment at its first meeting in 2006; and that City staff should work together with the City of Toronto’s energy partners such as Toronto Hydro, Enwave, the Toronto and Region Conservation Authority and other organizations as appropriate that the Roundtable on the Environment strongly recommends increased idling enforcement all year with particular attention on smog days;
- (2) report back to the Roundtable on the Environment on December 12, 2005, in consultation with the Energy Efficiency Office, and reviewing other published materials, on additional changes required and measures existing within the Ontario Building Code, that will assist in the development of proposals regarding the development of a renewable energy plan; and
- (3) forward a draft letter to Policy and Finance Committee urging Ontario Power Authority and the Ministry of the Environment to ensure that feed-in-tariffs rules for green power do not exclude City of Toronto projects;
- (4) ensure that:
 - (a) the City has an adequate complement of renewable energy planning staff to move green power projects forward; and

- (b) the City's green power strategy includes efforts for all Torontonians to participate in green power purchasing.

**POLICY AND FINANCE COMMITTEE
SUPPLEMENTARY AGENDA
MEETING No. 9**

Date of Meeting:	Thursday, October 20, 2005	Enquiry:	Patsy Morris
Time:	9:30 a.m.		Administrator
Location:	Committee Room 1		(416) 392-9151
	City Hall		pmorris@toronto.ca
	100 Queen Street West		
	Toronto		

Communications/Reports

1. Final Recommendations - Enhancing Toronto's Business Climate - It's Everybody's Business (All Wards)

Report (October 17, 2005) from the Deputy City Manager and Chief Financial Officer reporting on the outcome of public and stakeholder consultations and recommending implementation of the action plan as presented in this report to enhance the business climate in the City of Toronto.

Recommendations:

It is recommended that:

- (1) Council endorse, as policy, a fifteen year plan to correct the imbalance in property class tax allocations, by setting a commercial, industrial and multi-residential tax ratio target of 2.5-times residential, to be achieved in 15 years or less, by:
 - (a) subject to securing the legal authority sought in Recommendation (1)(c) and (4)(a), endorsing a first phase five-year plan to equalize commercial (excluding neighbourhood retail), industrial and multi-residential tax ratios to a target of 3.38-times residential over five-years (2010), and for neighbourhood retail as provided for in Recommendation No. 4, to a target of 3.15-times residential by year five (2010), which targets are achievable through the following yearly target tax ratios, calculated after any budgetary tax increase:

Column I	Column II	Column III	Column IV	Column V
Maximum Tax Ratio Targets (after any budgetary tax increase)				
	Commercial – <u>Residual</u>	Commercial – Neighbourhood <u>Retail</u>	<u>Industrial</u>	Multi- <u>Residential</u>
<u>Tax Year</u>				
2006	3.72	3.72	4.09	3.69
2007	3.63	3.54	3.92	3.61
2008	3.55	3.41	3.74	3.53
2009	3.46	3.28	3.56	3.46
2010	3.38	3.15	3.38	3.38
2015	3.0	2.5	3.0	3.0
2020	2.5	2.5	2.5	2.5

- (b) subject to securing the legal authority sought in Recommendation (1)(c) and (4)(a), endorsing a second phase plan to reduce the commercial (excluding neighbourhood retail), industrial and multi-residential tax ratio targets to 3.0 times residential by 2015, and 2.5 times residential by 2020, and for neighbourhood retail, to a tax ratio target of 2.5-times residential by year ten (2015), calculated after any budgetary tax increase; and,
- (c) if not otherwise provided for in the new *City of Toronto Act*, the Province be requested to amend legislation to allow, as part of this long-term strategy, for up to one-third of any residential tax rate increase to be applied to the commercial, neighbourhood retail, industrial, and multi-residential tax classes, commencing in 2006;
- (2) Council reaffirm its position that the Province implement a reduction in Toronto's business education tax rates to the average of the surrounding GTA municipalities to create a 'level playing field' and in respect of business education tax fairness;
- (3) Council endorse a plan to phase-out the capping and clawback regime and to accelerate the progress to full CVA-taxation for the business and multi-residential property classes:
- (a) by adopting a capping limit of 5% based on the preceding year's current value taxes by annual by-law, commencing for the 2006 taxation year, as permitted under section 329.1 (1) of the *Municipal Act, 2001* or as authorized under a new *City of Toronto Act*; and,
- (b) subject to securing the legal authority sought in Recommendation (3)(d), commercial, neighbourhood retail, industrial, and multi-residential properties, upon reaching full CVA-taxation, be excluded from any future capping or clawback of taxes; and,

- (c) funding for the capping protection continue to be by way of clawing back tax decreases from within each respective broad class, by annually adopting a clawback by-law under section 330 of the *Municipal Act, 2001* or any comparable provision of a new *City of Toronto Act*. For clarity, the broad commercial class includes the commercial neighbourhood retail class; and,
 - (d) if not otherwise provided for in a new *City of Toronto Act*, the Province be requested to grant the City the authority to exclude any commercial (including neighbourhood retail), industrial, or multi-residential property from any capping or clawback of taxes once such a property reaches its full-CVA level of taxation;
- (4) Council approve a program, commencing in 2007, to provide property tax relief for the neighbourhood retail class:
- (a) by requesting the Province to, if not otherwise provided for in a new *City of Toronto Act*, grant the City authority to create a new neighbourhood retail class, as defined in Section 4 of this report, and requesting the Municipal Property Assessment Corporation (MPAC) to identify and re-classify properties eligible for this class in the City of Toronto, such that the program can commence in the 2007 taxation year; and,
 - (b) subject to securing the legal authority sought in Recommendation 4(a), Council endorse an accelerated phase-in over a maximum 10-year period, commencing in 2007, to reduce the target tax ratio for the neighbourhood retail property class to 2.5-times the municipal residential tax rate, as provided for in Column III of the Table contained in Recommendation 1(a);
- (5) Council implement the program to provide property tax rebates to eligible designated heritage properties, on the basis and criteria previously approved by Council in 2002, and funding in the amount of \$718,300 be made in the 2006 Operating Budget to commence the program, initially limited to eligible national historic sites in 2006, and approval in principle to include all eligible designated heritage properties commencing in 2007; funding for this program be from general revenues

Business Cost Competitiveness Initiatives:

- (6) Council approve, in principle, programs to encourage the development and construction of new non-retail office, hotel and industrial space, specifically:
- (a) subject to securing the legal authority sought in Recommendation (6)(d), a City program be approved, commencing in 2006, to provide for a lower municipal tax rate to apply, for up to a five-year period, for all new non-

retail office and hotel development, and expansions of 50% or more in gross floor area related to non-retail office and hotel uses, with such a lower tax rate being based on the tax ratios targets shown in Column III of the Table below and determined from the time the Occupancy Permit is issued (Column I):

Column I		Column II		Column III	Column IV	
Year	Occupancy Permit Issued	Commercial Ratio	Residual Tax	Tax Ratio Target applicable for a 5-year period for new non-retail office and hotel construction, and eligible expansions	Applicable Years	Tax
2006		3.72		3.38	2006 - 2010	
2007		3.63		3.30	2007 - 2011	
2008		3.55		3.23	2008 - 2012	
2009		3.46		3.15	2009 - 2013	
2010		3.38		3.08	2010 - 2014	
2011		3.30		3.00	2011 - 2015	
2012+				as embodied in report		

- (b) subject to securing the legal authority sought in Recommendation (6)(d), a City program be approved, commencing in 2006, to provide for a lower municipal tax rate to apply, for up to a fifteen-year period (to the year 2020), for all new industrial development, and expansions of 50% or more in gross floor area related to industrial uses, with such a lower tax rate being based on a tax ratio target of 2.5-times the residential rate and determined from the time the Occupancy Permit is issued; and,
- (c) subject to securing the legal authority sought in Recommendation 6(d), a City program be approved, commencing in 2006, to provide for the abatement of property taxes related to the vacant portion of new office construction during the initial lease-up period, for a period not to exceed two years on that portion that remains vacant from the time that the occupancy permit was issued; and,
- (d) if not otherwise provided for in a new *City of Toronto Act*, the Province be requested to grant the City the authority to: (i) establish lower tax rates for a limited time period for new or expanded non-retail office, hotel and industrial properties; and (ii) to provide for the abatement of property taxes on vacant portions of eligible development under this section;
- (7) the Deputy City Manager and Chief Financial Officer, in consultation with the Chief Building Official, the General Manager of Economic Development and the City Solicitor, review the feasibility, including the legal and financial implications, of waiving building permit fees on non-retail office, hotel and industrial development, and report back through the Planning and Transportation Committee to the Policy and Finance Committee;

- (8) The Deputy City Manager and Chief Financial Officer, in consultation with the General Manager of Economic Development and the Chief Planner, review the feasibility of expanding the Tax Increment Equivalent Grant program in Community Improvement Plan Areas to protect selected employment areas, and report back to a joint meeting of Economic Development and Parks Committee and Planning and Transportation Committee to the Policy and Finance Committee;

General Economic Development Initiatives:

- (9) With respect to planning for employment areas:
- (a) the Chief Planner also report to the joint meeting of Economic Development and Parks Committee and Planning and Transportation Committee on development patterns since Council adoption of the Official Plan, highlighting the disposition of current applications to convert employment lands to residential use; and,
 - (b) Council reaffirm for the Province the position taken with respect to *Planning Act* reform – that where Council refuses an application to convert employment lands to non-employment use, where the Official Plan designates said lands for employment purposes, that the applicant have no right of appeal to the Ontario Municipal Board;
- (10) A Mayor’s Economic Competitiveness Advisory Committee be established to ensure the ongoing engagement and involvement of the business community;
- (11) the City Manager be directed to create an Executive Interdivisional Economic Growth Team to assess and improve programs and services and ensure an integrated corporate response to improving the business climate, and that the Executive Interdivisional Economic Growth Team to report through the appropriate Standing Committee(s) to Policy and Finance committee at its January 2007 meeting with a status report on the effectiveness of the recommendations from this report in enhancing employment and business assessment growth in the City of Toronto; and
- (12) the appropriate City Officials be authorized and directed to give effect thereto, including the introduction of any necessary bills.

(Note: A copy of the written submissions respecting this matter, referred to in the aforementioned report was distributed with the Agenda and a copy thereof is also on file in the Office of the City Clerk, City Hall.

The aforementioned report will be considered at a joint meeting of the Policy and Finance Committee and the Economic Development and Parks Committee at 10:00 a.m.)

2(h). Potential Impacts of Existing Sewers and Proposed Trunk Sewers in York Region on Waterbodies in the City of Toronto (City-Wide) 2:00 p.m.

Communication (October 7, 2005) from Shirley Ormsby.

33. Participation by the City of Toronto in the Affordable Housing Program

Communication (October 13, 2005) from the Affordable Housing Committee advising that the Committee on October 12, 2005, recommended to the Policy and Finance Committee and City Council that:

(I) Council adopt the staff recommendations in the Recommendations Section of the report dated September 29, 2005, from the Deputy City Manager, subject to:

(A) amending Recommendation (1) by adding the words:

“with an approximate worth of \$78 million capital for Toronto” after the words “Housing Program”, so that Recommendation (1) now reads:

“(1) Council communicate to the provincial government by October 31, 2005, its intention to participate in the Canada-Ontario Affordable Housing Program, with an approximate worth of \$78 million capital for Toronto, announced on August 31, 2005;”

(B) amending Recommendation (5) to read:

“(5) Noting that the Affordable Housing Program Request for Proposals to be issued in 2006 will be for both the public and private sectors, “Strong Start” affordable housing projects be selected on an accelerated basis according to the following criteria:

(a) the housing development has been previously supported or identified by Council for affordable housing;

(b) that for the “Strong Start” October 31, 2005, deadline the housing development be located on a publicly-owned site, or a site that will be publicly owned by March 31, 2006, and for future Requests for Proposals, the selection criteria be determined by Council and is in the municipal interest;

- (c) the housing development will be permanently affordable and serve low and moderate income families and individuals, including those who qualify for rent-gear-to-income assistance; and
- (d) that independent of parts (a), (b) and (c) above, all projects previously submitted to the City under its affordable housing Request for Proposals in the past three years, that meet the Ministry of Municipal Affairs and Housing criteria for the “Strong Start” program, be reviewed and recommended to the Ministry by October 31, 2005;”;

(C) amending Recommendation 8 to read:

“(8) the General Manager of Shelter, Support and Housing Administration, with Toronto Community Housing Corporation, identify opportunities to redeploy existing commercial rent supplements to rental and supportive homes created under affordable housing programs, including Let’s Build Projects where rent geared-to-income (RGI) and supportive units were proposed and that staff report these findings to the Affordable Housing Committee by February 2006;

so that the recommendations now read as follows:

- “(1) Council communicate to the provincial government by October 31, 2005, its intention to participate in the Canada-Ontario Affordable Housing Program, with an approximate worth of \$78 million capital for Toronto, announced on August 31, 2005;”
- (2) Council direct the Deputy City Manager responsible for the Affordable Housing Office to continue the city’s efforts to secure from the federal and provincial governments greater municipal flexibility and program enhancements to improve the effectiveness of the affordable housing program;
- (3) Council urge the federal and provincial governments to provide new long term and sustainable operating funding for housing allowance and rent supplement initiatives;
- (4) Council select and submit to the province potential affordable housing projects by October 31, 2005 in order to qualify for a share of the \$24 million in funding under the “Strong Start” initiative;
- (5) Noting that the Affordable Housing Program Request for Proposals to be issued in 2006 will be for both the public and private sectors, “Strong

Start” affordable housing projects be selected on an accelerated basis according to the following criteria:

- (a) the housing development has been previously supported or identified by Council for affordable housing;
 - (b) that for the “Strong Start” October 31, 2005, deadline the housing development be located on a publicly-owned site, or a site that will be publicly owned by March 31, 2006, and for future Requests for Proposals, the selection criteria be determined by Council and is in the municipal interest;
 - (c) the housing development will be permanently affordable and serve low and moderate income families and individuals, including those who qualify for rent-geared-to-income assistance; and
 - (d) that independent of parts (a), (b) and (c) above, all projects previously submitted to the City under its affordable housing Request for Proposals in the past three years, that meet the Ministry of Municipal Affairs and Housing criteria for the “Strong Start” program, be reviewed and recommended to the Ministry by October 31, 2005;”;
- (6) Council authorize the General Manager Shelter, Support and Housing Administration to enter into the necessary agreements with the provincial government to secure Toronto’s allocation of 1,800 housing allowances;
 - (7) Toronto Community Housing Corporation be requested to act as the city’s delivery agent for the Housing Allowance initiative and the city enter into the necessary agreements with TCHC. The agreements will bind Toronto Community Housing Corporation to deliver the housing allowance program as directed by all applicable federal, provincial and city guidelines;
 - (8) the General Manager of Shelter, Support and Housing Administration, with Toronto Community Housing Corporation, identify opportunities to redeploy existing commercial rent supplements to rental and supportive homes created under affordable housing programs, including Let’s Build Projects where rent geared-to-income (RGI) and supportive units were proposed and that staff report these findings to the Affordable Housing Committee by February 2006;
 - (9) the Affordable Housing Office conduct workshops and public education sessions to assist housing stakeholders in understanding the new program and encourage their participation in this initiative; and

- (10) the appropriate city officials be authorized and take the necessary action to give effect thereto;
- (II) as part of the wave one Request For Proposal process, consideration be given to the two projects at 2 Gladstone Avenue, 276 Parliament Street and 423-427 Dundas Street East; and, further, that the City Manager and other interested staff meet with the applicants on this purchase; and
- (III) wave one would be a broad-based Request for Proposals process open to all and that previous applicants be encouraged to submit an application.

34. Affordable Housing Program, Wychwood Green/Arts Barns Project (Ward 21 – St. Paul’s)

Communication (October 13, 2005) from the Affordable Housing Committee advising that the Committee on October 12, 2005, recommended to the Policy and Finance Committee and City Council that: Council adopt the staff recommendations in the Recommendations Section of the report dated October 5, 2005, from the General Manager, Shelter, Support and Housing Administration, subject to adding the following new Recommendation (6) and renumbering the remaining recommendation accordingly:

- “(6) Council reaffirm the existing policy that applicants for this particular project be considered in priority sequence from the Social Housing Connection waiting list; and”,

so that the recommendations now read as follows:

- (1) Council approve the 26 live/work residential units to be developed by Toronto Artscape Inc. as a part of the Wychwood Green/Arts Barn redevelopment as a project to be recommended for funding under the Canada-Ontario Affordable Housing Program, Strong Start component and authorize up to \$1,820,000 in federal and provincial funding for the residential component;
- (2) the Deputy City Manager responsible for the Affordable Housing Office be authorized and directed to submit any required documentation to the Province of Ontario for the administration of the Affordable Housing Program and the Strong Start component of this in regards to the Wychwood Green/Arts Barns project;
- (3) the Deputy City Manager responsible for the Affordable Housing Office be authorized and directed to continue working with Toronto Artscape Inc. to produce a financially viable proposal for the proposed affordable housing as part of the Wychwood Green/Arts Barn project and to identify what City or other financial contributions or exemptions are required;

- (4) the Deputy City Manager responsible for the Affordable Housing Office report back to the Affordable Housing Committee once all financial details are finalized and other required financial contributions or exemptions identified;
- (5) references to “Artscape” or “Toronto Artscape Inc” in any Council authority, agreement or funding regarding the housing component of the Wychwood Green/Arts Barn project be deemed to include “Artscape Non-Profit Homes Inc.”; and
- (6) Council reaffirm the existing policy that applicants for this particular project be considered in priority sequence from the Social Housing Connection waiting list; and”,
- (7) the appropriate City officials be authorized and directed to take the necessary action to give effect to the foregoing.”

35. Priorities for Toronto’s Share of the Unallocated Additional \$1.6 Billion Federal Funding for Affordable Housing

Communication (October 13, 2005) from the Affordable Housing Committee advising that the Committee on October 12, 2005, recommended to the Policy and Finance Committee that Council:

- (1) adopt the staff recommendations in the Recommendations Section of the report (September 29, 2005) from the Deputy City Manager, Sue Corke, subject to:
 - (a) amending Recommendation (3) (b) to provide that the Affordable Housing Office consult the aboriginal community in the development of aboriginal housing initiatives;
 - (b) amending Recommendation (3) by adding the following section (e):
 - “(e) cooperative housing be given high consideration”;
- (2) request the Federal Minister of Labour and Housing to include the funding and development of new cooperative housing as a component of the Federal \$1.6 billion affordable housing initiative and that the City actively advocate and negotiate with them around this; and
- (3) request the Federal Government to prioritize aboriginal housing and that a program be established to implement such priority.

36. Funding for and Purchase of 110 Edward Street for Affordable and Supportive Housing Purposes (Ward 27)

Communication (October 13, 2005) from the Affordable Housing Committee advising that the Committee on October 12, 2005, recommended to the Policy and Finance Committee that Council adopt the following staff recommendations in the Recommendations Section of the report (October 5, 2005) from the General Manager, Shelter, Support and Housing Administration and Chief Corporate Officer:

It is recommended that:

Funding:

- (1) Council approve an affordable and supportive mixed use housing development up to approximately 300 units to be developed at 110 Edward Street as a project to be recommended for funding under the Canada-Ontario Affordable Housing Program and authorize up to \$21,000,000 in federal and provincial funding towards the development of the project with \$8,000,000 of this coming from the Strong Start component;
- (2) the Deputy City Manager responsible for the Affordable Housing Office be authorized and directed to submit any required documentation to the Province of Ontario for the administration of the Affordable Housing Program and the Strong Start component of this in regards to 110 Edward Street;
- (3) Council approve a loan of up to \$5,500,000 from the Capital Revolving Fund to be allocated towards the cost of developing affordable housing at 110 Edward Street on terms and conditions as approved by the Deputy City Manager responsible for the Affordable Housing Office;
- (4) Council approve up to \$1,000,000 Supporting Communities Partnership Initiative (SCPI) Transitional Housing monies to be allocated towards the cost of developing supportive housing for people at risk of homelessness at 110 Edward Street;
- (5) Council approve up to \$500,000 in Mayor's Homeless Initiative Reserve Fund monies to be allocated towards the cost of developing supportive housing for people at risk of homelessness at 110 Edward Street on terms and conditions as approved by the Deputy City Manager responsible for the Affordable Housing Office;
- (6) should City Council reconsider Clause 44 in Report 7 of the Policy and Finance Committee, recommendations 1 through 5 be accepted in place of the funding recommendations regarding 110 Edward Street contained in Report 7, Clause 44 of the Policy and Finance Committee approved by Council at its meeting of July 19, 20, 21 and 26, 2005 to enable enhanced funding to be allocated;

Exemptions:

- (7) authority be granted for exempting the affordable and supportive housing development at 110 Edward Street from taxation for municipal and school purposes for the term of the lease from the City;
- (8) authority be granted for exempting the affordable and supportive housing development at 110 Edward Street from development charges and applicable planning fees;
- (9) authority be granted to designate the affordable and supportive housing development at 110 Edward Street as a social housing project designed to provide housing for persons with low to moderate incomes pursuant to the City of Toronto Act, 1988(No. 2), thereby qualifying all or part of the project as alternative housing for the purposes of the City of Toronto Zoning By-law No. 438-86 and allowing all or part of the project relief from normal parking standards;

Purchase:

- (10) the Offer to Sell from the Rotary-Laughlen Centre, for the sale of 110 Edward Street to the City in the amount of \$8,000,000 plus land transfer tax, be accepted on the terms outlined in Appendix A attached to this report;
- (11) the Director of Real Estate Services be authorized and directed on behalf of the City to execute and accept the Offer to Sell set out herein;
- (12) the City Solicitor be authorized to complete the transaction on behalf of the City, including payment of any necessary expenses and amending the closing or other deadline dates to earlier or later date(s) and on such terms and conditions as she may from time to time consider reasonable;
- (13) Council approve the acquisition and development of 110 Edward Street by the City as a mixed use housing development for the purposes of securing affordable and supportive housing through a long term lease to one or more proponents;
- (14) recommendations (10) through (13) be subject to the Ministry of Municipal Affairs and Housing approving 110 Edward Street as an affordable housing project under the Canada-Ontario Affordable Housing Program for \$21,000,000 in federal and provincial funding including a Strong Start component of \$8,000,000.

Proposal Call(s):

- (15) authority be granted for the issuance of one or more proposal calls which may include but not be limited to a Pre-qualification Process and Request For Proposals to be able to select proponent(s) to lease, develop, manage and provide support services to all or a part of 110 Edward Street;
- (16) authority be granted to retain a Fairness Consultant to review and provide advice on the selection process(es) arising out of Recommendation 14 and that the costs be assumed by the Mayor's Homeless Initiative Reserve Fund monies recommended in Recommendation 5 of this report;
- (17) authority be granted to the Deputy City Manager responsible for the Affordable Housing Office to provide up to \$200,000 in pre-development funding to proponents selected by a proposal call(s) process to prepare submissions in response to proposal call(s) for affordable and supportive housing development at 110 Edward Street, with a maximum of \$25,000 per proponent, to be granted by the Deputy City Manager in her sole discretion. The funds to be taken from the Mayor's Homeless Initiative Reserve Fund monies recommended in Recommendation 5 of this report;

Project Updates:

- (18) the Affordable Housing Committee be updated every six months on the development of the affordable and supportive housing project at 110 Edward Street commencing in April 2006;
- (19) this report be referred to the Policy and Finance Committee for consideration; and
- (20) the appropriate City officials be authorized and directed to take the necessary action to give effect to the foregoing, including the introduction in Council of any necessary Bills to give effect thereto.

37. Administrative Amendments to Reserve Fund Accounts

Report (October 13, 2005) from the Deputy City Manager and Chief Financial Officer recommending (1) the realignment of beneficiary programs for reserve/reserve fund accounts based on the City's new organizational structure, (2) the refinement of the criteria and delegation of authority for the establishment of reserve and reserve fund accounts, and (3) the proper establishment of a number of reserve funds which have been identified since the Consolidation of Reserve Funds report was adopted by Council in May 2004. The purpose for each account is identified in its respective appendix.

Recommendations:

It is recommended that:

- (1) Municipal Code Chapter 227, Reserves and Reserve Funds, be amended by replacing the definition of ‘Cost Centre’ and ‘Cost Centre Group’ with the following definitions of ‘Account’ and ‘Account Group’ and replacing ‘Cost Centre’ and ‘Cost Centre Group’ throughout Chapter 227 with ‘Account’ and ‘Account Group’ respectively:

Account - A sub-account of a reserve or reserve fund used to track the inflow and outflow of funds for a particular purpose within the main reserve/reserve fund.

Account Group - A sub-account of a reserve or reserve fund which summarizes a group of accounts for reporting purposes.

- (2) Municipal Code Chapter 227, Reserves and Reserve Funds, be amended by deleting the definition of a ‘Service Area Owner’;
- (3) Municipal Code Chapter 227, Reserves and Reserve Funds, be amended by replacing the existing criteria for the establishment of reserves, reserve funds, and accounts with the following:
- (a) statement of purpose;
 - (b) designation of the beneficiary program;
 - (c) rationale for the appropriate level to be maintained in the reserve or reserve fund or target, where necessary;
 - (d) initial contribution, if any;
 - (e) contribution policy;
 - (f) withdrawal policy; and
 - (g) the review cycle which would provide the necessary periodic review to ensure a suitable level of funds, the appropriateness of the reserve or reserve fund and the conditions, if any, on which the reserve or reserve fund may be closed;
- (4) where Council has established a reserve, reserve fund, or an account without all the criteria required by Municipal Code Chapter 227, Reserves and Reserve Funds, authority be delegated to the Deputy City Manager and Chief Financial Officer to establish any of the missing criteria (b) through (g) set out in Recommendation #3 which are required to administer the account;

- (5) Municipal Code Chapter 227, Reserves and Reserve Funds, be amended by changing the names of all the consolidated Obligatory Reserve Funds in that Chapter by adding the word ‘Obligatory’ to the name of the reserve fund for the purpose of clarifying that such reserve funds are obligatory in nature;
- (6) the balance of the funds in the CNEA Vested Reserve Fund (CNEA Prize Guarantee Reserve Fund) be transferred to the CNEA Foundation Trust Fund and the CNEA Vested Reserve Fund be closed;
- (7) Municipal Code Chapter 227, Reserves and Reserve Funds, be amended by changing the beneficiary program of the reserves and reserve funds and their respective accounts as set out in Appendix A, B1 and B2, to reflect the City’s new organizational structure;
- (8) Municipal Code Chapter 227, Reserves and Reserve Funds, be amended by updating the Code to conform to the new organizational structure as noted in this report in Section #2 ‘Impact of Corporate Organizational Restructuring’ and in Appendix D;
- (9) authority be delegated to the Treasurer to establish accounts within the Corporate Discretionary Reserve Fund – Land Acquisition Group for programs should the need arise as a result of the allocation of funds according to the existing land disposal policy;
- (10) the reserves, reserve funds and accounts as set out in Appendix E be established or re-established for the purpose set out in the respective Appendix to this report for each reserve, reserve fund and account, and Municipal Code Chapter 227, Reserves and Reserve Funds, be amended by adding the reserves, reserve funds and accounts to their respective schedules as set out in Appendix E;
- (11) Schedules 1 through 16 of Municipal Code Chapter 227, Reserves and Reserve Funds, be amended by adding the purpose and beneficiary program of the consolidated reserve or reserve fund as set out in Appendix “A” to the appropriate schedule, and by renumbering the schedules so as to better indicate the classification of the accounts within them as reserves, discretionary reserve funds or obligatory reserve funds and to provide a better grouping of such classifications;
- (12) Municipal Code Chapter 227, Reserves and Reserve Funds, be amended to clarify that all reports, motions and notices of motion recommending the establishment of a reserve, reserve fund, account or account group must be signed by the Deputy City Manager and Chief Financial Officer, and to clarify that Council may establish accounts and account groups on the recommendation of the Deputy City Manager and Chief Financial Officer; and

- (13) 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.

38. Toronto Transit Commission – Streetcar Fleet Plan

Communication (October 14, 2005) from the Budget Advisory Committee advising that the Budget Advisory Committee on October 14, 2005, recommended to the Policy and Finance Committee that City Council request the Toronto Transit Commission not to make any expenditures or commitments of Capital and Operating funds which have not been approved by City Council; and that in addition, TTC staff be specifically directed to make no expenditures or commitments related to the proposed purchase of 64 new CLRVs, which have not been approved by Council.

39. Meeting the Needs of School Age Children through a Child Care and Recreation Service Mode

Report (October 14, 2005) from the General Manager, Children's Services Division, proposing that funding from the Social Services Stabilization Reserve previously allocated to support child care services be used to develop a new, recreation based model of school age child care.

Recommendations:

It is recommended that:

- (1) the General Managers of Children's Services and Parks, Forestry and Recreation develop a model after-school recreation and care program to address child care and recreation needs of children 6-12 years of age in vulnerable communities;
- (2) the model build opportunities for youth employment in the selected communities by implementing a leadership training program;
- (3) the proposed model be referred to the Mayor's Roundtable on Children, Youth and Education for consideration;
- (4) funding of \$3.7 million from the Social Service Stabilization Reserve Fund for this purpose be included for consideration in 2006 Children's Services Operating Budget;
- (5) this matter be referred to Budget Advisory Committee for its consideration; and
- (6) the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

40. Toronto Police Service – 2006 Operating Budget Target

Report (October 11, 2005) from the Chair, Toronto Police Services Board providing the Policy and Finance Committee with information regarding the Toronto Police Service's ability to meet the City's 2006 – 2008 operating budget targets.

Recommendation:

It is recommended that the Policy and Finance Committee receive this report.

41. Semi-Annual Report: Toronto Police Service Parking Enforcement Unit Absenteeism for the period between January and June 2005.

Report (October 11, 2005) from the Chair, Toronto Police Services Board advising the Policy and Finance Committee of the level of absenteeism for the period between January and June 2005.

Recommendation:

It is recommended that the Policy and Finance Committee receive this report.

42. Response to Toronto City Council Request for Information Regarding the Community Policing Partnership Program ("CPP") Grant Agreement – Funding Mechanism to Determine How the Full Salary Requirement of Officers Would be Achieved if the CPP Program is Terminated

Report (October 11, 2005) from the Chair, Toronto Police Services Board responding to the June 2005 request by Toronto City Council for information on "a funding mechanism to determine how the full salary requirement of the Officers would be met if the Community Policing Partnership Program is terminated".

Recommendation:

It is recommended that the Policy and Finance Committee receive this report.

43. 2005 Operating Variance Reports Ending June 30, 2005 for the Toronto Police Services Board, Toronto Police Service and Toronto Police Service – Parking Enforcement Unit

Report (October 5, 2005) from the Chair, Toronto Police Services Board advising the Policy and Finance Committee of the results of the 2005 operating variance reports

ending June 30, 2005 for the Toronto Police Services Board, Toronto Police Service and the Toronto Police Service –Parking Enforcement Unit.

Recommendation:

It is recommended that the Policy and Finance Committee receive this report.

44. Update on Status of Discussions with Toronto Port Authority concerning Payments in Lieu of Taxes

(In-camera – Litigation or Potential Litigation matters.)

Confidential report (October 17, 2005) from the Treasurer and City Solicitor providing an update on the status of discussions with the Toronto Port Authority concerning payments in lieu of taxes, such report to be considered in-camera as the subject matter relates to litigation or potential litigation matters.

45. Settlement of MFP Litigation and Comments on Pursuing other claims arising from the MFP Lease Transactions

Note: A report from the City Solicitor respecting the aforementioned matter will be distributed as soon as it is available.)

46. Soccer Stadium at Exhibition Place.

(Note: A report from the Board of Governors, Exhibition Place, respecting the foregoing matter will be distributed as soon as it is available.)