

Authority: Executive Committee Item EX25.9, adopted as amended, by City of Toronto Council on May 24, 25 and 26, 2017

CITY OF TORONTO

BY-LAW 596-2017

To adopt a new City of Toronto Municipal Code Chapter 215, Realty Agency, Toronto, to establish a City board to manage the City's real estate portfolio, develop City buildings and lands for municipal purposes and deliver client focused real estate solutions to City divisions, agencies and corporations.

Whereas the City owns one of the most expansive, diverse and valuable real estate portfolios in North America composed of assets under the jurisdiction of various City divisions, agencies and corporations; and

Whereas Council has approved a new real estate service delivery model for the City government that centralizes all real estate activities City-wide, including all real estate strategy and portfolio planning, major building projects, developments, real estate transactions and facilities management; and

Whereas it is therefore desirable to consolidate this function under the direction of a single City board in order to manage the City's real estate portfolio, develop City buildings and lands for municipal purposes and deliver client-focused real estate solutions to City divisions, agencies and corporations;

The Council of the City of Toronto enacts:

1. The City of Toronto Municipal Code is amended by adding the following as Chapter 215, Realty Agency, Toronto:

Chapter 215

REALTY AGENCY, TORONTO

ARTICLE 1

General

§ 215-1.1. Definitions.

As used in this chapter, the following terms shall have the meanings indicated:

ACT - *The City of Toronto Act, 2006.*

APPLICABLE LAW - All statutes, laws, by-laws, regulations, and orders of governments or other public authorities having jurisdiction at any time in force that apply to the Toronto Realty Agency or the Board.

BOARD - The board of directors of the Toronto Realty Agency.

TORONTO REALTY AGENCY- the City board known as the Toronto Realty Agency.

ARTICLE 2
Toronto Realty Agency

§ 215-2.1. City board established.

- A. A City board known as Toronto Realty Agency is established pursuant to the Act to act on behalf of Council to manage the City's real estate portfolio, develop City buildings and lands for municipal purposes and deliver client focused real estate solutions to City divisions, agencies and corporations.
- B. Toronto Realty Agency is a City board and is an agent of the City for the purposes set out in this chapter.

§ 215-2.2. Board of directors.

- A. Effective May 26, 2017, an interim Board shall be established for a term ending upon the effective date of the appointment of the new Board under Subsection D, with a mandate solely to initiate a recruitment process for a chief executive officer, provide leadership during the set-up of the Toronto Realty Agency, provide direction on transition activities, and consider whether an interim chief executive officer is a necessary part of the transition to the new real estate delivery model, and composed of seven persons as follows:
 - (1) The Mayor or a Council member appointed by the Mayor as the Mayor's designate;
 - (2) The Chair of the Toronto Transit Commission Board;
 - (3) The Chair of Build Toronto Board;
 - (4) The Chair of the Toronto Public Library Board;
 - (5) Dino Chiesa, as Chair of the Interim Board;
 - (6) Linda Robinson; and
 - (7) Stephen Taylor.
- B. The provisions of this chapter shall, as applicable to the mandate of the interim Board as set out in Subsection A, apply to the interim Board.
- C. The interim Board appoints a vice-chair from among its members.
- D. Effective January 1, 2018, the size and composition of the Board is amended to consist of nine members appointed by Council as follows:
 - (1) The Mayor or a Council member appointed by the Mayor as the Mayor's designate;
 - (2) Two (2) Members of Council; and

- (3) Six (6) public members.
- E. No two (2) Members of Council appointed to the Board shall be from the same Community Council area.
- F. Council appoints the Chair from among the Board's public members.
- G. The Board appoints a vice-chair from among its members.
- H. Public members will meet the eligibility requirements pursuant to the Public Appointments Policy approved by Council, including that they are a resident of Toronto and at least 18 years of age.
- I. Public members are ineligible for appointment if they are a supplier of goods or services to the City, have an employment or other interest in an organization that is involved in a real estate transaction with the City, or are involved in litigation with the City.
- J. The term for public members will be subject to the term requirements of the Public Appointments Policy, which provides for terms for 4 years or until successors are appointed, serve at pleasure of Council, provided that three (3) public members shall be appointed for a term of two (2) years in the first term of the Board to satisfy the requirements of Subsection J. The term for members of Council shall be two (2) years.
- K. The terms of the public members will be staggered so that the terms of three public members shall expire every two years, and the maximum term of a public member shall be for two (2) terms.
- L. The City Clerk will be responsible for recruitment and outreach to encourage the public to apply for consideration for appointment as members of the Board, and the Corporations Nominating Panel of the City will review, short-list and interview applicants and recommend candidates for appointment by Council.

§ 215-2.3. Role of the Board and Chair.

- A. The Board shall supervise the management of the City's real estate portfolio, development of City buildings and lands for municipal purposes, and delivery of client focused real estate solutions to City divisions, agencies and corporations.
- B. The Chair will, in addition, be required to:
 - (1) Ensure that Board meetings are effective, decisions are consistent with the Board's mandate and that the Board is accountable in accordance with the requirements of this chapter.
 - (2) Prepare for approval by the Board the annual performance report to Council as required under § 215-2.5B(2) and coordinate operational activities of the Board, including liaising with the City Clerk and Chief Corporate Officer, as required.

- (3) Be an effective leader, and demonstrate additional expertise and skills in order to perform this role effectively, including well-developed leadership and administrative skills.
- C. Board members are required to comply with the Code of Conduct for Members of Local Boards as adopted by Council.

§ 215-2.4. Remuneration.

- A. The remuneration for public Board members is an annual \$10,000 retainer and \$500 per board meeting up to a maximum total retainer amount of \$20,000 per annum. The remuneration for the Chair of the Board is an annual \$50,000 retainer and \$500 per meeting up to a maximum total retainer amount of \$70,000 per annum.

§ 215-2.5. Role of Council.

- A. The following matters shall require the approval of Council:
- (1) The appointment of Board members and the ratification of the chief executive officer of the Board.
 - (2) The annual consolidated operating and capital budgets of the Board.
 - (3) The audited annual consolidated financial statements of the Board.
 - (4) A records retention by-law or specific Council approval to destroy records.
- B. The Board shall be transparent and accountable to Council, including the following monitoring and reporting requirements:
- (1) The Toronto Realty Agency shall be subject to the jurisdiction of the City's Auditor General, Integrity Commissioner, Lobbyist Registrar and Ombudsman.
 - (2) The Board shall provide an annual performance report to Council, in a form satisfactory to the City Manager and including, but not limited to, information related to performance indicators, key projects and value created.
 - (3) The Board shall prepare, in collaboration with the Chief Corporate Officer and affected City divisions, agencies, and corporations, and in consultation with the Executive Director, Financial Planning, a strategic real estate plan for approval by Council for maximizing broader value from the City's real estate assets and driving City priorities.
 - (4) Council shall ratify the appointment of the chief executive officer for the Toronto Realty Agency, provided that the Board is delegated the authority to terminate or renew the appointment of the chief executive officer.
 - (5) The Toronto Realty Agency shall be subject to an annual audit by an independent third-party auditor, retained by the Auditor General, as required under the Act.

- (6) The Deputy City Manager and Chief Financial Officer, the Treasurer and the Executive Director, Financial Planning shall act as financial liaisons with the Board to provide advice on corporate financial planning, budgeting, financial management and financial control matters and services, specific to tax-supported and/or rate-supported operating and capital budgets, but not including the commercial activities of the Board and its corporations.
- (7) The Board shall operate in compliance with all applicable law including but not limited to the Act, *Municipal Conflict of Interest Act*, *Occupational Health and Safety Act*, *Ontario Human Rights Code*, the Toronto Municipal Code and any Council policies with which the Board is required by Council or otherwise to comply.

§ 215-2.6. Procedures and meetings of the Board.

- A. The Board shall follow Council procedures as set out in Chapter 27, Council Procedures, as they apply to Committees of Council with any necessary modifications, until such time as the Board's own procedures by-law is approved by Council.
- B. The Board shall, as soon as is practical, develop its own procedures by-law to be approved by Council through Executive Committee, which shall supersede the procedures provided for in Subsection A.
- C. The Board shall conduct its meetings in accordance with the open meeting requirements of the Act and shall be subject to the jurisdiction of the open meeting investigator appointed by Council.
- D. The City Manager and the Chief Corporate Officer or designates may attend all meetings of the Board, including closed sessions, to provide advice to the Board and support the implementation of the new City-wide real estate delivery model.
- E. The City Clerk shall be secretary to the Board and shall provide meeting management support to the Board.

Enacted and passed on May 26, 2017.

Frances Nunziata,
Speaker

Ulli S. Watkiss,
City Clerk

(Seal of the City)