



Decision Document

Economic Development Committee

Meeting No.	6	Contact	Rosalind Dyers, Committee Administrator
Meeting Date	Thursday, July 5, 2007	Phone	416-392-8018
Start Time	9:30 AM	E-mail	rdyers@toronto.ca
Location	Committee Room 1, City Hall		

The Decision Document is for preliminary reference purposes only. Please refer to the Minutes for the official record.

How to Read the Decision Document:

- *recommendations of the Committee to City Council appear after the item heading and any amendments by Committee to recommendations appearing in a staff report are italicized;*
- *action taken by the Committee on its own authority does not require Council's approval and is listed in the decision document under the heading "Decision Advice and Other Information" at the end of the item;*
- *Declarations of Interest, if any, appear at the end of an item.*

Minutes Confirmed – Meeting of June 7, 2007

ED6.1	ACTION	Amended		Ward: All
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Green Economic Sector Development Strategy

(May 16, 2007) Report from the General Manager, Economic Development, Culture and Tourism.

Committee Recommendations

The Economic Development Committee recommends that:

1. Council endorse the vision, objectives, and strategic directions contained in the Green Economic Sector Development Strategy and summarized in this report;

2. Council request the Economic Development, Culture, and Tourism Division work with other City Divisions to ensure that the City's prosperity objectives are incorporated into the development of existing and new environmental policies and programs;
3. Council endorse the implementation of the action items listed in the report;
4. *Council request the General Manager of Economic Development, Culture and Tourism, in co-operation with other City Divisions, to report to the Economic Development Committee in September 2007 on a work plan for implementing the action items and the resources that may be required; and that the work plan include the following:*
 - a. *the potential for including City-owned Toronto Hydro Energy Services Inc. as a key partner in the development of the action items;*
 - b. *the potential to work with the Director of Toronto Water to find opportunities for enhancing business efficiency and business development opportunities emerging from the creation of water efficiency plans for bulk water consumers;*
 - c. *opportunities for attracting new business in the following sectors:*
 - *bicycle parts, assembly and manufacture;*
 - *compact florescent light-bulb recovery and recycling;*
 - *green electricity equipment: windmill parts, solar equipment;*
 - *green landscaping; and*
 - *reuse and recycling industries flowing from the establishment of reuse centres in the City's 70% diversion plan;*
 - d. *an examination of barriers and opportunities for local food production and marketing;*
 - e. *possible strategies to ensure Toronto has adequate training and workforce development programs for a greatly accelerated home and building energy retrofit program; and*
 - f. *opportunities to support the formation of local energy co-ops to take advantage of the provincial standard offer program;*
5. *the City establish a Green Manufacturing Action Team comprising leaders in green manufacturing initiatives, environmental experts, key academic researchers and representatives from labour;*
6. *the Green Manufacturing Action Team be tasked with outlining a path forward to match the emerging boom in demand for green products worldwide with green manufacturing opportunities in Toronto, as well as identifying tools for promoting pollution prevention*

activities in Toronto's Manufacturing sector; and

7. *the Green Manufacturing Action Team report to the Economic Development Committee on initial steps and a recommended timeline for implementation by December 2007.*

Financial Impact

There are no financial implications resulting from the adoption of this report.

Summary

The Economic Development Culture and Tourism Division (EDCT) has undertaken the development of a Green Economic Sector Development Strategy to support the growth and recognition of Toronto's environment and renewable energy industry sector, promote environmental best practices among employers and increase the City's competitiveness and retention of existing employment. This report presents the initiative's strategic directions and outlines actions to improve the local/global environment, increase prosperity and better the quality of life for Torontonians.

Background Information

2007-07-05-ed06-1

(<http://www.toronto.ca/legdocs/mmis/2007/ed/bgrd/backgroundfile-5215.pdf>)

2007-07-05-ed06-1.Consultants report

(<http://www.toronto.ca/legdocs/mmis/2007/ed/bgrd/backgroundfile-5216.pdf>)

Communications

(July 5, 2007) Submission from Katrina Miller, Campaigns Director, Toronto Environmental Alliance (ED.New.ED6.1.1)

(July 5, 2007) Submission from John Cartwright, Toronto and York Region Labour Council and submitting a copy of "Climate Change Rising to the Challenge - We Can Do It" (ED.New.ED6.1.2)

(July 5, 2007) Submission from Andrew King and John Humphrey, United Steelworkers, submitting a copy of a letter from National Rubber Technologies, addressed to Councillor Palacio, and a copy of "Securing Our Children's World - Our Union and the Environment" (ED.New.ED6.1.3)

(July 5, 2007) Submission from Brian Milani, Green Enterprise Toronto (ED.Main.ED6.1.4)

ED6.2	Presentation	Received		
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Toronto Region Research Alliance - Update

Summary

Presentation by Ross McGregor, President and CEO, and Michael Williams, Toronto Region Research Alliance (TRRA), providing a brief overview of the TRRA and in particular the strategies being used and the key features of the sales pitches made to promote the City and the Region.

The Toronto Region Research Alliance (TRRA) is a broad coalition of regional stakeholders interested in attracting research intensive companies to the Region and in improving the capacity for research in the Toronto Region. TRRA is supported by the private sector, all levels of government (including the City of Toronto), universities and colleges. TRRA has been working closely with the City, and other key stakeholders, in researching, developing and undertaking investment attraction efforts towards the ICT industry, Bio Life Sciences and Advanced Manufacturing. Some of this work includes developing a sophisticated investment attraction 'story' for research intensive industry. As well, TRRA is working with the Provincial government to ensure we have a competitive incentive program for major foundational investments by tech-based companies. TRRA's presentation will review these activities, future priorities for work and provide an opportunity for the Committee to provide feedback.

Communications

(July 5, 2007) Submission from Ross McGregor, President and CEO, Toronto Region Research Alliance (ED.New.ED6.2.1)

Decision Advice and Other Information

The Economic Development Committee expressed appreciation to Mr. McGregor and Mr. Williams for their excellent presentation, and received the presentation by the Toronto Region Research Alliance for information.

ED6.3	ACTION	Amended		Ward: 20
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Theatre Passe Muraille – City Acquisition of 16 Ryerson Avenue

(June 20, 2007) Report from Deputy City Manager Sue Corke.

Committee Recommendations

The Economic Development Committee recommends that:

1. City Council grant authority to enter into an Agreement of Purchase and Sale for the property currently owned by Theatre Passe Muraille at 16 Ryerson Avenue as a one-time special acquisition to support the ongoing viability of Theatre Passe Muraille and protect this affordable and sustainable cultural space in the City on the terms outlined in Attachment 1 to this report, in a form acceptable to the City Solicitor;
2. should Council authorize the purchase of 16 Ryerson Avenue and amend the 2007 Economic Development, Culture and Tourism Capital budget accordingly, as the Corporate Land Acquisition Reserve Fund is depleted, the only funding source available on a one-time extraordinary basis is the Capital Financing Reserve Fund;
3. the City deposit \$0.200 million of the proceeds from the sale of the building into a City Reserve Fund to provide security against any future failure to comply with the capital maintenance requirement during the tenancy and the Deputy City Manager, Chief

Financial Officer report the details in the upcoming Report on Reserve Funds;

4. the building at 16 Ryerson Avenue be retained as a City-owned performing arts centre in the Economic Development, Culture and Tourism portfolio of cultural properties without any ongoing capital or operating costs to the City;
5. the City Solicitor be authorized to complete these transactions on behalf of the City including making payment of any necessary expenses, and amending the closing date and other dates to such earlier or later dates and on such terms and conditions as she may from time to time consider reasonable;
6. subject to City Council approving Recommendation No. 1, City Council grant authority to enter into a 10-year lease with two five-year renewal options with Toronto Artscape Inc., who would property manage the operations of the building on a cost recovery basis with Theatre Passe Muraille as occupants at 16 Ryerson Avenue based on the criteria of the City-Owned Space at Below-Market Rent Policy, including provision for the occupants to assume responsibility for all capital and operating costs, for the purpose of a performing arts facility, substantially on the terms and conditions outlined in Attachment 2 to this report in a form acceptable to the City Solicitor, such grant by way of below market rent being in the interest of the municipality;
7. the Chief Corporate Officer be authorized to administer and manage the lease agreement 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 such matters (including their content) to City Council for its determination and direction; and
8. the appropriate officials be authorized to take the necessary action to give effect thereto.

Financial Impact

The cost to the City to implement this report as per Attachment 1 includes the initial \$1.2 million purchase price, which is subject to the usual closing adjustments, and the cost of entering into a below market rent lease with TPM. The financial impact of this transaction approximately totals \$1,262,175.00.

Payments to Vendor:		
	Purchase Price (less GST)	\$1,000,000.00
	Holdback in Reserve Account	\$ 200,000.00
	Total Purchase Price	\$1,200,000.00
City's Closing Costs:		
	Land Transfer Tax – approx.	\$ 20,475.00
	Registration Costs	\$ 100.00
	Real Estate Staff Costs (50 hrs)	\$ 3,600.00
	Appraisal	\$ 6,000.00
	City Legal	\$ 11,000.00
	Max. Environmental Testing Cost	\$ 21,000.00

	(Phase I & II - does not include clean up costs)	
Net Cost to City less GST		\$1,262,175.00

The below market rent lease with Toronto Artscape Inc. will have no impact on the City's Capital or Operating Budgets. Facilities and Real Estate staff estimate that the below-market rent lease with Toronto Artscape Inc., including the capital improvements, represents a present value opportunity cost to the City of approximately \$610,000.00 over 20-year time period.

To protect the City from the risk of incurring future capital costs for this facility, \$200,000 of the proceeds from the purchase is to be deposited in a City Reserve Fund and the balance of the Reserve Fund shall remain at a minimum of \$200,000 for the duration of the tenancy. As a condition of the lease the tenant is to contribute a minimum of \$20,000 annually to this Reserve Fund. Such funds are to be applied to building maintenance through the Economic Development Culture and Tourism Capital Budget.

The Deputy City Manager and Chief Financial Officer has reviewed this report and concurs with the financial impact statement.

Summary

Theatre Passe Muraille (TPM), Canada's oldest alternative theatre devoted to the development and production of original Canadian work, is facing financial difficulties that are seriously compromising its ability to produce plays. The theatre company is housed in a 105-year old designated heritage building which TPM has owned since 1975.

In addition to being a home to Theatre Passe Muraille, the building has acted as an incubator for many other theatre companies and projects that includes work by Michael Ondaatje as well as plays such as the Drowsy Chaperone (first professional production at TPM of the musical and is currently playing on Broadway); The Drawer Boy (the most widely produced play in North America last year); Da Kink in My Hair and the AfriCanadian Playwrights Festival.

Based on past City policy and practices, City staff recommends the acquisition and retention of the building as a City-owned performing arts centre and the execution of a below-market lease from the City to Toronto Artscape Inc. who would property manage the operations with Theatre Passe Muraille as the sub-tenant.

There will be no capital or operating costs to the City arising from this lease. A Reserve Fund held by the City, will be set up to hold \$200,000 from the proceeds of the sale of the building which will serve as security to the City concerning any future Capital costs. The Theatre Passe Muraille building is in a state of good repair according to a recent Building Condition Assessment.

Background Information

2007-07-05-ed06-3

<http://www.toronto.ca/legdocs/mmis/2007/ed/bgrd/backgroundfile-5217.pdf>

Communications

(July 4, 2007) letter from Claire Hopkinson, Executive Director, Toronto Arts Council and Toronto Arts Council Foundation (ED.New.ED6.3.1)

(July 5, 2007) letter from Councillor Adam Vaughan, Ward 20, Trinity-Spadina (ED.New.ED6.3.2)

(July 5, 2007) Submission from Shelley M. Black, President, Board of Directors Theatre Passe Muraille (ED.New.ED6.3.3.)

Decision Advice and Other Information

The Economic Development Committee requested:

1. the Budget Committee to report directly to Council confirming the source of the funding for the acquisition for the Theatre Passe Muraille, 16 Ryerson Avenue, in accordance with the request from the Executive Committee on June 25, 2007 (Item EX10.46); and
2. the Executive Director of Culture, in consultation with appropriate City staff, to examine the possibility of commercial or residential development on the Theatre Passe Muraille property.

ED6.4	ACTION	Amended		Ward: All
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Appointment of Members of Council to the Collections, Conservation and Shared Resources Board and the Fort York Management Board

(June 15, 2007) Report from the City Clerk.

Committee Recommendations

The Economic Development Committee recommends:

1. the appointment of Deputy Mayor Joe Pantalone to the Fort York Community Museum Management Board for a term of office ending December 31, 2008 and until successors are appointed; and
2. that Council amend the composition set out in the City of Toronto Municipal Code, Chapter 103, Heritage (Schedule A to Ch.103, Art.I, Membership of the Museum Board and Museum Management Boards) to provide that one position on the Collections Conservation and Shared Resources Museum Management Board be a Member of Council or, if no Member of Council is interested, a nominee from one of the other museum boards that is not represented on the Board in the current term of Council.

Financial Impact

There are no financial implications resulting from this report.

Summary

This report forwards information and a list of Member's preferences for appointment to the Collections, Conservation and Shared Resources Board and the Fort York Museum Management Board so that the Economic Development Committee may nominate Members for appointment by Council.

Background Information

2007-07-05-ed06-4

(<http://www.toronto.ca/legdocs/mmis/2007/ed/bgrd/backgroundfile-5219.pdf>)

2007-07-05-ed06-4-attach

(<http://www.toronto.ca/legdocs/mmis/2007/ed/bgrd/backgroundfile-5220.pdf>)

ED6.5	ACTION	Referred		Ward: All
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Strip Plazas as Business Improvement Areas to Improve Private Property

(May 22, 2007) Report from the City Solicitor.

Financial Impact

The recommendations in this report will have no financial impact.

Summary

The City Solicitor has been asked to determine what amendments are required to Municipal Code Chapter 19, Business Improvement Areas, in order to establish "Special Policy Areas" in relation to privately-owned strip plazas.

Existing Business Improvement Areas ("BIAs") are designated by the City under authority from the Municipal Act, 2001 to oversee the improvement of City-owned land, buildings and structures, and to promote the area as a business or shopping area. With the enactment of the new City of Toronto Act, 2006 ("COTA"), boards of management for BIAs can be established as city boards. COTA clearly contemplates that BIAs will be established for the same purposes as set out in the Municipal Act, 2001, i.e. to promote the area as a business and shopping area, or to improve, beautify and maintain City-owned land, buildings and structures in the area beyond that provided at the expense of the City generally. Accordingly, Chapter 19 should not be amended to include strip plazas, where the BIA funds will be used to improve private property and not City-owned property.

Further, the improvement of private property and the operation of what is essentially a property management service are likely not municipal services that can be delegated to a city board. The proposal also likely conflicts with property standards legislation under the BCA and would be deemed to be without effect, if challenged, pursuant to section 11 of COTA.

While property standards legislation is currently the best way to deal with derelict strip plazas,

it may be possible to designate them as Community Improvement Project Areas in the future, however, more analysis and research is required to determine if this is appropriate.

Background Information

2007-07-05-ed06-5

(<http://www.toronto.ca/legdocs/mmis/2007/ed/bgrd/backgroundfile-5221.pdf>)

5a Executive Committee Item 8.10 New Municipal Code Chapter 19 - Business Improvement Areas

(June 19, 2007) Letter from the City Clerk.

Summary

City Council on June 11, 2007, considered this Item, and referred the following motion to the Economic Development Committee, and the General Manager, Economic Development, Culture and Tourism, was requested to report on this motion, for consideration by Committee at its July 5, 2007 meeting and submission to City Council:

Moved by Councillor Moscoe:

“That:

1. In a manner similar to the graffiti provision enacted by City Council on February 16, 2005, ‘Municipal Code Chapter 485’, Council hereby declares that repairs that are ordered by the City through work orders issued by the City to the exterior of commercial properties are or could become or cause a public nuisance.

The benefit to the City of resisting the deterioration of a strip plaza far outweighs the benefit that any property owner might derive from the execution of a work order which being a public nuisance can adversely affect property values, business opportunities and the enjoyment of life.

The deterioration of the exterior elements of commercial and industrial properties has been shown to lead to ‘urban blight’ degrading the community and often resulting in an increase in crime.

2. Consistent with Sections 329 and 331 of The City of Toronto Act, 2006, (COTA) and Regulation 594/06, if approved by the general membership of the Business Improvement Area (BIA), execution of work orders to the exterior of BIA properties that are the collective responsibility of the BIA shall be treated in the same manner as graffiti removal.
3. The General Manager, Economic Development, Culture and Tourism, in consultation with the Chief Planner and Executive Director, City Planning, and the City Solicitor, be requested to report to the Licensing and Standards Committee on the feasibility of utilizing Sections 28 and 29 of the Planning Act for the rehabilitation of strip plazas and

industrial corridors.

4. Section 19-4C of the new City of Toronto Municipal Code Chapter 19, 'Business Improvement Areas', be amended by adding the words 'unless specifically authorized by Council', so that the Section now reads as follows:

'A board shall not...

C. borrow or lend money unless specifically authorized by Council;'

5. Section 19-4G of the new City of Toronto Municipal Code Chapter 19, 'Business Improvement Areas' be amended by adding the words 'unless specifically authorized by Council', so that the Section now reads as follows:

'A board shall not...

G. make or fund improvements to private property, with the exception of graffiti and poster removal initiatives as per Section 19-3D, unless specifically authorized by Council.'

Background Information

2007-07-05-ed06-5a

(<http://www.toronto.ca/legdocs/mmis/2007/ed/bgrd/backgroundfile-5222.pdf>)

2007-07-05-ed06-5a-attachEX8-10

(<http://www.toronto.ca/legdocs/mmis/2007/ed/bgrd/backgroundfile-5223.pdf>)

5b Strip Plaza Rehabilitation

(June 28, 2007) Report from the City Solicitor and the Acting Director, Small Business and Local Partnerships.

Financial Impact

The recommendations in this report will have no financial impact.

Summary

The Acting Director, Economic Development, Culture and Tourism (the "Acting Director") and the City Solicitor recommend that the matter of how to rehabilitate strip plazas and industrial corridors be deferred until the Economic Development Committee meeting of November 29, 2007. There are complex legal, administrative and budgetary issues that must be explored with input from various staff, in order to attempt to overcome the obstacles presented by these issues. In order to explore solutions that address these issues, the Economic Development Division will undertake a series of roundtable discussions with City Planning, Finance, Municipal Licensing and Standards, Solid Waste, and Legal.

Background Information

2007-07-05-ed06-5b

(<http://www.toronto.ca/legdocs/mmis/2007/ed/bgrd/backgroundfile-5461.pdf>)

Decision Advice and Other Information

The Economic Development Committee:

1. referred back the reports (May 22, 2007 and June 28, 2007) from the City Solicitor, and the letter (June 19, 2007) from the City Clerk to the City Solicitor and the General Manager, Economic Development, Culture and Tourism, to determine how the City can utilize the Community Improvement Plan designation as a tool in the rehabilitation of strip plazas;
2. requested the City Solicitor and the General Manager, Economic Development, Culture and Tourism to work with the Chair of the Licensing and Standards Committee in the development of this program; and
3. requested the City Solicitor and the General Manager, Economic Development, Culture and Tourism to report to the November 29, 2007 meeting of the Economic Development Committee on this matter.

ED6.6	ACTION	Adopted		Ward: 18, 19
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Intention to Designate the Dundas Ossington Business Improvement Area (BIA)

(June 12, 2007) Report from the Acting Director, Small Business and Local Partnerships.

Committee Recommendations

The Economic Development Committee recommends that:

1. the area described by Attachment No. 1 (Maps 1 and 2), be designated as a Business Improvement Area (BIA), under Chapter 19 of the Toronto Municipal Code;
2. the City Clerk be authorized and directed to send out a notice of Council's intention to pass a by-law designating the area, as defined in Attachment No. 1 (Maps 1 and 2), as a Business Improvement Area (BIA), in accordance with Chapter 19 of the Toronto Municipal Code;
3. the Executive Director of Technical Services be requested to prepare designation by-law maps of the area, as described by Attachment No. 1 (Maps 1 and 2), and submit them to the City Solicitor; and
4. subject to the General Manager of Economic Development, Culture and Tourism reporting favourably on the results of the poll referred to in Recommendation 2, and upon receipt of the maps referred to in Recommendation 3, the City Solicitor be directed to prepare a by-law designating the area, as described by Attachment No. 1 (Maps 1 and 2), as a Business Improvement Area (BIA) in accordance with Chapter 19 of the Toronto Municipal Code.

Financial Impact

The proposed Dundas Ossington Business Improvement Area (BIA) is one of four potential new BIAs to be established in 2007.

Capital budgets may be impacted in future years should streetscape or other capital improvements be undertaken by the Dundas Ossington BIA. These capital improvements are cost-shared equally between the BIA and the City.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

Summary

The purpose of this report is to recommend that the City Clerk conduct a poll to determine if there is sufficient support to designate the Dundas Ossington area as a Business Improvement Area (BIA).

Upon the completion of the poll, the General Manager of Economic Development, Culture and Tourism report on the results to Council. Subject to a positive poll result, staff shall prepare the necessary by-laws and bills to give effect thereto.

Background Information

2007-07-05-ed06-6

<http://www.toronto.ca/legdocs/mmis/2007/ed/bgrd/backgroundfile-5224.pdf>

2007-07-05-ed06-6-attach

<http://www.toronto.ca/legdocs/mmis/2007/ed/bgrd/backgroundfile-5225.pdf>

Meeting Sessions

Session Date	Session Type	Start Time	End Time	Public or Closed Session
2007-07-05	Morning	9:35 AM	11:30 AM	Public