

Executive Committee

Meeting No.	10	Contact	Patsy Morris, Committee Administrator
Meeting Date	Monday, June 25, 2007	Phone	416-392-9151
Start Time	9:30 AM	E-mail	pmorris@toronto.ca
Location	Committee Room 1, City Hall		

The Decision Document is for preliminary reference purposes only. Please refer to the Committee's Report to City Council or 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.*

Communications/Reports

EX10.1	ACTION	Amended		Ward: All
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New Taxation Measures - City of Toronto Act, 2006

(June 11, 2007) Report from the City Manager and the Deputy City Manager and Chief Financial Officer

Committee Recommendations

The Executive Committee recommends to Council that:

1. Council adopt a new Land Transfer Tax within the City of Toronto, as detailed further in this report, for implementation in fiscal 2008 or as soon thereafter as practicable at the following rates:
 - i. 0.5% for values of consideration on sales up to and including \$55,000, plus
 - ii. 1.0% for values of consideration on sales exceeding \$55,000 up to and including \$250,000, plus

- iii. 1.5% for values of consideration on sales exceeding \$250,000; and
 - iv. if the value of consideration on sales exceeds \$400,000 for lands containing 1 and/or 2 single family residences, an additional 0.5% on the value exceeding \$400,000
2. the Deputy City Manager and Chief Financial Officer and City Solicitor be authorized to negotiate a land tax administration agreement with Teranet and the Province as necessary, and execute user licence agreements with Teranet and the Province as necessary in order to facilitate an administration agreement;
 3. Council adopt a new Personal Vehicle Ownership Tax within the City of Toronto, as detailed further in this report, for implementation in fiscal 2008 or as soon thereafter as practicable at the following rates:
 - i. \$60 per personal vehicle per year;
 - ii. \$30 per personal motorcycle or moped per year;
 - iii. \$0 for personal motorized snow vehicles and historical vehicles;
 4. the Deputy City Manager and Chief Financial Officer, in consultation with the City Solicitor, be directed and authorized to negotiate with the Province and other relevant parties regarding City Personal Vehicle Ownership Tax agreements for administration, collection, and enforcement;
 5. the Province of Ontario, in keeping with its commitments under the *City of Toronto Act* to work cooperatively with the City, and in order to provide the most efficient and effective implementation and administration process, be requested to enter into a fair and equitable agreement with the City to collect and administer a City of Toronto Vehicle Ownership Tax, through its motor vehicle registration operations, and any necessary agreements to implement the City's Land Transfer Tax;
 6. the Deputy City Manager and Chief Financial Officer report back to the Executive Committee in the Fall 2007 in regard to Recommendations 1 – 5, on the appropriate exemptions, rebates, collection and administrative procedures, enforcement provisions, administration agreement and any other implementation issues including establishment of appropriate reserves for adoption into a tax by-law;
 7. the Deputy City Manager & Chief Financial Officer undertake further consultations in respect of alcohol tax on store sales to non-licensed consumers with Toronto based liquor, wine and beer retailers, and government taxing authorities, and report back to the Executive Committee in the fall 2007 on economic impacts and administrative options;
 8. in conjunction with the development of a new City sign by-law, DCM Richard Butts be directed to consider and report back to the Executive Committee on the potential application of a billboard or public signage tax, specifically for the purposes of raising revenue to administer the by-law and raise revenues for City beautification, arts or cultural initiatives;
 9. *the Province of Ontario be requested to vacate the Land Transfer Tax field;*

10. *in any future reports, the discussion of “parking tax” be referred to as a “parking lot tax”; and*
11. the appropriate officials be authorized and directed to take necessary actions to give effect thereto.

Financial Impact

The following table summarizes the estimated annual net revenues from the identified taxes:

Revenue Tools	Rate	Estimated Net Annual Revenues (\$millions)
Land Transfer Tax (2008)	0.5% to up to 2% depending on transaction value and type	\$300
Vehicle Ownership Tax (2008)	\$60 per personal vehicle; \$30 per personal motorcycle/moped	\$56

The following table lists estimates for tax options recommended for further study:

Revenue Tools	Rate	Estimated Net Annual Revenues (\$millions)
Non-Licensed Liquor Sales (possibly by 2009)	5%	\$44
Billboard tax	various	\$3

These revenue estimates are based on information from the previous reports per the links below.

Summary

The purpose of this report is to respond to direction from the Executive Committee with the results of consultations with the public and stakeholders on the potential tax measures identified in the discussion paper presented to the committee on March 26, 2007, and to provide additional information regarding potential implementation of tax measures, estimation of net revenues and economic impacts.

Background Information

New Taxation Measures - City of Toronto Act, 2006

<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5118.pdf>

Communications

(May 24, 2007) letter from Ed Ho and Daniella Dimitrov, Co-owners, Globe Bistro
(<http://www.toronto.ca/legdocs/mmis/2007/ex/comm/communicationfile-2223.pdf>)

1a Toronto Land Transfer Tax: Unfair, Unprecedented, Unjustified**Summary**

E-mail from Mauro Ritacca, Manager, Government Relations, Toronto Real Estate Board, advising that the proposed land transfer tax is unfair, unprecedented and unjustified.

Communications

(June 14, 2007) e-mail from Mauro Ritacca, Manager, Government Relations, Toronto Real Estate Board

1b Public Policy Revenue Tools**Summary**

Letter (June 15, 2007) from Rob Evans, President & CEO, Ontario Restaurant Hotel & Motel Association, and Terry Mundell, President, Greater Toronto Hotel Association, advising that the ORHMA and GTHA oppose the implementation of any new municipal taxes.

Communications

(June 15, 2007) e-mail from Rob Evans President & CEO, Ontario Restaurant Hotel & Motel Association and from Terry Mundell, President, Greater Toronto Hotel Association

1c Revenue Tools for the City of Toronto**Summary**

E-mail from Chris Conway, MBA - Director, Government Relations, Real Property Association of Canada regarding Land Transfer Tax.

Communications

(June 19, 2007) e-mail from Chris Conway, MBA - Director, Government Relations, Real Property Association of Canada

Decision Advice and Other Information

The Executive Committee:

1. requested the Deputy City Manager and Chief Financial Officer to submit a report directly to City Council for its meeting scheduled to be held on July 16, 2007:
 - i. on which of these “revenue tools” should be designated as “user fees” and which of these funds raised should be dedicated and, to what purposes;
 - ii. on the total City payments for the 8 percent PST; and
2. referred the comments by Mr. John Hay, Ontario Craft Brewers, contained in his submission, to the Deputy City Manager and Chief Financial Officer for consideration and inclusion in the upcoming report in the Fall 2007.

EX10.2	ACTION	Amended		Ward: All
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Enhancing Toronto’s Business Climate – Update

(June 7, 2007) Report from the Deputy City Manager and Chief Financial Officer

Committee Recommendations

The Executive Committee recommends to Council that:

1. Recommendation (4) of the report “Enhancing Toronto’s Business Climate – It’s Everybody’s Business” adopted by Council on October 26, 27, 28 and 31, 2005, be deleted and replaced by the following:
 - (4) (i) Council approve a program, for the taxation years 2008 to 2015, to provide property tax relief for the residual commercial class (consisting of all commercial properties which are not in any other optional commercial property class), in accordance with the following:
 - (a) Subject to the regulation requested by Recommendation (2) below being filed by the October, 2007 Council meeting, Council adopt the residual commercial class for the 2008 to 2015 taxation years;
 - (b) If the regulation requested by Recommendation (2) below has not been filed by the October, 2007 Council meeting, Council adopt the Large Office Buildings property class, the Parking Lots property class, the Large Shopping Centres property class, and the Large Sports Facilities property class, resulting in the balance of commercial properties essentially being the residual commercial class;

- (ii) Council endorse two bands of assessment of property for the purposes of facilitating graduated tax rates for the residual commercial class;
- (iii) Council endorse an accelerated phase-in over a maximum 8-year period, commencing in 2008, to reduce the target tax ratio for the first band of assessed value in the residual commercial class to 2.5-times the municipal residential tax rate by 2015;
- (iv) The maximum tax ratios for the first band of assessment of the residual commercial class be as set out in Column II below, and the maximum tax ratio for the second band of assessment be as set out in Column III:

Column I	Column II	Column III
Tax Year	Maximum Tax Ratio – First Band of Assessment	Maximum Tax Ratio – Second Band of Assessment
2008	3.41	3.55
2009	3.28	3.46
2010	3.15	3.38
2015	2.5	3.0
2020	2.5	2.5

- (v) The assessed value threshold for the bands of assessment for the residual commercial class be initially established for the 2008 taxation year at \$1,000,000 assessed value, and that the Deputy City Manager and Chief Financial Officer be directed to report annually thereafter on the threshold for the bands of assessment as part of the annual tax levy report;
2. The Minister of Finance be requested to file a regulation to create the residual commercial class, as an optional class which municipalities may chose to adopt, and consisting of all commercial properties which are not in any other optional commercial property class;
 3. Recommendation (6)(a) of the report “Enhancing Toronto’s Business Climate – It’s Everybody’s Business”, adopted by Council on October 26, 27, 28 and 31, 2005, be deleted and replaced by the following:
 - 6(a)(i) Conditional upon the Province implementing new classes for all new commercial and industrial development for 2008, a City program be approved, commencing in 2008, to provide for a lower municipal tax rate to apply 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 a tax ratio of 3.0 times the residential rate, and determined from the time the Occupancy Permit is issued, and that this target ratio be reviewed in five years time (2012);

- (a)(ii) The Province be again requested to grant the City the authority to establish lower tax rates for a limited time period for new or expanded non-retail office, hotel and industrial properties described above;
4. The Province of Ontario be requested to accelerate the business education tax rate reductions for the City of Toronto announced as part of the March 22, 2007 Provincial Budget, by basing the reduction on the difference between Toronto's current commercial and industrial education tax rates and the target rate of 1.6% and by phasing-in the reduction in equal instalments over seven years (2008-2014);
 5. The Province of Ontario be again 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, regardless of any future reassessment;
 6. The Province of Ontario be again requested to grant the City the authority provide a program 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.

Financial Impact

There is no financial impact beyond what has already been approved by Council by adoption of the 2005 'Enhancing Toronto's Business Climate – It's Everybody's Business' initiative. That report indicated the property tax initiative to provide relief to a new neighbourhood retail property tax class would have an estimated budgetary impact estimated at \$4 million in each of the years 2007-2015 inclusive. The amendment made by Recommendation (1) of this report would have an estimated budgetary impact in 2008 in the order of magnitude of \$4 - \$5 million.

Summary

At its meeting in October 2005, Council adopted a set of comprehensive incentives and initiatives intended to enhance the City's competitiveness over the long term. The core fairness principles and the business cost competitiveness initiatives contained in the Plan headed "Enhancing Toronto's Business Climate – It's Everybody's Business" was intended to help to level the playing field with the surrounding municipalities and make Toronto's businesses more competitive globally. The recommendations were developed through extensive consultation with all stakeholders, together with extensive research and analysis by staff. Taken collectively as a package they will create the conditions to help maintain and expand the City's property assessment base, with a net positive impact on the City over the long term.

Many of these initiatives, which are within the City's sphere of responsibility, have commenced. One of the most significant initiatives is the measures that City Council adopted in October 2005 to reduce Toronto's commercial and industrial tax ratios. Other initiatives still require Provincial regulatory and legislative changes and have not been implemented. This report provides an update on the status of the initiatives adopted by Council under the City's "Enhancing Toronto's Business Climate – It's Everybody's Business" plan, and makes recommendations necessary to implement the remaining initiatives.

Background Information

Enhancing Toronto's Business Climate - Update

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5039.pdf>)

EX10.3	ACTION	Amended		
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Climate Change, Clean Air and Sustainable Energy Action Plan: Moving from Framework to Action

(June 12, 2007) report from Richard Butts, Deputy City Manager and Joseph P. Pennachetti, Deputy City Manager and Chief Financial Officer

Committee Recommendations

The Executive Committee recommends to Council that

RE: GREENHOUSE GAS AND SMOG EMISSION REDUCTION TARGETS

1. City Council adopt the following:
 - a. reduction targets for greenhouse gas emissions from the 1990 levels of approximately 22 million tonnes per year for the Toronto urban area:
 - i. 6% by 2012 (the "Kyoto target");
 - ii. 30% by 2020; and
 - iii. 80% by 2050; and
 - b. a 20% reduction target for locally generated smog causing pollutants from 2004 levels by 2012 for the Toronto urban area;

RE: PROGRAM FUNDING

2. City Council establish the financial resources required to support the actions necessary to achieve these emission reduction targets and that City Council:
 - a. endorse the creation of a \$42 million Toronto Energy Conservation Fund, to provide support for energy conservation initiatives in City facilities and buildings in the Municipal, University/College, School and Hospital (MUSH) sector and not-for-profit sector in Toronto, with implementation to commence in 2008;
 - b. endorse the creation of a \$20 million Toronto Green Energy Fund to provide support for renewable energy installations in Toronto, with implementation to commence in 2008;
 - c. endorse \$9 million for the continued implementation of Deep Lake Water Cooling at City Hall, Police Headquarters and Union Station;

- d. endorse \$13 million for the continued implementation of energy efficiency and sustainability upgrades at City Hall and Nathan Phillips Square for the first phase of a sustainability showcase;
 - e. direct the Chief Corporate Officer to develop a plan to achieve the City's target of obtaining 25 percent of the City's electricity needs from green energy sources over a four year phase-in period starting in 2008;
 - f. direct the Deputy City Manager and Chief Financial Officer and Deputy City Manager to report back in relation to the initiatives included in Recommendation 2, as well as other initiatives for which the funding is yet to be determined, for consideration, as applicable, with the 2008-2012 capital budget and 2008 operating budget processes on the following:
 - i. cash flow requirements for the recommended capital program;
 - ii. status of the other partnership initiatives and available funding;
 - iii. establishment of appropriate revolving reserve funds;
 - iv. framework for lifecycle costing, energy cost savings and criteria for payback of any loans;
 - v. proposed list of individual capital projects to be included in the 2008 Capital Budget and 2008-2012 Capital Plan; and
 - vi. operating budget impacts
3. City Council endorse an additional \$1 million for Tree Planting and Green Roof Initiatives to be funded from the Water Stabilization Reserve, in order to enhance retainment of rainwater and thereby reduce surface run-off and assist in the achievement of the climate change and clean air targets;
- 3i. 80 percent of the funds referred to in Recommendation 3. be allocated to the City of Toronto Tree Advocacy 2007 program to begin work this year for tree planting on public lands;
 - 3ii. 20 percent of the funds referred to in Recommendation 3. be allocated to a community tree planting organization (or organizations) with a proven track record of successful tree planting on private property and that to do this the Deputy City Manager, Cluster B, will issue public call for applications from community organizations with a proven track record of successful planting on private property and be authorized and actually award the funds by September 2007;
 - 3iii. the successful community organization (or organizations) submit a financial statement and progress report every six months and at completion for review and possible audit. Those community organizations, in making their submissions during a public call, are required to identify the stormwater benefits obtained from proceeding with their respective tree planting projects and that, if the program is over subscribed, preference will be given to those submissions that provide the greatest benefits to the management of stormwater; and

- 3iv. that a sum no greater than \$100,000.00 be set aside to administer this initiative by Forestry.

RE: NEIGHBOURHOOD ACTIONS FOR A GREEN TORONTO

4. City Council help residents and building owners live more environmentally friendly lifestyles and that City Council:
- a. direct the Director, Toronto Environment Office to establish in 2007 the Live Green Toronto program, to support residents' groups, Business Improvement Areas and other neighbourhood agencies and community groups to green their own neighbourhoods through a range of programs, such as:
 - i. home energy retrofits;
 - ii. green power generation, including rooftop solar and ground source heat pumps;
 - iii. allotment/food gardens in parks and homes;
 - iv. water conservation programs available through Toronto Water;
 - v. tree inventory and planting campaigns;
 - vi. soft/green surface program;
 - vii. identification of green roof projects;
 - viii. promoting an efficient appliance purchase drive;
 - ix. promoting incandescent free streets;
 - x. downspout disconnection drives; and
 - xi. xeriscaping (low water needs ground cover to replace lawns);
 - b. endorse the creation of energy retrofit funding programs to provide support to owners of low-rise residential buildings and other sectors (e.g., small businesses) for energy retrofits, in support of the Live Green Toronto program, subject to a report on program details, including legal implications of allowing other sectors to access the loan fund under the *City of Toronto Act, 2006*, and utilizing expert consultants to be sole-sourced as may be required;
 - c. direct the Deputy City Manager to report in 2007 on the results of the research completed in partnership with E.R.A. Architects, the University of Toronto and the Canadian Mortgage and Housing Corporation of a step-by-step implementation framework to maximize the potential greenhouse gas reductions, community revitalization, social justice and economic development benefits of the renewal of Toronto's concrete high-rise residential building stock;
 - d. direct the Deputy City Manager and Chief Corporate Officer to convene a meeting in 2007 with representatives of the Federal and Provincial governments, Toronto Hydro, Enbridge, Enwave, private industry and environmental organizations to discuss the creation of a City-delivered, "one window" program for access to energy and other environmental programs, including the potential development of a one-stop website, and related policy issues;

- e. direct the Chief Building Official on behalf of City Council to immediately seek the required authority from the Province of Ontario that will allow the City in 2007 to:
 - i. require in new construction in Toronto the energy efficiency requirements of the Ontario Building Code which do not come into effect until 2012; and
 - ii. develop a more aggressive package of code changes to require sustainable design in new construction by 2010;
- f. direct the Chief Planner in consultation with Chief Building Official to update the Toronto Green Development Standard to reflect the changes in recommendation 4 (d) and, to address elements not covered by the Ontario Building Code, use the authority under the *City of Toronto Act, 2006* to require sustainable design and zoning with conditions, once the Regulations related to these new powers are issued and associated amendments to the City's Official Plan are enacted;
- g. direct the Chief Building Official in consultation with the Chief Planner to bring forward new standards to require and regulate green roofs in the City, as a means of making this component of the Green Development Standard mandatory;
- h. direct the Executive Director of Municipal Licensing and Standards to integrate into any rating systems developed for rental residential units an environmental performance rating based on compliance or non-compliance with the City's Green Development Standard;
- i. direct the Chief Corporate Officer, in consultation with the Chief Building Official and the Chief Planner to develop a voluntary Energy Performance Labelling system for low-rise residential buildings, in conjunction with Natural Resources Canada and other partners and coordinated with the Green Development Standard labelling system currently under development;
- j. direct the Executive Director of Municipal Licensing and Standards, in consultation with the Medical Officer of Health to report back in 2008 on a plan to potentially ban the use of two stroke engines in powering home and garden equipment by 2010;

RE: ENVIRONMENTALLY FRIENDLY PUBLIC INSTITUTIONS, INDUSTRIES AND COMMERCIAL OPERATIONS

- 5. City Council recognize the important role the industrial, commercial and institutional sectors play in the city's local economy, the fact that over one-third of the greenhouse gas emissions come from these sectors and the directions of the City's Green Economic Development Strategy and that City Council:

- a. establish an Eco-Roofs Program, that sets a minimum target of 10% of the total industrial, commercial and institutional roofspace located in Toronto made more environmentally friendly by 2020, and that integrates:
 - i. the City's successful Green Roof Incentive program;
 - ii. incentives and programs to help with the installation of renewable energy systems (e.g., solar); and
 - iii. programs to encourage the installation of alternative roofing technologies that help address the urban heat island issue;
- b. direct the General Manager of Economic Development, Culture and Tourism to develop a business plan for a model green-industry business park;
- c. establish in 2007 an Enviro-Business Working Group, with appropriate partners, for small businesses to create a comprehensive environmental efficiency and improvement program that offers comprehensive pollution prevention and water / energy efficiency support;
- d. establish in 2007 an Enviro-Food Working Group to develop and implement actions to promote local food production, review City procurement policies, increase community gardens and identify ways to remove barriers to the expansion of local markets that sell locally produced food; and;

RE: PLANNING FOR A SUSTAINABLE ENERGY FUTURE

6. City Council direct the Chief Corporate Officer in consultation with the Chief Planner to report to the Executive Committee in 2007 on a process for developing an integrated approach for community energy planning based on community energy zones;

RE: TORONTO, BECOMING THE RENEWABLE ENERGY CAPITAL OF CANADA

7. City Council support the development of renewable energy systems, by building policies that support more aggressive installation targets that will put Toronto on par by 2020 with cities around the world currently leading the way in generating energy from local renewable energy systems (e.g. Germany's target for 2020 is 27% of energy coming from renewable energy sources and California's target is 25% by 2017) and that City Council:
 - a. direct Deputy City Manager and Chief Corporate Officer to issue in 2007 a request for an expression of interest to the renewable energy business sector in order to identify potential approaches to develop renewable energy systems (e.g., solar, wind, geothermal and biogas) for approximately 1,500 City buildings and landfill sites;
 - b. direct the Chief Corporate Officer in collaboration with the Toronto Atmospheric Fund and Toronto Public Health, to develop a pilot program for residential solar hot water heating, and report in 2007 on the resources required to implement this program;

- c. direct the Chief Corporate Officer to develop a pilot solar heating program for privately owned swimming pools, and report back in early 2008 on the resources required to implement this program;
- d. direct the Chief Planner to prepare in 2007, a Renewable Energy By-law (Phase 1) that will permit renewable energy generation as-of-right on all residential properties, setting appropriate restrictions on height, size and placement of structures and including changes required to waive building permit fees for residential PV solar energy installation;
- e. direct the Chief Planner, in consultation with the City Solicitor, Chief Building Official and the Renewable Energy Action Plan Working Group to prepare recommendations on how to address the following issues concerning renewable energy generation:
 - i. standards for the placement, orientation, size and form of renewable energy technologies;
 - ii. options to protect access to solar and wind resources from property owners who have installed renewable energy equipment;
 - iii. permissive regulations for district-based energy distribution between multiple properties; and
 - iv. provide guidance with respect to potential issues of conflict around tree protection and installation of renewable energy systems;
- f. direct the Deputy City Manager to form an interdivisional and inter-agency steering committee to prepare in 2007 an interim report that addresses technical, financial, and service delivery options:
 - i. to expand the existing deep lake water cooling capacity by 20 percent; and
 - ii. to establish a long-term plan with the goal of doubling the existing capacity of deep lake water cooling;
- g. authorize the Deputy City Manager to take all expedient steps, including a modified procurement process involving consideration of a minimum of three candidates identified by the Director, Toronto Environment Office, in order to hire a consultant to conduct a technical feasibility study on Deep Lake Water Cooling with a budget of approximately \$75,000, inclusive of all charges and taxes (funds in the amount of \$75,000 have been included in the 2007 Operating Budget of the Toronto Environment Office (WT0038-4100) as approved by City Council), on terms and conditions satisfactory to the Deputy City Manager and in a form satisfactory to the City Solicitor;
- h. direct the Deputy City Manager to include in the scope of the steering committee on expanding Deep Lake Water Cooling capacity, the identification of opportunities on an inter-agency basis for the introduction of new renewable energy technologies;

- i. City staff report back in 2007 on higher early targets for the installation pace of solar PV and solar thermal technology and build policies that support more aggressive installation (for example, strengthening incentive programs for early adopters.)
- j. City staff report back in 2007 with an assessment of geo-thermal options for Toronto and include a kit for potential residential, institutional and industrial adopters. Such report also include an analysis of the future possible applications of hydrogen cell technology.
- k. City staff report back in 2007 on possible City strategies to promote energy efficient appliances.

RE: MAKING MORE SUSTAINABLE TRANSPORTATION CHOICES

8. City Council recognize that approximately one-third of the locally generated greenhouse gases and a significant portion of smog causing pollutants come from the operation of motor vehicles and that over one-half of the comments received during the public engagement process expressed a desire to see a more sustainable transportation system, and that City Council:
 - a. direct the initiation of appropriate environmental and engineering studies for the Transit City plan and request the General Manager of the Toronto Transit Commission to submit to Executive Committee in 2007 a schedule for the completion of aforementioned studies and a financial plan including funding sources and revenue tools;
 - b. direct the General Manager of Transportation Services and General Manager of Parks, Forestry and Recreation to report in 2007 on the actions and resources required to complete the infrastructure elements of the Bike Plan by the end of 2012, in particular expanding the existing network of bike lanes and trails from over 300 kilometres to 1,000 kilometres, with a timetable that establishes annual expansion objectives;
 - c. prepare in 2007 a Sustainable Transportation Implementation Strategy, that draws from and is consistent with existing policies and plans (e.g., the Official Plan; the Bike Plan; Transit City Plan; the TTC Ridership Growth Strategy; and the Walking Strategy) to achieve the greenhouse gas emission and smog emission reduction targets by including:
 - i. the articulation of a long-term vision of a sustainable transportation system which achieves the targeted emission levels while meeting the economic needs of the city;
 - ii. the identification and prioritization of short-term transportation projects that will accelerate the achievement of the City's sustainable transportation agenda; and

- iii. the creation of a Strategic Transportation Planning Group, comprised of the Chief Planner, the General Manager of Transportation Services, the Chief General Manager of the TTC, the President of the Toronto Parking Authority, the Managing Director of GO Transit and the Director of the Toronto Environment Office, to establish priorities and oversee the coordination of the planning, implementation and operation of the City's sustainable transportation system;
- d. direct the Director of the Toronto Environment Office working with the Director of Fleet Services to create in 2007, a Greening Commercial Fleets Enviro-Action Working Group consisting of representatives of the National Association of Fleet Administrators and operators of large fleets in the areas of phone, cable, utilities, retail and courier providers to work together to identify and implement actions that green these fleets and achieve a reduction in emissions city-wide;
- e. direct the Executive Director of Municipal Licensing and Standards to develop a program for shifting all taxis and limousines operating in the City to low emission or hybrid technologies by 2015 or earlier, based on the results of the Green Taxi Pilot;
- f. continue to encourage the Provincial and Federal Governments to develop the policies and programs and to provide the funding necessary to help Toronto achieve a sustainable transportation system that will maintain a high quality of life and result in an 80% reduction in greenhouse gas emissions by 2050. Of particular concern to the City are:
 - i. vehicle engine and fuel standards that will reduce emissions;
 - ii. financial incentives to utilize public transit;
 - iii. stable and secure funding for the operation and expansion of public transit systems; and
 - iv. management of urban growth and development in a manner that creates a high quality of life and encourages people to select alternative modes of transportation;
- g. work with the Province, the Greater Toronto Transportation Authority and GTA municipalities to investigate a road pricing regime for the GTA that will encourage people to utilize alternative modes of transportation and dedicate any funds raised to transit improvements;

RE: SETTING AN EXAMPLE BY GREENING CITY OPERATIONS

- 9. City Council build upon its success in reducing greenhouse gas emissions from City operations by over 30% since 1990 and that City Council:
 - a. direct the General Manager of Transportation Services to include in the 2008 Capital Budget submission an allocation (estimated at \$7 million) to move the

entire street sweeper fleet to new technology, based upon the success of the Clean Roads to Clean Air program, where new street sweepers have been shown to collect over 90% of the particulate matter found on roads and improve street level air quality by as much as 20%;

- b. authorize the Chief Corporate Officer to negotiate with Toronto Hydro Energy Services Inc. on a sole source basis to undertake the sustainability upgrades at City Hall (exclusive of the Deep Lake Water Cooling and the green roof), and report back as part of the 2008 capital budget process;
- c. authorize appropriate staff to negotiate a long-term agreement of up to 20 years with Enwave Energy Corporation in order to provide Deep Lake Water Cooling to City Hall, Police Headquarters and Union Station;
- d. direct the phase out the use of incandescent light bulbs wherever possible by the end of 2008, in all City Divisions, Agencies, Boards and Commissions as part of their ongoing maintenance program and that the Executive Director of Facilities and Real Estate ensure that City facilities have a program for the environmentally appropriate disposal of old lights and fixtures;
- e. complete in 2007, Phase II of the Green Fleet Transition Plan, which will build upon the successful Phase I plan that resulted in an estimated 23% reduction in greenhouse gas emissions from the City's almost 4,000 vehicles;
- f. direct the Executive Fleet Steering Committee to develop by mid-2008 a consolidated Green Fleet Plan for the TTC, Emergency Medical Services, Toronto Fire, Toronto Police and other Agencies, Boards, and Commissions for fleets not included in the Phase I Green Fleet Transition Plan and include in that plan actions to eliminate unnecessary idling of City vehicles through the City's Anti-Idling Campaign;
- g. reduce single occupancy motor vehicle home to work trips made by City employees by ensuring adequate resources are in place to support the Smart Commute program for the Toronto Public Service;
- h. direct the Acting General Manager of Solid Waste Management to report in 2007 on:
 - i. plans to collect and utilize landfill gas at the recently acquired Green Lane Landfill site; and
 - ii. plans to utilize digester gas from the City's anaerobic digestion facilities that process organic materials collected through the Green Bin program;
- i. direct the General Manager of Parks, Forestry and Recreation and the General Manager of Transportation Services to report back on a proposal to phase out the use of equipment powered by two stroke engines (for example leaf blowers and lawn mowers) by 2009, by continuing to develop and establish landscaping

and maintenance techniques that eliminate the need for equipment powered by small engines and shifting to the use of equipment powered by alternative technologies;

- j. direct the Director of Purchasing and Materials Management, in consultation with appropriate City divisions, to review the City's Environmental Purchasing Policy, and report back to the Executive Committee in 2007 on any recommended changes to the policy;
- k. direct that all future contracts that require a proponent to provide and make extensive use of heavy and light duty vehicles, contain components that outline fuel efficiency and green fleet requirements for those vehicles and that direction is provided concerning no idling;
- l. direct the Executive Director of Facilities and Real Estate and the General Manager of Economic Development, Culture and Tourism, with support of the Director of Purchasing and Materials Management, to organize a "Green Vendors Fair" (consistent with recommendations in the City's Green Economic Sector Development Strategy), for providers of products and services that improve the energy performance of buildings in all major building sectors, and such event be open to all City Divisions and Agencies, Boards, Commissions and Corporations and to others by invitation;
- m. endorse financing of the Thackeray Landfill Generation Project which will reduce the City of Toronto's corporate CO₂ emissions by 38,000 tonnes annually initially, as follows:
 - a. authorize TAF's grant to THESI of \$300,000 for support of the Thackeray Generation Project;
 - b. direct the Chief Financial Officer to explore with THESI and TAF, ways to ensure that TAF's additional no-interest loan to THESI of \$300,00 is repaid.;
- n. staff be requested to submit a report to the Executive Committee with respect to:
 - a. providing reserved, on street parking (like taxi stands or French fry vendor spaces);
 - b. allowing informational signage at any "Green P" lots equipped with shared cars;
 - c. allowing City employees to use car sharing for work-related trips;
 - d. exempting (or refund) shared vehicles from new parking and registration taxes; and
 - e. mandating (above ground) shared-car parking into new developments.

RE: DOUBLE THE TREE CANOPY

10. City Council confirm its commitment to double the tree canopy from 17% to 34% and that City Council:
 - a. establish the Tree Planting and Partnership Program, in partnership with community organizations, schools, business improvement areas and volunteers, in order to expand resources for the planting, maintenance and care of trees;
 - b. direct the General Manager of Parks, Forestry and Recreation to submit in 2007 a report to the Parks and Environment Committee that addresses:
 - i. steps that will be taken to increase tree plantings in the short-term;
 - ii. strategic planning steps to achieve the goal of doubling the tree canopy by 2050;
 - iii. the requirements for data collection and management and modelling;
 - iv. projected operating and capital budget requirements; and
 - v. engagement of stakeholders through a Urban Forest Tree Canopy Steering Committee;

RE: PARTNERSHIPS FOR CHANGE

11. City Council continue to build the partnerships necessary with businesses, industries, research institutions, community groups, resident associations, neighbouring municipalities, other orders of government and international organizations in order to foster mutually beneficial improvements in air quality and climate change and that City Council:
 - a. direct the Director of the Toronto Environment Office in partnership with other appropriate City Divisions to invite interested stakeholders to join and participate in the following Enviro-Action Working Groups: (including the ones suggested in earlier recommendations) Commercial Fleets; Small Business; Good Neighbours Food Procurement; Trees and Greenspace; and Climate Change Adaptation -- in addition to working groups that already exist (e.g. Greening Health Care, Renewable Energy Working Group) and in other relevant sectors, such as social housing and sustainable transportation;
 - b. direct the Executive Director of Facilities and Real Estate to approach Toronto's universities, colleges and other interested organizations, to discuss forming research partnerships on energy-related issues of mutual interest, and report back on the progress of this initiative in early 2008;
 - c. direct the City Manager and Deputy City Manager to continue to develop and enhance partnerships with:
 - i. the Greater Toronto Area Clean Air Council;

- ii. the Greater Toronto Transit Authority;
- iii. the Provincial and Federal Governments;
- iv. the Clinton Climate Change Initiative;
- v. the C40 Large Cities Climate Initiative;
- vi. the International Council for Local Environmental Initiatives;
- vii. the Federation of Canadian Municipalities; and
- viii. other bodies, non-governmental organizations and organizations with a focus on addressing climate change and air quality;

RE: PUBLIC AWARENESS AND KNOWLEDGE

12. City Council acknowledge that the greatest reductions in emissions will occur from changes in how people move about the city and how they operate their homes and businesses and people need to understand why, what and how to change, and that City Council:
- a. direct the Deputy City Manager to organize a charette, to develop in 2008 a three year climate change and air quality marketing campaign which integrates and utilizes existing programs and interactive web-based programs;

RE: PREPARING FOR CLIMATE CHANGE

13. City Council recognize that climate change is occurring and will have significant effects on City operations and various vulnerable populations and that City Council:
- a. direct the Director of the Toronto Environment Office, in consultation with the Medical Officer of Health, to complete in 2007 a process that engages all relevant City Divisions and Agency, Boards, Commissions and Corporations and community partners in order to prepare a report to the Executive Committee that:
 - i. identifies the components of a climate change adaptation strategy for City operations and the community;
 - ii. includes the actions steps required to develop a climate change adaptation strategy including project budget costs;
 - iii. ensures the strategy will incorporate the response mechanisms required to meet identified environmental changes including health related impacts, such as the heat alert response program;
 - iv. identifies the requirements for data collection and management and modelling; and
 - v. incorporates stakeholders input;
 - b. authorize the Deputy City Manager to retain the Clean Air Partnership to provide assistance and technical expertise in the development of the City's adaptation strategy, on a sole source basis to a maximum of \$40,000 inclusive of all charges and taxes (funds in the amount of \$40,000 have been included in the

2007 Operating Budget of the Toronto Environment Office (WT0038-4100) as approved by City Council), on terms and conditions satisfactory to the Deputy City Manager and in a form satisfactory to the City Solicitor;

RE: REGULAR MONITORING AND REPORTING

14. City Council will ensure there is ongoing monitoring and evaluation of our progress and reporting on that progress to the community and that City Council:
 - a. direct the Director of the Toronto Environment Office to continue to coordinate the City's actions to measure, monitor and model greenhouse gases and smog causing emissions to ensure efforts are focused on those that have the greatest effect on human health and the natural environment;
 - b. request energy utility companies in Toronto to provide data to the City, in a manner respectful of customer confidentiality requirements, to assist staff in monitoring the City's progress in meeting its targets;
 - c. direct the Medical Officer of Health to expand the use of the federal Air Quality Benefits Assessment Tool to evaluate health and economic benefits that are associated with policy options that result in lower levels of air pollution in Toronto;
 - d. request the Board of Health to develop a proposed reporting program for the use and release of toxic air contaminants and to explore reporting of greenhouse gas emissions;
 - e. direct the Chief Corporate Officer to report on progress in moving the City to a state of energy sustainability, and update Toronto's Sustainable Energy Plan annually, subject to the terms of the *Energy Conservation Leadership Act, 2006*; and

Toronto's natural environment and outcomes of policies, programs and activities.

15. City staff be requested to:
 - i. develop a communications strategy utilizing simple language and design to help educate and engage Torontonians in the Action Plan, that Plan to include 10 things the City will do this year; 10 things the City will do next year; a timeline for future changes (Times for Change)
 - ii. report on the specific plans and actions in progress in greening the fleet in all Agencies, Board, Commissions and Divisions; and
 - iii. develop a strategy for funding green roofs.
16. the General Manager of Economic Development, Culture and Tourism be requested to

submit a report to the Executive Committee on the “Design District Community Energy Centre”.

17. That in all reports back to Committee on Councils’ Climate Change Plan, that staff give consideration and then comment briefly on any complimentary Provincial and Federal Initiatives.

Financial Impact

Toronto’s Sustainable Energy Plan

The financial impact information outlined in this section relates to the results of the Sustainable Energy Plan and reflects the Program Funding outlined in Recommendation 2 .

Existing Programs

There are two existing channels for sustainable energy efficiency investments. The Energy Retrofit Program (ERP) was approved by Council in 2004, to carry out energy retrofits in City facilities. \$35.0 million has been already committed and is being implemented through various energy retrofit projects. The Better Buildings Partnership Loan Repayment Reserve Fund (BBP-LRRF) is a revolving fund of \$8 million, through which funds are lent to not-for-profit sector organizations for energy retrofit projects at 0% interest. Since its inception in 1996, BBP-LRRF funding has leveraged investments in projects totalling \$80.0 million in value.

Recommended Programs

It is currently estimated that the programs identified in Recommendation 2 will require funding of up to \$84.0 million. The recommended program will help to achieve the City’s short-term electricity saving commitments of 90 megawatts by 2010 and to deliver on the recommendations of the Toronto Sustainable Energy Plan and the Climate Change and the Clean Air Plan and consists of the following initiatives:

<u>Sustainable Energy Plan Programs</u>	Estimated Costs (\$ million)
Toronto Energy Conservation Program	\$42.0
City of Toronto Green Fund - Renewable Energy	\$20.0
Energy Efficiency at City Hall	\$13.0
Deep Lake Water Cooling at City Hall, Police Headquarters and Union Station	\$9.0
Green Power Purchase	to be determined

The above initiatives are not included in the 2007 Approved Capital Budget and 2008-2011 Capital Plan. They will be funded in partnership with other orders of government and other partners in the energy efficiency and climate change sectors, such as the Ontario Power Authority (OPA), Toronto Atmospheric Fund (TAF), Toronto Hydro Energy Services (THESI), the Clinton Foundation and other institutions as appropriate. For example, the Ontario Power Authority provides an energy efficiency incentive of \$400/kw or 5 cents/kwh saved, up to 40% of the project value for all eligible energy retrofit projects in the City, other MUSH and high

rise residential buildings. Similarly, incentives are also available to support renewable energy installations in Toronto.

In 2006, Council established a "Strategic Infrastructure Partnership Reserve Fund Account" to fund the City's major tax-supported strategic infrastructure projects in partnership with other orders of government and major strategic tax-supported environmental capital projects conditional on external funding partners. It is anticipated this reserve fund account will be used, in conjunction with the funding from other partnership sources, to fund the above-recommended initiatives. Appropriate revolving loan funds will be established to facilitate the implementation of this capital program and provide for continuous funding support of the energy efficiency initiatives.

Given the complexity of potential funding partnerships, it is recommended that the Deputy City Manager and Chief Financial Officer report back with a simple funding structure for the Toronto Sustainable Energy Plan. In addition, a proposed funding structure will be developed in concert with the funding requirements for the Climate Change and Clean Air Action Plan.

A mechanism will be developed to ensure that future energy savings in City buildings will be used to fund further energy efficiency related initiatives and/or other strategic infrastructure priorities, similar to the existing Energy Retrofit Program. Under the current framework, energy cost savings realized through implementation of the retrofit work are redirected to pay back the debt required to fund the project.

The Deputy City Manager and Chief Financial Officer will report back in time for consideration with the 2008-2012 capital budget process and the 2008 operating budget process on the following:

1. Cash flow requirements for the recommended capital program
2. Status of the other partnership initiatives and available funding
3. Establishment of appropriate revolving reserve fund(s)
4. Framework for lifecycle costing, utilization of energy cost savings and criteria for payback
5. Proposed list of individual capital projects to be included in the 2008 Capital Budget and 2008-2012 Capital Plan
6. Operating budget impact to be included in the 2008 Operating Budget

Thus, it must be emphasized that the City will maximize other partnership sources of funding and utilize the Strategic Infrastructure Partnership Reserve Fund for the City portion in order to mitigate any debt financing related to Climate Change and Energy Initiatives.

Climate Change and Clean Air Action Plan

In order to advance the Climate Change and Clean Air Action Plan the following is recommended:

- a. additional funding of \$1.0 million for tree planting and green roof initiatives will be

provided from the Water Stabilization Reserve Fund – Recommendation (3);

- b. be provided to move the entire street sweeper fleet to new technology by reallocation of the funds within the Transportation Services Capital Budget and included in the 2008 Capital Budget Submission – Recommendation (9 a); and
- c. funding of \$115,000 will be used to retain the services of the Clean Air Partnership (up to \$40,000) to provide assistance and technical expertise in the development of the City's climate change adaptation strategy, as well as a consultant to provide a technical feasibility study in connection with the Deep Lake Water Cooling expansion (\$75,000) – Recommendations (13 b) and (7g) respectively. The funding is included in the Council approved 2007 Operating Budget of the Toronto Environment Office, Policy, Planning, Finance & Administration.

The Climate Change and Clean Air Action Plan includes a number of other initiatives which need to be further developed and analyzed in terms of their potential financial impact and funding requirements. Although it is anticipated that some of these initiatives will be funded in partnership with other orders of government and other partners in the energy efficiency and climate change sectors, a specific implementation framework and financing structures have yet to be developed. Issues such as sources of funding for individual initiatives, establishment and use of revolving funds, criteria and policies for selection of individual projects, capital and operating budget requirements will be addressed in a separate report from the Deputy City Manager and Chief Financial Officer as per Recommendation 2.

Summary

Climate change is the single biggest challenge facing our planet. Both the cause of this phenomenon – primarily the burning of fossil fuels - and its impact on the environment and on human health have been well-established by the scientific community. It is now up to governments and citizens to rise to the challenge of climate change while there is still time to do so.

Cities are well positioned to lead the way in meeting this challenge. The City of Toronto has a long history of leadership on the issue of climate change. The Better Buildings Partnership has leveraged over \$80 million in energy retrofits in buildings; the City's Energy Retrofit Program has carried out \$30 million worth of energy-related projects in City facilities. The Toronto Atmospheric Fund, the installation of wind, solar, hydrogen and tri-generation facilities at Exhibition Place, Enwave's Deep Lake Water Cooling system and policies such as the Toronto Green Development Standard are just a few other examples of ways in which City Council has been in the forefront of the movement to reduce greenhouse gas emissions.

This report brings together two ongoing City initiatives, (i) the Climate Change and Clean Air Action Plan and (ii) Toronto's Sustainable Energy Plan. Both plans were led and co-ordinated by City Staff and informed by extensive consultation with the public, environmental organizations, industry, labour and academic experts.

The Climate Change and Clean Air Action Plan outlines a series of recommendations that build upon existing programs and policies which will engage the community in taking the steps required to significantly reduce our release of greenhouse gases to the atmosphere and make substantive positive changes to our local air quality.

Toronto's Sustainable Energy Plan recommends the creation of funding programs that encourage energy efficiency and renewable energy initiatives. These funding programs will in turn support the implementation of recommendations in the Climate Change and Clean Air Action Plan.

There are a number of other initiatives, such as the development of a Sustainable Transportation Implementation Strategy, the proposed Green Economic Sector Development Strategy, the Water Efficiency Plan and the 70% Solid Waste Diversion plan that all have an important role to play in meeting the City's climate change and air quality targets. City staff and the community will continue to work together to integrate these initiatives to ensure Toronto's climate change goals are met.

Recommendations coming from the Climate Change and Clean Air Action Plan are discussed in detail in Attachment #A: "Change is in the Air: Moving from Framework to Action" – Staff Background Report for the Climate Change and Clean Air Action Plan, Phase I.

Recommendations coming from Toronto's Sustainable Energy Plan are discussed in detail in Attachment #B: "Energy Efficiency and Beyond" – Staff Background Report on Toronto's Sustainable Energy Plan.

Background Information

Climate Change, Clean Air and Sustainable Energy Action Plan

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5052.pdf>)

Attach. A1-Moving from a Framework to Action - Phase 1

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5053.pdf>)

Attach. A2 - Responses to Motions from City Councillors

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5054.pdf>)

Attach. A3 - Moving from a Framework to Action - April 29 to June 5, 2007

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5055.pdf>)

Attach. B1 - Energy Efficiency and Beyond-Staff Background Report

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5056.pdf>)

Attach. B2 - Background Report on the Energy Plan for Toronto

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5057.pdf>)

Attach. B3 - Report on Consultations for Toronto's Sustainable Energy Plan

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5058.pdf>)

Attach. B4 - Leading by Example: Blueprint for an Energy-efficient City Hall

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5059.pdf>)

Attach. A4 - Change is in the Air - Highlights

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5214.pdf>)

Communications

(June 22, 2007) e-mail from Paul York and Shayla Duval

(June 22, 2007) e-mail from Board of Directors of the Toronto Atmospheric Fund

(June 22, 2007) e-mail from Steven Frei and Kirsten Douglas, Green Limousine

(June 24, 2007) e-mail from Karoly (Charles) G. Nemeth

(June 22, 2007) e-mail from Councillor Paul Fletcher, Chair, Parks and Environment Committee

(June 18, 2007) e-mail from Jem Cain, on behalf of New Toronto Good Neighbours

(June 18, 2007) e-mail from Kevin McLaughlin, President, AutoShare

(June 24, 2007) e-mail from Councillor Howard Moscoe

3a Toronto Hydro Purchases of Nuclear Power from the Ontario Power Generation Corporation

(October 6, 2006) Member Motion from Councillor Saundercook, seconded by Councillor Mihevc

Recommendations

NOW THEREFORE BE IT RESOLVED THAT the City of Toronto, as Toronto Hydro's sole shareholder, express its formal discomfort to Toronto Hydro with continued purchases of nuclear power from Ontario Power Generation Corporation;

AND BE IT FURTHER RESOLVED THAT in the spirit of full disclosure and forthright assessment of costs and benefits, the City of Toronto, as sole shareholder of Toronto Hydro, formally request the management team of Toronto Hydro to co-ordinate, in four weeks, a briefing session for the Board of Directors of Toronto Hydro, Toronto City Councillors and all interested parties including the press and general public about:

- (i) the economic track record of nuclear power in Ontario;
- (ii) the financial history of the Ontario Government passing on cost overruns from the former Ontario Hydro to Ontario consumers through stranded debt charges;
- (iii) the potential financial impacts on Toronto consumers and the City of Toronto on electricity pricing in 2007 and beyond, including an impact on the City of Toronto's departmental budgets; and
- (iv) options to minimize financial risk to Toronto residents, businesses and the Corporation of the City of Toronto from future increases in the cost of electricity on Ontario;

AND BE IT FURTHER RESOLVED THAT the City of Toronto also formally request the management team of Toronto Hydro to work with the environmental community to co-ordinate a second briefing session, four weeks following the economic briefing session, to outline the environmental and public health risks associated with the mining and processing of uranium, as well as the transportation, management and storage of nuclear waste."

Summary

“WHEREAS the Corporation of the City of Toronto is the sole shareholder of Toronto Hydro, and Toronto Hydro is arguably one of the most important pieces of infrastructure in Toronto; and

WHEREAS the City of Toronto and Toronto Hydro purchase approximately \$2 billion worth of electricity each year; and

WHEREAS the City of Toronto uses enough electricity for its own purposes that it is the largest single consumer of electricity in Ontario; and

WHEREAS the Government of Ontario has committed to an open market for electricity; and

WHEREAS in an open economic market, consumers should have the right to choose what they buy and from whom; and

WHEREAS the long-term economic success of Ontario has been built primarily on Sir Adam Beck’s vision of low-cost, renewable electricity for all of Ontario; and

WHEREAS the Government of Ontario has decided to by-pass the environmental assessment process, and force the construction of additional nuclear power plants; and

WHEREAS past nuclear power plant projects have a track record of billion dollar cost overruns that are still being paid for by residents and businesses on our electricity bills;

Background Information

Toronto Hydro Purchases of Nuclear Power from the Ontario Power Generation Corporation (<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5061.pdf>)

3b Climate Change, Clean Air and Sustainable Energy Action Plan: Moving from Framework to Action and Toronto's Greenhouse Gases and Air Quality Emissions Inventory**Summary**

Letter from the Parks and Environment Committee respecting the Climate Change, Clean Air and Sustainable Energy Action Plan.

Communications

(June 19, 2007) letter from the Parks and Environment Committee

3c Climate Change and Clean Air Action Plan Framework

Summary

Letter from the Sunnybrook Health Sciences Centre respecting the City's new Climate Change and Clean Air Action Plan Framework.

Communications

(June 12, 2007) letter from Andrea Eisen, Chair GTA Cancer Prevention & Screening Network, Toronto Sunnybrook Regional Cancer Centre

3d Energy Action Plan

Summary

E-mail from Adriana Dossena respecting the Climate Change, Clean Air and Sustainable Energy Action Plan.

Communications

(June 20, 2007) e-mail from Adriana Dossena (EX.Supp)

3e Change is in the Air Action Plan

Summary

Letter from Lorraine Tinsley respecting the Climate Change, Clean Air and Sustainable Energy Action Plan.

Communications

(June 21, 2007) e-mail from Lorraine Tinsley

3f Change is in the Air

Summary

Letter from Kathy Fairbarns, Regional Director, Canadian Cancer Society respecting the Climate Change, Clean Air Action Plan.

Communications

(June 14, 2007) e-mail from Kathy Fairbarns, Regional Director, Canadian Cancer Society

3g Proposed Toronto Environmental Protection Plan: Toward Integrated Action on Climate Change and Air Quality – Staff Response

(June 21, 2007) Report from the Deputy City Manager, Richard Butts

Financial Impact

There is no financial impact associated with this report.

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

Summary

This report provides a response to a motion made by Councillor Michael Walker and seconded by Councillor Michael Thompson, recommending the establishment of the “Toronto Environmental Protection Plan (TEPP): Toward Integrated Action on Climate Change and Air Quality”, which contains thirteen specific recommendations.

Background Information

Proposed Toronto Environmental Protection Plan: toward Integrated Action on Climate Change and Air Quality - staff Response

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5192.pdf>)

Decision Advice and Other Information

The Executive Committee:

1. requested the Deputy City Manager and Chief Financial Officer to submit a report directly to Council for its meeting to be held on July 16, 2007, on the clarification of financing for the Geothermal installation this Fall at Exhibition Place;
2. referred the communication (June 22, 2007) from Councillor Paula Fletcher to Deputy City Manager, Richard Butts, for consideration;
3. referred the Member Motion from Councillor Saundercook, seconded by Councillor Mihevc to Deputy City Manager, Richard Butts for consideration; and
4. referred the following motion to Deputy City Manger, Richard Butts, for a report to the appropriate Committee:

Moved by Councillor Moscoe:

That:

1. Energy efficient light bulbs contain small quantities of mercury. Their disposal requires special handling. They are easily breakable and ought not to be put into the blue box or our landfill sites. Municipalities will face a challenge in their

disposal. If their use is made mandatory they must be sold on a deposit/return basis. Our staff ought to report on the disposal challenges that we face and how best to meet them.

2. These bulbs are presently packaged in the most environmentally unfriendly packaging. Ontario ought to develop regulations that dictate the type of packaging that will be used if they are to be made mandatory including regulations that require the distributor of those products to bear the cost of disposal of both the bulbs and its packaging.
3. All of the energy efficient light bulbs are manufactured in China. China has one of the most environmentally unfriendly manufacturing regulatory regimes. Given that mercury is used in their manufacture, Ontario regulations should dictate the basic environmental manufacturing conditions for bulbs sold in Ontario that will result in a net benefit for the environment.
4. The government of Ontario ought to ensure that there is at least a “made in Canada” option for the purchase of these bulbs if their use is going to be made mandatory.

EX10.4	ACTION	Adopted		Ward: All
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Toronto’s Greenhouse Gases and Air Quality Emissions Inventory

(June 12, 2007) Report from the Deputy City Manager

Financial Impact

There are sufficient resources in the approved 2007 Operating Budget to implement the recommendation contained in this report.

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

Summary

The attached report “Greenhouse Gases and Air Pollutants in the City of Toronto – Toward a Harmonized Strategy for Reducing Emissions” (see Appendix A) is submitted in keeping with commitments made at the Special Meeting of the Parks & Environment Committee of February 20, 2007. The project was initiated in 2005 and has been jointly undertaken by the Toronto Atmospheric Fund, and the Toronto Environment Office with technical advice from Ralph Torrie, Vice-President of ICF International.

The report identifies the combustion of natural gas for space and water heating, the production of electricity for lighting and appliances, and the combustion of gasoline and diesel for transportation currently account for 35%, 26% and 35% respectively, or 96% in total, of all greenhouse gas emissions in Toronto.

The Climate Change, Clean Air and Sustainable Energy Action Plan, also listed on the Executive Committee’s agenda, recommends reduction targets for greenhouse gas emissions for the Toronto urban area, as from the 1990 baseline of levels, of: 6% by 2012 (the “Kyoto target”); 30% by 2020; and 80% by 2050.

Progress toward these targets needs to be monitored annually. Actions to meet these targets needs to be guided by improved data and improved understanding of natural gas, electricity and transportation related emissions.

Background Information

Toronto's Greenhouse Gases and Air Quality Emissions Inventory

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5063.pdf>)

Greenhouse Gases and Air Pollutants in the City of Toronto - Prepared by ICF International in collaboration with Toronto Atmospheric Fund and Toronto Environment Office

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5064.pdf>)

Decision Advice and Other Information

The Executive Committee directed that the Toronto Environment Office continue to develop and report annually on the findings of the Integrated Greenhouse Gas and Air Quality Emissions Inventory and provide annual assessments of progress toward targets and established air quality concentration standards.

EX10.5	ACTION	Adopted		
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Hummingbird Centre Redevelopment – Commercial Component Lease

(June 11, 2007) Report from the Deputy City Manager and Chief Financial Officer and the Chief Executive Officer, Hummingbird Centre for the Performing Arts

Committee Recommendations

The Executive Committee recommends that Council approve the embodiment within the Lease of the early termination clause providing in substance the following:

- “(i) should the City (or any third party assignee of the City’s interest in the land on which the Commercial Component is situated) terminate the Commercial Component Lease pursuant to any of the early lease termination options contained in the Lease, then the use made of the Commercial Component by the City (or the assignee of the City’s interest) shall be limited for a period of three years from the effective termination date to any public use that is cultural or charitable in nature that Council shall then determine;
- (ii) should such termination occur during the second termination period (i.e., during years 26 to 30 of the Lease term) then the use restriction as described above

shall be for the period of 3 years if the option is exercised in years 26 or 27, reducing to 2 years if exercised in year 28 and one year if exercised in year 29. No use restriction would apply if exercised in year 30; and

- (iii) for the purpose of determining the payment to be made by the City to Castlepoint pursuant to the provisions of the second termination option of the lease, the appraiser in determining fair market value shall take into account the applicability of the use restriction to the extent that the Commercial Component is not tenanted at the effective point of lease termination.”

Financial Impact

The recommendations in this report will not result in any financial impact.

Summary

This report provides an update on the negotiation of a long-term lease (the “Lease”) with Castlepoint Realty Partners Limited (“Castlepoint”) for the commercial component of the proposed redevelopment of the Hummingbird Centre for the Performing Arts (“HC”).

Legal staff have advised that specific Council authorization is required for the approach recommended by HC and Finance staff in this report for resolving the principal outstanding issue with respect to the Lease. This issue involves the terms under which the City may exercise its right to terminate the Lease in future and re-take possession of the City lands.

Background Information

Hummingbird Centre Redevelopment - Commercial Component Lease
<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5065.pdf>

EX10.6	ACTION	Adopted		Ward: 28
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Proposed Renaming Rights of The Hummingbird Centre

Confidential - The security of the property of the municipality or local board

(June 12, 2007) Report from Chief Executive Officer, The Board of Directors of the Hummingbird Centre for the Performing Arts

Committee Recommendations

The Executive Committee recommends that Council:

1. approve of entering into an agreement with the designated company for the naming rights to the Centre substantially on the terms and conditions contained in Attachment 2 to this report and such other terms and conditions required by the City Solicitor and the Centre’s Chief Executive Officer with the intent of renaming the Centre.

2. direct that the funds received as a result of the naming rights agreement be deposited in the Hummingbird Centre Capital Improvement Reserve Fund;
3. direct that, in the event that insufficient funds are raised to carry out the CityCentre development, the naming rights revenues be henceforth deposited in the Hummingbird Centre Stabilization Reserve Fund; and
4. request City officials and the Chief Executive Officer of the Centre to take all necessary steps to give effect thereto.

Summary

The financial pledge from Hummingbird Communications Ltd. to the City of Toronto and the subsequent voluntary renaming by the City of the former O’Keefe Centre was cancelled earlier in 2006 pursuant to an agreement between Hummingbird Communications Ltd. and The Hummingbird Centre (the “Centre”). Subsequent to such agreement, Hummingbird Communications Ltd. was sold to OpenText and has since ceased to exist as a separate company. This situation combined with the desire to raise funds to implement The Hummingbird Centre’s Business Plan as approved by City Council on July 25, 26 and 27 2006 has led the Board of Directors of the Centre to pursue a new naming rights partner. After discussions with numerous potential naming partners, a company has been identified that is prepared to make the largest investment in the naming rights for the theatre as set forth in the confidential attachment.

Background Information

Proposed Renaming Rights of the Hummingbird Centre
<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5097.pdf>

EX10.7	ACTION	Amended		Ward: 21, 22
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Casa Loma Operations and Governance

(June 8, 2007) Report from the Deputy City Manager

Committee Recommendations

The Executive Committee recommends that:

1. Council adopt a vision for Casa Loma to ensure that:
 - a. Casa Loma’s programming, curatorial focus and interpretation fully reflect its Edwardian heritage, tell the story of Toronto in that era, and reflect the imagination, energy and innovation present in Toronto in the early 20th century;
 - b. complementary programming, heritage walks, signage and marketing create a heritage precinct that links the Casa Loma estate to Spadina Museum and the

City Archives, two important City assets in the neighbourhood; and

- c. a refreshed visitor experience and stimulating heritage tours attract a greater number of Torontonians to the Casa Loma estate.
2. the City Manager and the Chief Corporate Officer, in conjunction with the General Manager of Economic Development Culture and Tourism, be authorized to negotiate and report back on a long term extension to the Licence Agreement with the Kiwanis Club for the operation of Casa Loma that implements the vision for Casa Loma through:
 - a. enhanced heritage programming;
 - b. new visitor amenities;
 - c. expanded governance through the terms of reference, structure and composition for the Kiwanis Board of Trustees to ensure balanced representation of community and City interests;
 - d. a restructured financial arrangement that continues Casa Loma as a self-sustaining operation and maintains contributions to the exterior restoration project;
 - e. City approval for all alterations to the building and sublicense agreements;
 - f. a term of up to 20 years with performance benchmarks and a full review after three years;
 - g. annual progress reports to the Economic Development Committee;
 - h. an exciting, imaginative, interpretive restoration plan with emphasis on educating and entertaining visitors;and
 - i. the complete reinvigoration of the top floor galleries employing leading edge museum and entertainment technology that will bring to life the history and flavour of Edwardian Toronto;
 3. the following motion be referred to Deputy City Manager, Sue, Corke, for consideration as outlined in Recommendation 2. above:

Moved by Councillor Moscoe:

"That more than 50 percent of the appointees in the Casa Loma Board be City appointees and additionally that the Chair of the Board be appointed by the City;" and

3. the appropriate officials be authorized to take the necessary action to give effect thereto.

Financial Impact

There are no immediate financial implications arising from the adoption of this report. Under the current Licence Agreement between the City and the Kiwanis Club, the City receives a share of operating revenue. The entire amount is placed in the Casa Loma Reserve Fund to partially fund the exterior restoration project. In 2006, payments to the City totalled \$923,000 and similar payments are expected until the end of the current Licence Agreement. The 2007 approved EDCT capital budget for the exterior restoration is \$4.110 million gross and \$1.810 million net and will not be impacted by this report.

The City does not contribute to the operating budget of Casa Loma and the 2007 Operating Budget will not be impacted by this report. In the longer term, it is anticipated that the new vision and governance structure for Casa Loma will result in an increase in revenue that will offset the proposed increased investments in programming and interior restoration while maintaining the contribution to exterior restoration.

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

Summary

Casa Loma was built by Sir Henry Pellatt between 1911 and 1914 as his principal residence. After the collapse of Sir Henry's business empire in 1924, Casa Loma was acquired by the City in lieu of back taxes. Since 1937, the estate has been operated by the Kiwanis Club of Casa Loma as a heritage tourist attraction with the City responsible for the exterior of the building. This situation became critical in 1997 when a Restoration Master Plan revealed that it would cost \$20 million to restore and rebuild the exterior walls of the building. The health and safety concern was so great that Casa Loma was in danger of being forced to close.

In 2003, City Council made the restoration of Casa Loma a corporate priority. By coming to terms with the capital restoration of the exterior of Casa Loma, the City became keenly aware of its stewardship responsibility and was troubled by the condition of the interior of the building. The Casa Loma Advisory Committee and subsequent consultation have revealed a general consensus on a new vision for Casa Loma and on the need for revitalization of the interior and public programs.

In response to the report of the Casa Loma Advisory Committee and vision for Casa Loma, the Kiwanis Club has prepared a plan that includes enhanced heritage programming, new visitor amenities and expanded governance. City staff support the directions outlined in the Kiwanis Club plan for Casa Loma and recommend the negotiation of a long term extension to the Licence Agreement to realize the vision.

Background Information

Casa Loma Operations and Governance

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5069.pdf>)

Report of stakeholder consultations in respect of Casa Loma Advisory Committee report and final recommendations

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5071.pdf>)

Kiwanis Club of Casa Loma - Casa Loma Day - Visitor Experience Concept

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5113.pdf>)

Casa Loma Connection (Executive Summary)

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5114.pdf>)

EX10.8	ACTION	Amended		Ward: All
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Streamlining Waterfront Revitalization in East Bayfront

(June 12, 2007) Report from the Deputy City Manager

Committee Recommendations

The Executive Committee recommend that::

1. Council authorize and direct TEDCO to transfer to the City, and the City to acquire from TEDCO, the lands owned by TEDCO in East Bayfront, with the exception of those lands required for First Waterfront Place, (the TEDCO East Bayfront Lands) as is and for nominal consideration (\$2) following receipt of, and on a date or dates (if all of the TEDCO East Bayfront Lands are not transferred at one time) set out in written notice from the Deputy City Manager whose responsibilities include waterfront revitalization to TEDCO's President and Chief Executive Officer or the Chair of TEDCO's board of directors.
2. Council require that the following matters be completed or provided for to the satisfaction of the Deputy City Manager whose responsibilities include Waterfront Revitalization, in consultation with the City Solicitor and other City officials as appropriate, in respect of the lands to be transferred to the City before the City gives written notice to TEDCO authorizing and directing it to transfer those lands:
 - a. Completion by Waterfront Toronto of soil and ground water testing, and development by Waterfront Toronto of a comprehensive remediation and risk management plan (the Remediation and Risk Management Plan) for the TEDCO East BayfrontLands;
 - b. Receipt by the City of a written undertaking from Waterfront Toronto to implement the Remediation and Risk Management Plan to the satisfaction of the City and at no cost to the City, other than the City's proposed contribution for that purpose which is included in the Council-approved five year plan for Waterfront Revitalization;
 - c. Confirmation from Waterfront Toronto of a comprehensive package of risk mitigation tools relating to the TEDCO East Bayfront Lands, including insurance and indemnities in favour of the City;
 - d. Waterfront Toronto providing a legal title opinion in respect of the TEDCO

East Bayfront Lands to be transferred;

- e. Payment by Waterfront Toronto of (i) land transfer tax in connection with the transfer of TEDCO East Bayfront Lands to the City, or, if the Deputy City Manager whose responsibilities include Waterfront Revitalization agrees, provision of a letter of credit or alternative financial security acceptable to the Province, and (ii) Waterfront Toronto's covenant to pay all other costs associated with the land transfers including legal costs and disbursements;
- f. An agreement between the City and Waterfront Toronto or receipt by the City of an undertaking from Waterfront Toronto providing that: (i) \$15 million of the City's contribution to Waterfront Revitalization through the City's Waterfront Capital Account shall be held in reserve to cover any third party claims against TEDCO or the City and address any governmental orders against the City and/or TEDCO associated with ownership of the TEDCO East Bayfront Lands; (ii) Waterfront Toronto shall replace this reserve with revenues from the development of lands in East Bayfront by December 31, 2010; and (iii) no payments will be made out of the reserve without Council approval;
- g. With respect to the TEDCO-owned lands on which there is a rail spur that services the Redpath Sugar Refinery, satisfaction following completion of a title search, review of any leases and other due diligence, that the condition of the rail spur property and the obligations related to ownership of this property are acceptable to the City;
- h. Receipt by the City of Waterfront Toronto's undertaking in favour of the City to:
 - i. Develop and implement a comprehensive strategy for relocating the remaining tenants on TEDCO East Bayfront Lands, if needed, prior to the termination dates on such leases; and
 - ii. Update the parking strategy included in Waterfront Toronto's business plan for East Bayfront to address the needs of businesses, residents and visitors to the precinct and to reflect the "transit first" focus of the Waterfront Initiative; and
- i. Receipt by the City of Waterfront Toronto's written confirmation to the City's Waterfront Project Director that Waterfront Toronto is on track to achieve the following deliverables:
 - i. Confirmation of an institutional tenant for the Queen Elizabeth Docks or, in absence of this, the issuance of a Request for Proposals for development of Phase One of the East Bayfront Precinct prior to September 30, 2007;
 - ii. An operational LRT from Union Station to Parliament Street, along Queen's Quay East by December 31, 2011;
 - iii. Completion of Sherbourne Park(south) and Phase One of the Water's Edge Promenade by May 31, 2010; and

- iv. Installation of District Energy Infrastructure for East Bayfront by March 1, 2009;
3. Council instruct the Waterfront Project Director to initiate discussions among City, Waterfront Toronto and TEDCO officials regarding whether or not TEDCO will carry out site investigations or site remediation, or both, for Waterfront Toronto on the TEDCO East Bayfront Lands, and how to facilitate the completion of that work; and direct TEDCO to make all existing environmental and other information related to the TEDCO Lands available to Waterfront Toronto.
4. Council instruct staff to establish a Task Force of senior City and Waterfront Toronto officials to facilitate satisfaction of all conditions and actions needed to complete the transfers of the TEDCO East Bayfront Lands (other than the rail spur property referred to in Recommendation 1(f) if the City elects not to accept a transfer of that property) by TEDCO to the City by December 31, 2007 or as soon as possible thereafter, such Task Force to be chaired by the Deputy City Manager whose responsibilities include Waterfront Revitalization, or his designate.
5. *Council instruct the City's Chief Corporate Officer, in consultation with the Waterfront Project Director, to assume responsibility for managing existing leases, lands and tenants on the TEDCO East Bayfront Lands with all revenues from existing uses accruing to TEDCO;*
6. Council direct TEDCO to provide the City's Chief Corporate Officer with originals or certified copies of all leases and other documents that he will need to effectively manage the leases and tenants on the TEDCO East Bayfront Lands, and otherwise act as the landlord with respect to these leases;
7. Council authorize the City to supplement the City's existing unanimous shareholder declaration to TEDCO and the TEDCO shareholder resolution relating to the land transfers, and enhance the City's indemnity of the directors and officers of TEDCO, (i) to make it clear that the indemnity applies with respect to the transfers recommended in this report, and (ii) to provide that TEDCO directors and officers will be indemnified against any future claims or MOE orders relating to these lands;";
8. *given that TEDCO's opportunities to generate revenues from its lands in the Central Waterfront are declining, that TEDCO officials have advised that TEDCO will encounter cash flow difficulties at the end of 2007 or early in 2008, and that the proposed review to address funding and other issues relating to TEDCO is not expected to be reported on until March 2008, the City Manager be directed to report to Council in September 2007, through the Executive Committee, on providing transitional funding to TEDCO, if required;*
8. The Waterfront Project Director and City Solicitor undertake a review of the MOU between the City, TEDCO and Waterfront Toronto to determine what amendments can be made to streamline project implementation in the Port Lands while addressing the objectives and requirements of the three parties, with all such amendments being subject to Council approval;

9. The appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

Financial Impact

Waterfront Toronto will pay all costs relating to the transfer of the TEDCO East Bayfront Lands to the City, including any land transfer tax or any expenses relating to any waiver or deferral of land transfer tax. In addition, Waterfront Toronto will establish a \$15 million fund to protect the City and TEDCO from any financial and environmental liabilities that may result from past and future ownership of this land. Initially, \$15 million from the City's Waterfront Capital Account will be earmarked for this purpose. This will be replaced by Waterfront Toronto by December 31, 2010 from revenue it generates from development in East Bayfront.

At present, TEDCO generates approximately \$0.6 million annually from rental revenues from four tenants occupying the TEDCO East Bayfront Lands (2005 figure). These revenues will continue to flow to TEDCO until tenants are relocated to make way for Waterfront Revitalization or until their leases expire. Should the relocation of one or more tenants be required prior to the expiration of their leases, any relocation costs and activities will be the financial and operational responsibility of Waterfront Toronto.

The actions recommended in this report should not have a negative financial impact on TEDCO in the short-term. The TEDCO East Bayfront Lands will be transferred to the City, but TEDCO will continue to receive the revenues from the existing leases until they are terminated. TEDCO control over its remaining Waterfront lands will continue to decline over time, however, as will its opportunity to generate revenues from these lands, as the Revitalization Initiative led by Waterfront Toronto continues to move through its implementation phase. TEDCO's long-term self-sustainability will necessitate a change in its business direction..

The transfer of the TEDCO East Bayfront Lands to the City exposes the City to possible claims such as civil suits and Ministry of the Environment orders. The MOU imposes strong obligations on Waterfront Toronto to address environmental problems and the environmental condition of the TEDCO East Bayfront lands do not appear to be serious. Further Waterfront Toronto has agreed to provide additional risk protection to the City and TEDCO as a condition of the City taking ownership of the lands.

Finally, the MOU outlines a protocol for TEDCO to prepare a financial impact statement that provides details of the impact of Waterfront Renewal on its operations. The Deputy City Manager and Chief Financial Officer will review the statement and recommend to Council measures to mitigate financial impacts as needed.

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

Summary

The Board of Directors of Waterfront Toronto has requested that all lands owned by TEDCO in East Bayfront, other than the First Waterfront Place lands, (the TEDCO East Bayfront Lands), be transferred to Waterfront Toronto or to the City. This is a change from what was provided

for in the 2006 Memorandum of Understanding between the City, TEDCO and Waterfront Toronto (the MOU) which makes Waterfront Toronto the lead in revitalizing the TEDCO East Bayfront Lands, other than the First Waterfront Place lands. The MOU does not call for TEDCO to transfer lands to Waterfront Toronto. It provides that TEDCO shall make the TEDCO Lands available incrementally for revitalization activities and for transfer directly to the City or to a third party.

TEDCO owns approximately 30 acres of East Bayfront land, including the two-acre First Waterfront Place site. Waterfront Toronto is of the view that reducing the number of public parties involved from three to two (the City and Waterfront Toronto) would streamline revitalization activities. Its position is that the overlapping involvement of Waterfront Toronto and TEDCO is causing project delays, duplicating resources, and creating confusion among members of the public and in the development community.

The 2006 TEDCO Shareholder Resolution, signed by the City as TEDCO's sole shareholder, authorized, approved and directed the incremental transfer (by sale or lease) of East Bayfront Lands to the City and to third parties as the Council may direct. The MOU contemplates that the TEDCO East Bayfront Lands would be transferred out of TEDCO by December 31, 2006. TEDCO is not being required to transfer these lands earlier than was contemplated in the MOU and will continue to receive the rent from its existing tenants in the TEDCO East Bayfront Lands until leases are terminated.

This report recommends that the TEDCO East Bayfront Lands be transferred to the City as soon as practical, subject to the City's due diligence and to Waterfront Toronto covenanting to satisfy certain conditions and assume certain responsibilities to minimize, and where possible eliminate, the City's and TEDCO's exposure to the potential liability (environmental and other) as an owner or previous owner of these lands.

Background Information

Streamlining Waterfront Revitalization in East Bayfront

<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5074.pdf>

8a TEDCO Governance Review

(June 12, 2007) Memo from Mayor David Miller

Summary

A report from the Deputy City Manager concerning the transfer of certain TEDCO lands in East Bayfront to the City to facilitate waterfront revitalization.

Background Information

TEDCO Governance Review

<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5076.pdf>

EX10.9	ACTION	Amended		Ward: All
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Toronto Waterfront Revitalization Initiative Five-Year Business Plan / Ten-Year Forecast (2007 – 2016)

(June 11, 2007) Report from the Deputy City Manager

Committee Recommendations

The Executive Committee recommends that:

1. Council approve the Five-Year Business Plan/Ten-Year Forecast (2007 – 2016) for the Waterfront Revitalization Initiative, subject to the following conditions:
 - i. the City's annual budget process;
 - ii. approval by the Provincial and Federal Governments of the same Plan;
 - iii. Waterfront Toronto completing and submitting to the three governments by December 31, 2007 a comprehensive revenue generation and financing strategy, outlining the annual projections from the development of public land, private sector investment, and any other revenue initiatives, together with a business and financial plan for achieving Waterfront Revitalization in the Portlands; and
 - iv. the development of a Memorandum of Understanding (MOU) between the City and Waterfront Toronto confirming deliverables in 2008 on a project-by-project basis;
2. Council direct that no City funds be released to Waterfront Toronto in 2008 until the revenue generation and financing strategy identified in Recommendation 1 has been endorsed by the Intergovernmental Steering Committee of senior officials from the three orders of government;
3. Council authorize the revision of the City's 2007 – 2016 Capital Plan for the Waterfront Revitalization Initiative to reflect the following cash flows: \$55.701 million (gross)/\$55.341 million (net) in 2007, \$51.131 million (gross/net) in 2008, \$55.385 million (gross/net) in 2009, \$57.095 million (gross/net) in 2010, \$25.800 million (gross/net) in 2011, and \$192.369 million (gross/net) in 2012 to 2016;
4. Council approve the following reallocations totalling \$8.987 million among projects within the 2007 Capital Budget for the Waterfront Revitalization Initiative, and any resultant amendments to total project costs where applicable, with no change to the approved amount for the year of \$55.701 million (gross)/ \$55.341 million (net) or to the City's overall net commitment of \$500.00 million for the Waterfront Revitalization Initiative:
 - i. reductions to Waterfront Toronto Corporate Costs (\$.635 million), Union Station (\$.302 million), Mimico (\$.850 million), Precinct Planning Studies (\$.103 million), Harbourfront Water's Edge (\$.222 million), Precinct Implementation Projects (\$.989 million), Transportation Initiatives

(\$5.878 million), Dockwall Repairs (\$2 thousand), and Waterfront Project Secretariat (\$6 thousand); and

- ii. increases to Portlands Preparation (\$4.781 million), Port Union (\$.957 million), Sports Fields, Facilities & Parks Development (\$1.000 million), Urban Planning Resources (\$.125 million), and Financial Securities (\$2.124 million); and
5. *given that the Bi-centennial of the War of 1812 is fast approaching, Waterfront Toronto and the Waterfront Secretariat be requested to review the timing of the Pedestrian/bicycle link from Fort York Northerly, for implementation prior to 2012 and report in time for the 2008 Capital Budget on this matter; and*
5. Council authorize and direct appropriate City officials to take the necessary action to give effect thereto.

Financial Impact

Subject to the annual budget process, the recommendations in this report will result in the following cash flows for the City's gross/net contribution to Waterfront Revitalization: \$55.701 million (gross)/\$55.341 million (net) in 2007, \$51.131 million (gross/net) in 2008, \$55.385 million (gross/net) in 2009, \$57.095 million (gross/net) in 2010, \$25.800 million (gross/net) in 2011, and \$192.369 million (gross/net) for the period 2012 to 2016. The City's overall contribution to the Waterfront Revitalization Initiative will remain at \$504.200 million (gross)/ \$500.000 (net). This includes \$66.719 million (gross)/ \$62.879 million (net) already incurred to the end of 2006 and an amount of \$22.355 million (gross/net) incorporated in years 6 to 10 that is not allocated to specific tasks at this time, but is intended for the completion of the Water's Edge Promenade, and transit initiatives.

A total of \$8.987 million will be reallocated among projects within the 2007 Capital Budget for Waterfront Revitalization, with no net impact to the City's contribution for the year.

The 2006 Budget for the Harbourfront Water's Edge project will be adjusted to match the actual expenditures for the completion of this project. Waterfront Toronto will be returning to the City of Toronto unspent funds in the amount of \$.222 million and these funds will be returned to the Strategic Infrastructure Reserve Fund to be reallocated to the 2007 Capital Budget for the Port Union project, which has a requested funding change of \$0.957 million in 2007.

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

Summary

The Toronto Waterfront Revitalization Corporation Act, 2002 which came into effect on April 1, 2003 requires that Waterfront Toronto (formerly the Toronto Waterfront Revitalization Corporation) prepare annual and five-year business plans for approval by the Federal,

Provincial and Municipal governments.

This report will outline the deliverables, funding requirements, and cost-sharing arrangements for Waterfront Revitalization over the next ten-year period (2007 to 2016) as reflected in the Five-Year Business Plan/Ten-Year Forecast for the Project developed by Waterfront Toronto in partnership with officials from the three governments.

Contributions identified from 2009 onwards are preliminary and will be refined as part of the annual Plan review process and the City's budget process, following Waterfront Toronto's completion of a comprehensive revenue generation and financing strategy by December 31, 2007, outlining the annual projections from the development of public land, private sector investment, and any other revenue initiatives. This strategy is to include a business and financial plan for achieving Waterfront Revitalization in the Portlands, and must be completed to the satisfaction the three governments.

Furthermore, a Memorandum of Understanding (MOU) will be developed with Waterfront Toronto confirming deliverables for 2008 on a project-by-project basis.

Finally, a total of \$8.987 million will be reallocated among projects within the 2007 approved Capital Budget for Waterfront Revitalization, with no net impact to the City's contribution for the year or to its overall commitment of \$500.000 million to the Initiative.

Background Information

Appendix B - Proposed Five-Year Plan/Ten-Year Forecast (2007-2016) - Detailed Cash Flow Requirements

<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5086.pdf>

Appendix C - Comparison of Approved 2007 Net Capital Budget for Waterfront Revitalization and 2007 Net Funding in the Proposed Five-Year Plan/Ten-Year Forecast (2007-2016)

<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5087.pdf>

Toronto Waterfront Revitalization Initiative

<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5090.pdf>

Appendix A - Description of Projects and Deliverables included in the Proposed Five-Year Plan/Ten-Year Forecast (2007-2016)

<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5091.pdf>

EX10.10	ACTION	Amended		Ward: All
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Establishing the Toronto Ombudsperson

(June 8, 2007) Report from the City Manager

Committee Recommendations

The Executive Committee recommends that:

1. City Council approve the Ombudsperson model in this report, including the jurisdiction as summarized in Attachment 1 and the operating framework discussed in section 6 and

summarized in Attachment 2.

2. City Council authorize the City Solicitor to prepare and introduce in Council any bills required to enact the Ombudsperson function.
3. City Council authorize the City Manager to begin recruiting the Ombudsperson using an external recruitment firm.
4. A list of candidates be presented to a selection panel composed of the Mayor, as chair, and four members of Council appointed by the Mayor.
5. The selection panel recommend to Council the appointment of the Ombudsperson, as soon as possible, and the recommendation be ratified by an absolute 2/3 majority vote of Council.
6. The 2007 Operating Budget for the Office of the Ombudsperson of \$200,000 gross and net be approved.
7. Funding in the amount of \$200,000 be transferred from the 2007 Approved Non-Program Budget to the 2007 Operating Budget for the Office of the Ombudsperson.
8. The Ombudsperson report to Council as required with further operational and financial requirements to ensure the function is implemented effectively.

Financial Impact

Funds in the amount of \$200,000 are required in the 2007 Operating Budget for the Office of the Ombudsperson. This is for part-year funding for an Ombudsperson, an administrative assistant and other start-up costs. Provision was made in the Non-Program Budget for funding requirements in 2007. It is recommended that this funding be transferred from the Non-Program Budget to the Office of the Ombudsperson's 2007 Operating Budget.

It is anticipated that the 2008 operating budget requirements will be approximately \$1.1 million and will be submitted to the 2008 budget process on behalf of the Ombudsperson. Once hired, the Ombudsperson may identify and report on specific requirements.

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

Summary

This report sets out the powers, jurisdiction and an operating framework for an independent Ombudsperson, as part of Toronto's accountability framework and as required by the City of Toronto Act, 2006, Part V.

This report recommends an independent Ombudsperson reporting directly to City Council. Toronto's Ombudsperson will have a broad scope and will be established in accordance with the City of Toronto Act's provisions regarding jurisdiction and powers of investigation. When all other resolution processes have been exhausted, the Ombudsperson will be an objective investigator of people's grievances and complaints about actions and decisions made in the course of the administration of the City and the implementation of government policies. The Toronto Ombudsperson's model will be based on the principles of independence, confidentiality, impartiality and credibility.

The recommendations in this report provide a start-up structure for the Ombudsperson. Once hired, the Ombudsperson will report to Council as required with further operational and financial requirements to ensure the independent and unfettered implementation of the function.

Background Information

Establishing the Toronto Ombudsperson

<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5088.pdf>

Communications

(June 24, 2007) e-mail from Pat McKendry

Decision Advice and Other Information

The Executive Committee referred the following motion to the City Manager, in consultation with the City Solicitor, for a report directly to Council for its meeting scheduled to be held on July 16, 2007:

Moved by Councillor Moscoe:

“That:

- i. it be a standard condition of all future contracts signed by the City along with all agreements including agreements to purchase goods and services to provide unfettered access by the Ombudsperson;
- ii. a Member of Council is deemed to be an Officer of the Corporation of the City of Toronto; and
- iii. the Integrity Commissioner, the Fairness Commissioner; and the Lobbyist Registrar be included within the jurisdiction of the Office of the Ombudsperson.

EX10.11	ACTION	Adopted		Ward: All
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Toronto Symphony Orchestra Line of Credit Guarantee

(May 31, 2007) Report from the Deputy City Manager and Chief Financial Officer

Committee Recommendations

The Executive Committee recommends that:

- (1)
 - (a) Council approve the renewal and increase of the line of credit guarantee on behalf of the Toronto Symphony Orchestra (TSO) to its financial institution in the amount of \$3,000,000.00 (inclusive of all interest payable by the TSO), commencing on October 31, 2007 and ending on October 31, 2010;
 - (b) the City extend the agreement with the TSO with respect to the line of credit guarantee; and
 - (c) the City extend the tri-party agreement with the TSO and with its financial institution with respect to the line of credit guarantee;
- (2) such guarantee and all related agreements be on terms and conditions satisfactory to the City Solicitor, the Deputy City Manager and Chief Financial Officer and Deputy City Manager Sue Corke, and that the Deputy City Manager and Chief Financial Officer be requested to negotiate appropriate and adequate safeguards, to the satisfaction of the City Solicitor, with the City being promptly advised in the event of default or delay in the payment of interest;
- (3) the guarantee be deemed to be in the interest of the municipality; and
- (4) the appropriate officials be authorized to take the necessary action to give effect thereto.

Financial Impact

Issuance of a line of credit guarantee is considered to be a financial commitment of the City. However, there is no direct cost to the City for providing this guarantee unless the organization defaults on its obligation and the City cannot recover the funds

Summary

This report seeks Council approval to renew the line of credit guarantee for the Toronto Symphony Orchestra and increase the amount from \$2,250,000 to \$3,000,000 effective from October 31, 2007 until October 31, 2010.

Background Information

Toronto Symphony Orchestra Line of Credit Guarantee
<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5034.pdf>

EX10.12	ACTION	Adopted		Ward: All
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Toronto Hydro Corporation - 2006 Annual General Meeting and Annual Audited Financial Statements

(June 1, 2007) Report from the City Manager

Committee Recommendations

The Executive Committee recommends that City Council:

1. consider the Council meeting to be the Annual General Meeting of the Shareholder for Toronto Hydro Corporation by:
 - a. adopting the recommendations embodied in the Toronto Hydro Corporation report, dated May 4, 2007, forming Attachment 1 to this report, that appoints Ernst and Young as the auditor for Toronto Hydro Corporation and receives the report from the Chair of the Board of Directors; and
 - b. receiving the information report of the Deputy City Manager and Chief Financial Officer, dated May 14, 2007, “Toronto Hydro Corporation – Financial Statements”, forming Attachment 2 to this report and receiving the financial statements forming Appendix A to that report; and
2. refer Attachment 2 to the Audit Committee for review.

Financial Impact

There are no financial implications that would result from the adoption of this report.

Summary

This report recommends the actions necessary to comply with the requirements of the Business Corporations Act (Ontario) for holding an annual general meeting of the shareholder of Toronto Hydro Corporation including receipt of the audited financial statements and appointment of the auditor.

Background Information

Toronto Hydro Corporation - 2006 Annual General Meeting and Annual Audited Financial Statements

<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5036.pdf>

Consolidated Financial Statements

<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5037.pdf>

EX10.13	ACTION	Adopted		Ward: All
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Toronto Atmospheric Fund Statement of Investment Objectives and Principles - 2007

(June 5, 2007) Report from the Deputy City Manager and Chief Financial Officer

Committee Recommendations

The Executive Committee recommends that:

1. Council approve the attached Statement of Investment Objectives and Principles as approved by the TAF Board of Directors (Appendix A) with the following amendment to clause (6.1) of the “Statement of Investment Objectives and Principles”:

Delete the last sentence and substitute “The asset mix of the total fund should not exceed 55% in total equities on a market basis over a full market cycle.”; and

2. the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

Financial Impact

There is no financial impact.

Summary

The Statement of Investment Objectives and Principles, as approved the Board of Directors of the Toronto Atmospheric Fund (TAF) is attached (Appendix A) as a policy and guidance framework for investing TAF’s assets, currently valued at approximately \$27 million. The Statement includes Part A, i.e. conventional equities and bonds, and Part B, i.e., loans, loan guarantees, joint ventures, etc. that are directly aligned with TAF’s mandate.

The Investment and the Mandate Related Finance Committees of TAF developed the Statement over the past year with the support of staff and TAF’s Investment Advisor. Upon approval by City Council, this Statement will replace the Statement of Investment Policies and Procedures that currently guides TAF’s investing activities.

Background Information

Toronto Atmospheric Fund Statement of Investment Objectives and Principles - 2007
<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5038.pdf>

EX10.14	Information	Received		Ward: All
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Provision Of City Loan Guarantees To Toronto Community Housing

(May 31, 2007) Report from the Deputy City Manager and Chief Financial Officer

Financial Impact

Any debt issued by TCHC is consolidated on the City's financial statements and the associated debt charges are part of the annual operating subsidy to TCHC. The financial impact on the city's debt capacity and its credit rating depends upon the amount and type of long term financing used to support TCHC's capital requirements.

Summary

This report discusses various options to lower the interest costs and increase the accessibility of borrowed funds for the Toronto Community Housing Corporation (TCHC) to increase the funding for deferred maintenance and capital repairs.

Background Information

Provision Of City Loan Guarantees To Toronto Community Housing
<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5040.pdf>

Decision Advice and Other Information

The Executive Committee received the report (May 31, 2007) from the Deputy City Manager and Chief Financial Officer respecting the Provision of City Loan Guarantees to Toronto Community Housing.

EX10.15	ACTION	Amended		
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Complaint pursuant to Section 20 of the Development Charges Act, 1997 – 2454 Bayview Avenue

(June 4, 2007) Report from the Deputy City Manager and Chief Financial Officer and the Deputy City Manager

Committee Recommendations

The Executive Committee recommends that Council:

1. dismiss the complaint, filed under section 20 of the *Development Charges Act, 1997*, and the request for a refund of the development charges paid in the amount of \$142,598.35 not be approved; and
2. *instruct the Deputy City Manager and Chief Financial Officer to take whatever action necessary to collect Development Charges that should have been imposed upon St. Clement's School and Branksome Hall School developments situated at 21-29 St. Clement Avenue and 2 Elm Avenue, respectively.*

Financial Impact

There is no financial impact resulting from the adoption of the above recommendation.

Summary

The purpose of this report is to provide staff recommendation in response to a complaint filed under section 20 of the Development Charges Act, 1997 (the "Act").

Staff is of the opinion that the development charges by-law was properly applied to this development and accordingly it is recommended that the complaint be dismissed and a refund not be issued.

Background Information

Complaint pursuant to Section 20 of the Development Charges Act, 1997 ý 2454 Bayview Avenue

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5041.pdf>)

Attachment 1

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5042.pdf>)

15a Development Charges Complaint Dibri Inc. - 2454 Bayview Avenue

(June 4, 2007) Letter from Mark Flowers, Davies Howe Partner

Summary

Letter (June 4, 2007) from Mark Flowers, Davies Howe Partners, advising that they are the counsel for Dibri Inc. the owners of 2454 Bayview Avenue and that a private elementary school does not constitute a "retail use", as defined in the City's development charge by-law (By-law No. 547-2004) and, consequently, no development charges should have been payable under the City's by-law.

EX10.16	ACTION	Adopted		Ward: 19
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Coca-Cola Bottling Ltd. Sponsorship Agreement

(May 16, 2007) Report from the Chief Executive Officer, Exhibition Place

Committee Recommendations

The Executive Committee recommends that:

1. City Council authorize an agreement between The Board of Governors of Exhibition Place and Coca-Cola for a period of five years, starting June 1, 2007 and expiring May 31, 2012, to be the official and exclusive soft drink provider to Exhibition Place (including the Direct Energy Centre) and the Canadian National Exhibition Association (CNEA) on the terms and conditions set out in this report and the Confidential Attachment 1 to this report and such other terms and conditions as may be satisfactory to the Chief Executive Officer of Exhibition Place and the City Solicitor; and
2. City Council direct that the confidential information in Attachment 1 not be released publicly in order to protect the competitive position and the future economic interests of the City of Toronto and The Board of Governors of Exhibition Place.

Financial Impact

Financial implications of this agreement will be a positive cash contribution to Exhibition Place and the CNE.

Summary

This report recommends a five-year agreement with Coca-Cola Bottling Ltd. (“Coca-Cola”) to be the official and exclusive soft drink provider to Exhibition Place (including the Direct Energy Centre).

Background Information

Coca-Cola Bottling Ltd. Sponsorship Agreement

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5045.pdf>)

EX10.17	Information	Received		Ward: All
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Further Report on French Language Services

(June 8, 2007) Report from the City Manager

Financial Impact

There are no financial implications arising from the recommendation in this report.

Summary

This report responds to the request for additional information on French language services offered by the City, in particular the application of the translation policy since 2002 and on the application of the Language Line to the 311 service.

Background Information

Further Report on French Language Services

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5046.pdf>)

Decision Advice and Other Information

The Executive Committee received the report (June 8, 2007) from the City Manager respecting French language services offered by the City.

EX10.18	ACTION	Adopted		Ward: All
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Toronto Police Service: Renewal of the Community Policing Partnership Program Grant Agreement

(June 5, 2007) Memo from the Chair, Toronto Police Services Board

Committee Recommendations

The Executive recommends that:

- 1 the City of Toronto renew the Community Policing Partnership (CPP) Agreement with the Province and the Toronto Police Services Board, on terms and conditions substantially similar to those contained in the previous CPP Grant Program Agreement with the Province, subject to approval as to form by the City Solicitor.

Financial Impact

There is no financial impact beyond what has already been approved in the current year's budget for the Toronto Police Service.

As the CPP Program is an on-going program, grant funding, estimated at \$7.53 million, is included as revenue in the 2007 Toronto Police Service Operating Budget. Entering into a renewal agreement with the Province in respect of the CPP Program will have no further financial implications or impact; however, failing to enter into the Agreement would result in loss of revenue of \$7.53 million annually for the Board and the City with respect to the 251 officers that are partially funded through the grant program.

The renewal of the CPP Program Agreement with the Province does not commit the City to any additional expenditures. Although it does require the City to cover salary expenses not covered by the grant, these expenditures would be incurred, regardless, if the Service is to maintain its uniform staffing levels at the authorized strength of 5,510.

Summary

The purpose of this report is to request the City of Toronto – Executive Committee to submit a recommendation to Toronto City Council to authorize the City of Toronto to renew the Community Policing Partnership (CPP) Program Agreement between the Province of Ontario, the City of Toronto and the Toronto Police Services Board for a further two-year period – April 1, 2007 to March 31, 2009. This Agreement, received in April 2007, replaces the current agreement, which expired on March 31, 2007.

Under the CPP Program, the Toronto Police Service (TPS) receives grant funding of up to \$7.53 million annually to cover a portion of the salaries and benefits of up to 251 officers. Although the program is on-going, a formal agreement is entered into every two years. Revenue of \$7.53 million is built into the TPS budget each year for this grant program. In order to maximize the amount of funding received, TPS must maintain its uniform staffing levels at a predetermined benchmark of at least 5,180 officers. Uniform staffing levels have been maintained above this benchmark every year since the inception of the CPP Program in 1998 and the current authorized uniform strength is 5,510.

Background Information

Toronto Police Service: Renewal of the Community Policing Partnership Program Grant Agreement

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5048.pdf>)

EX10.19	ACTION	Adopted		Ward: All
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Toronto Zoo Dinosaurs Alive! Exhibit - Admission Fee Increase

(May 25, 2007) Report from the Budget Committee

Committee Recommendations

The Executive Committee recommends that City Council:

1. approve the staff recommendations approved by the Board of Management of the Toronto Zoo at the meeting held on April 23, 2007 as follows:
 - a. admission to this special short-term exhibit be included in the regular admission fees, membership fees and school group fees;
 - b. all regular admission categories and school group fees be raised by \$1.00 effective May 14, 2007;
 - c. all membership categories increase by \$5.00, subject to the approval of the TorontoZoo Foundation; and
2. approve an increase to both Gross Expenditures and Revenue by \$419.0 thousand, to \$38,877.2 thousand and \$27,337.9 thousand, respectively.

Financial Impact

This action will have no financial impact on the Net Expenditures in the approved 2007 operating budget as both Gross Expenditures and Revenue increase by \$419.0 thousand. City funding of the Net Expenditure budget for 2007 remains unchanged at \$11,539.3 thousand.

Summary

The purpose of this report is to request Budget Committee adoption of the admission fee increase of \$1.00 for all regular admission and school group categories for the Toronto Zoo as approved by the Board of Management of the Toronto Zoo on April 23, 2007. The admission fee increase would be effective May 14, 2007 and is intended to coincide with the opening of the 2007 Dinosaurs Alive! exhibit. In adopting this action, Budget Committee approval is also requested to amend the 2007 operating budget of the Toronto Zoo to increase both Gross Expenditures and Revenue by \$419.0 thousand, to \$38,877.2 thousand and \$27,337.9 thousand respectively. Net expenditures of \$11,539.3 thousand remain unchanged from the approved 2007 operating budget.

This admission fee strategy is more consumer-friendly and is a change from the original separate pricing strategy for the Dinosaurs Alive! exhibit. It will be more affordable to all families, stimulating additional interest in the Zoo and the special exhibit. The new exhibit is expected to draw incremental attendance of 75,000 visitors over the 1,190,000 visitors included in the 2007 approved budget for the Toronto Zoo.

Net revenue of \$675.0 thousand is included in the approved 2007 operating budget in relation to this exhibit. An additional \$419.0 thousand in revenue will be generated over the \$1,200.0 thousand for this exhibit as included in the approved 2007 budget, offsetting additional costs, resulting in no change to the approved Net Expenditures of the Toronto Zoo for 2007.

The Board of Management held a public meeting on April 23, 2007, in accordance with the

City of Toronto Act, 2006 and notice of the proposed fee increase was posted on the City's web site for a minimum of five days in advance.

Background Information

Toronto Zoo Dinosaurs Alive! Exhibit - Admission Fee Increase
<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5049.pdf>

EX10.20	ACTION	Adopted		Ward: All
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Toronto Water Capital Budget: 2006 Carry-Forward Funding and 2007 Cashflow Reallocations

(May 25, 2007) Report from the Budget Committee

Committee Recommendations

The Executive Committee recommends that City Council:

1. approve the \$63.625 million in unspent cash-flow from Toronto Water's approved 2006 Capital Budget and related financing, as detailed in Appendix 1, being carried forward and included in Toronto Water's approved 2007 Capital Budget. As the total carry-forward amount remains unchanged, the adjustments have no net impact on Toronto Water's approved 2007 Capital Budget cashflow of \$410.001 million;
2. approve the technical adjustments and budget reallocations detailed in Appendix 2 of this report, which have no impact on the Toronto Water's total approved 2007 Capital Budget cashflow;
3. authorize and direct the appropriate City officials to take the necessary action to give effect thereto.

Financial Impact

There are no direct financial impacts in 2007 to the Capital Budget of \$410.001 million, comprised of \$63.625 million of unspent 2006 carry-forwards and \$346.376 million of approved new 2007 cashflow.

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 carry-forward funding to continue 2006 approved projects and to advise Council of budget reallocations recommended to realign the Council Approved Budget with Toronto Water's 2007 work program.

Background Information

Toronto Water Capital Budget: 2006 Carry-Forward Funding and 2007 Cashflow Reallocations
<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5050.pdf>

EX10.21	ACTION	Adopted		Ward: 22
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Fire Alarm Upgrades Ordered at Holly Street Garage

(May 25, 2007) Report from the Budget Committee

Committee Recommendations

The Executive Committee recommends that City Council:

1. approve the upgrades to the fire alarm system at parking garage 29 (located at 75 Holly Street) as ordered by the City of Toronto Fire Inspection Department at a cost of \$225,000, net of GST;
2. create a new project TPA907186 (CPK113 - Fire Alarm System Upgrades – Garage 29) in the 2007 Toronto Parking Authority Capital Budget; and
3. transfer funding of \$300,000 from existing project number TPA906847 (CPK085 – Surface Carpark at Yonge North of Finch) to project number TPA907186 (CPK113 - Fire Alarm System Upgrades – Garage 29), with a \$0 impact on the 2007 Toronto Parking Authority Capital Budget.

Financial Impact

Funding was not included in the 2007 Toronto Parking Authority Capital Budget for fire alarm system upgrades at parking garage 29 (located at 75 Holly Street). The work was originally scheduled for 2008; however the City of Toronto Fire Inspection Department has required that the work be undertaken immediately. The costs of the upgrades are estimated at \$225,000, net of GST. This funding does not include the \$75,000 contingency. Funds will be transferred within the 2007 Capital Budget with a \$0 net impact. There are no operating costs associated with the upgrades. The cost of the work is to be funded from TPA retained earnings. The cost of the project is funded from TPA retained earnings.

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

Summary

As a result of a work order issued by the City of Toronto Fire Inspection Department certain fire alarm system upgrades must be carried out at Toronto Parking Authority's parking garage #29 (located at 75 Holly Street). The work was originally scheduled for 2008 until a work order was issued requiring immediate attention.

Background Information

Fire Alarm Upgrades Ordered at Holly Street Garage

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5051.pdf>)

Board Memorandum

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5060.pdf>)

EX10.22	ACTION	Adopted		Ward: All
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Transportation Services - 2007 Cashflow Reallocations and Deferrals

(June 14, 2007) Memo from the Budget Committee

Committee Recommendations

The Executive Committee recommends that:

1. Council approve the deferred and accelerated gross cash flows in the amount of \$18,800,000.00 detailed in Table 1, attached, which have no net impact on the approved 2007 net debt target, be approved;
2. Council approve the deferred gross cash flows in the amount of \$29,500,000.00 detailed in Table 2, attached, which represent uncontrollable third party funding from others and, which have no net impact on the approved 2007 net debt target, be approved;
3. Council request the General Manager, Transportation Services, be requested to report back to the Budget Committee as part of the 2008 Capital Budget process, on a revised five year plan;
4. *this is approved on the understanding that deferring a project does not necessarily mean that community consultation is deferred and that staff be directed to meet with the respective Councillors' where work has been moved forward to develop a consultation plan appropriate to each project to map out an early consultation protocol that will minimise future delays; and*
5. authorize and direct the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

Financial Impact

Consistent with the data contained in table 1, attached, funding in the amount of \$18,800,000.00 will be deferred from various projects that for a number of reasons as outlined in the body of this report, will be delayed. In this regard, an equivalent cash flow can be accelerated and reallocated to a number of projects that are ready to proceed. These cash flows represent debt funded projects with no net change to the approved 2007 net debt funding requirement. This reallocation will also meet a previous recommendation as set out as part of the 2007 capital budget deliberations to fund an unspecified funding commitment of \$3.3 million for the St. Clair Avenue transit right-of-way project.

The division is also seeking to defer a total gross approved cash flow of \$29,500,000.00 from 2007 to 2008 representing those fully recoverable projects (work for others) that are also

delayed for various reasons outside of the control of the division.

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 reallocate anticipated cash flow expenditures for 2007 commensurate with those projects that are ready to proceed. The division is presently coordinating a multi-year capital works program with the Toronto Water and Technical Services divisions. Moreover, not only will this new planning process address a more efficient renewal strategy for rehabilitating the City's aging infrastructure, it will also make significant advances in minimizing construction disruption and the associated inconvenience to not only motorists but all users of the public right of way including pedestrians, cyclists and transit users.

All users of the public right of way will benefit from this coordinated cross-functional initiative that will make significant advances towards minimizing adverse and costly effects of re-digging recently completed works in addition to allowing for the much needed improvement of current completion rates of the various construction projects from both Transportation Services and Toronto Water. This new course of action, once fully implemented, will secure a fixed capital program that encapsulates a full five years worth of work well in advance of any construction activity as shown in the accompanying schematic Attachment 1 (Typical Planning Process of a Capital Works Program).

In the interim, 2007 cash flows will need to be realigned that best match to those program areas that are ready to proceed. This will involve the deferral of 2007 approved cash flows and a corresponding acceleration of others that will yield a zero net impact on approved debt targets for 2007. And, as part of the upcoming 2008 budget process, projects will be revisited and cash flows reassessed accordingly so that approved five year targets are not altered.

Background Information

Transportation Services - 2007 Cashflow Reallocations and Deferrals
(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5062.pdf>)

Table 1 - Attachment

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5066.pdf>)

Tables 1 & 2

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5067.pdf>)

Declared Interests (Committee)

Councillor Howard Moscoe declared his interest in this matter in that his daughter is a part-time employee of the Children's Services Division.

EX10.23	ACTION	Adopted		Ward: All
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Toronto Zoo 2007 Capital Budget – Tundra Project

(June 14, 2007) Memo from the Budget Committee

Committee Recommendations

The Executive Committee recommends that City Council amend the Council Approved 2007 Capital Budget for the Toronto Zoo to add \$2.5 million gross, \$0 net, funded by the Toronto Zoo Foundation resulting in a 2007 Capital Budget of \$15.707 million gross, \$9.905 million net (debt).

Financial Impact

This action will have no financial impact on the Net Expenditures in the approved 2007 capital budget as both Gross Expenditures and Revenue increase by \$2.5 million. City funding of the Net Expenditure budget for 2007 remains unchanged.

Summary

The purpose of this report is to request Budget Committee approval of an amendment to the 2007 capital budget of the Toronto Zoo related to permit the award of the tender for the Tundra project. In adopting this action, both Gross Expenditures and Revenue in the 2007 Capital Budget of the Toronto Zoo will increase by \$2.5 million to \$15.707 million gross. Net expenditures will remain unchanged.

At its meeting on April 23, 2007, the Board of Management of the Toronto Zoo approved the staff recommendation to request additional funding from the Toronto Zoo Foundation for the Tundra project in order to permit the award of the tender to the lowest bidder. The request was approved by the Toronto Zoo Foundation Board of Directors at its meeting on May 28, 2007.

Background Information

Toronto Zoo 2007 Capital Budget - Tundra Project
<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5072.pdf>

EX10.24	ACTION	Adopted		Ward: All
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Pilot Testing the New Air Quality Health Index in Toronto

(June 14, 2007) Memo from the Budget Committee

Committee Recommendations

The Executive Committee recommends that City Council:

1. increase the 2007 Toronto Public Health Operating Budget by \$160,000 gross and \$0 net to reflect funding from Health Canada for the launch of the Air Quality Health Index Toronto Pilot Program.

Financial Impact

Source of Funds	Gross	Net
One-time funding from Health Canada for AQHI Toronto Pilot Program – 2007	\$160,000	\$0
One-time funding from Health Canada for Completion of Evaluation of the AQHI – 2008	\$40,000	\$0
Total Funding	\$200,000	\$0
Additional position		1

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

Summary

The Air Quality Health Index (AQHI) is a new national health based index that will help Canadians understand how to protect their health from air pollution. Toronto has been selected as a pilot site for implementation of the AQHI. Health Canada is providing funding of \$200,000 to Toronto Public Health in 2007-08 to inform the community about the AQHI and evaluate its effectiveness. The Medical Officer of Health recommends that City Council amend the 2007 Toronto Public Health budget to reflect this new funding from Health Canada.

Implementation of the AQHI will also benefit Toronto by stimulating public support for bold action by city government and its agencies, boards and commissions. The AQHI supports the approach and initiatives proposed in the Mayor's A Change is in the Air report and the City's resulting Climate Change and Clean Air Action Plan.

Background Information

Pilot Testing the New Air Quality Health Index in Toronto

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5073.pdf>)

EX10.25	ACTION	Adopted		Ward: All
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Provincial Funding for InSPOT Toronto

(June 14, 2007) Memo from the Budget Committee

Committee Recommendations

The Executive Committee recommends that City Council:

1. increase the Toronto Public Health 2007 Operating Budget by \$59,220.00 gross, \$0 net, to reflect provincial funding received to support the inSPOT service.

Financial Impact

This report recommends an increase of \$59,220 gross expenditures and \$59,220 revenues to the

2007 Toronto Public Health Operating Budget. There is no net cost to the City for this initiative.

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

Summary

To inform the Board of Health of the receipt of \$59,220 in funding from the Ministry of Health and Long Term Care (MOHLTC), AIDS Bureau in order to support a new Toronto Public Health service, inSPOT Toronto. inSPOT Toronto is an online e-notification service aimed at reducing the prevalence of syphilis and other sexually transmitted infections among men who have sex with men (MSM) in Toronto.

In February 2007, Toronto Public Health (TPH) was asked to submit a proposal to MOHLTC, AIDS Bureau for funds to launch and advertise inSPOT Toronto as part of the AIDS Bureau's syphilis reduction efforts. TPH received \$59,220 in funding from the MOHLTC for the establishment, launch and online promotion of this new service to facilitate online partner notification of sexually transmitted infections.

Background Information

Provincial Funding for InSPOT Toronto

<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5077.pdf>

EX10.26	ACTION	Adopted		Ward: All
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2006 Final Year-End Capital Variance Report

(June 14, 2007) Memo from the Budget Committee

Committee Recommendations

The Executive Committee recommends that City Council:

1. approve an increase to the total project cost and cash flow of \$53 million for the Exhibition Place - Soccer Stadium Construction project fully funded by the Federal and Provincial governments and private sector partners in order to reflect the flow through of these funds to the City's accounts, along with additional 2006 carry forward funding adjustments which then total \$45.073 million to the 2007 Approved Capital Budget as detailed in Appendix 2 attached;
2. approve closure of completed projects as detailed in Appendix 3, and in accordance with the Financial Control By-law direct that, after fully funding overspent projects, any remaining unspent funds be returned to original funding sources;
3. authorize and direct the appropriate staff to take the necessary action to give effect thereto.

Financial Impact

As shown in Table 1 below, Tax Supported Programs spent \$1.077 billion or 70.2% of the 2006 approved cash flow of \$1.533 billion during the year ended December 31, 2006. By comparison, spending in 2005 approximated 68.1% and in 2004, 67.7% of the respective Council approved cash flow, reflecting an improvement in spending performance over previous years. When uncontrollable projects are excluded, the 2006 Tax Supported Program spending rate increases to 72.8% of the 2006 approved cash flow. Projects are deemed uncontrollable when they are subject to conditions that are not within the control of staff, such as unforeseen natural or environmental factors, and dependencies on third party performance.

	2006 Approved Budget	2006 Actuals		
		\$	%	% of Controllable Budget Spent
Tax Supported Programs:				
Citizen Centred Services – “A”	193,093	108,621	56.3%	61.0%
Citizen Centred Services – “B”	441,006	246,562	55.9%	57.3%
Internal Services	162,597	83,686	51.5%	53.0%
Other City Programs	33,482	22,027	65.8%	69.2%
Agencies, Boards and Commissions	702,852	615,990	87.6%	89.6%
Total - Tax Supported	1,533,029	1,076,886	70.2%	72.8%
Rate Supported Programs:				
Toronto Parking Authority	30,209	8,211	27.2%	54.0%
Toronto Water	394,468	264,545	67.1%	70.9%
Total Rate Supported	424,677	272,756	64.2%	70.2%
Total	1,957,706	1,349,642	68.9%	72.3%

Rate-Supported Programs spent \$272.757 million or 64.2% of the 2006 approved cash flow of \$424.677 million. Excluding uncontrollable projects, the spending rate improves to 70.2%.

In accordance with the City’s Carry Forward Policy, City Programs, Agencies, Boards and Commissions are permitted to request Council approval to adjust their prior year carry forward funding requirement based on updated information after year-end. As indicated in the attached Appendix 2, an additional carry-forward funding adjustment of \$45.073 million is required to complete 2006 capital projects. The additional carry forward funding requirement will have no incremental debt impact since associated previously approved financing will be similarly brought forward.

It should be noted that, in compliance with good financial management practices, debt is issued only when needed to finance actual or committed capital expenditures. This strategy minimizes the incurrence of debt service cost and the resultant impact on the Operating Budget. In accordance with the Financial Control By-law, completed projects will be closed and any unspent funds will be returned to the original funding source.

Summary

The purpose of this report is to provide the City of Toronto Final Capital Variance Report for the year ended December 31, 2006. This variance report was prepared using audited financial information for the year ended December 31, 2006.

Capital expenditures during 2006 totalled \$1.349 billion or 68.9% of the approved cash flow of \$1.958 billion. The under-expenditure was primarily attributed to the inability to find or secure suitable sites in accordance with planned timeframes; a legal challenge with respect to the St. Clair Dedicated Right of Way project which resulted in a judicial review, unanticipated delays in securing funds from cost-sharing partners; and, significantly higher than expected rainfall which delayed performance of roofing and asphalt projects, exterior site work, park construction projects and playground replacement work. In addition, several projects were completed under-budget. In accordance with policy, these projects will be closed and unspent funds will be returned to the original Council approved funding source.

In accordance with the City's Carry Forward Policy, this report requests approval to carry forward financing for unspent 2006 projects not previously identified and included in the 2007 Capital Budget. The additional carry forward request is \$45.073 million.

Background Information

2006 Final Year-End Capital Variance Report

<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5092.pdf>

Appendix 1

<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5093.pdf>

Appendix 2

<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5094.pdf>

Appendix 3

<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5095.pdf>

EX10.27	ACTION	Adopted		Ward: All
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2006 Final Year-End Operating Variance Report

(June 14, 2007) Memo from the Budget Committee

Committee Recommendations

The Executive Committee recommends that City Council:

1. approve the transfer of the additional 2006 final net operating surplus of \$12.147 million to City reserve funds in accordance with City approved policy as follows: Social Housing Stabilization Reserve Fund (\$0.660 million); Emergency Planning Reserve Fund (\$5.000 million) for a pandemic influenza preparedness account; and, Capital Financing Reserve Fund (\$6.487 million);
2. authorize and direct the appropriate City officials to take the necessary action to give effect thereto.

Financial Impact

The final year-end surplus of \$93.6 million is \$12.2 million more than the surplus of \$81.4 million reported in the 2006 Preliminary Year-End Operating Variance report dated April 11, 2007. The additional surplus was due to final 2006 year-end entries made after the Preliminary Operating Variance report was prepared.

City Council's approved surplus management policy requires that any year-end surplus be applied, in priority order, to the Capital Financing Reserve Fund (75%) and the remainder to any under-funded liabilities (as detailed in the 'City Approved Surplus Management Policy' section of this report). However, given the recent concerns related to pandemic influenza preparedness expressed by the Board of Health and Medical Officer of Health, it is recommended that Council approve the transfer of \$5.0 million to a pandemic influenza preparedness account within the Emergency Planning Reserve Fund. This funding will be used to establish a pandemic influenza preparedness inventory of necessary materials and supplies. Also, \$6.6 million of additional surplus was generated from a year-end TCHC reconciliation to City accounts. As a result, it is recommended that approximately \$0.7 million be returned to the Social Housing Stabilization Reserve Fund.

Chart 2	
2006 Final Year-End Surplus	
(\$ millions)	
Final Adjusted Year-End Surplus	93.577
Council Approved Transfer of Preliminary Surplus:	
Capital Financing Reserve Fund (minimum 75%)	(74.458)
Capital Financing Reserve Fund (TTC bus purchases)	(2.971)
TTC Stabilization Reserve Fund (employee benefit liability provision)	(4.000)
Additional Year-end Surplus	12.148
Recommended Transfer per City Policy:	
Emergency Planning Reserve Fund (pandemic influenza preparedness account)	(5.000)
Social Housing Stabilization Reserve Fund	(0.660)
Capital Financing Reserve Fund	(6.488)
	0.000

Chart 2 outlines the Council approved transfer of the 2006 preliminary year-end operating surplus and the recommended transfer of the additional 2006 final year-end operating surplus (details are contained in the '2006 Final Year-End Surplus Transfer' section of this report). The requirement that a minimum 75% of the total 2006 final year-end surplus be transferred to

the Capital Financing Reserve Fund has been met.

In addition, as part of the 2006 Preliminary Year-End Operating Variance Report, Council approved the transfer of the extraordinary revenue item of \$49.0 million representing all property tax credits unclaimed for three or more years (i.e. 2002 and prior) to the City's Capital Financing Reserve Fund.

Summary

The purpose of this report is to provide the City of Toronto Final Operating Variance report for the twelve months ended December 31, 2006 and to request approval for the disposition of the additional 2006 final operating surplus (in accordance with Council policy). This variance report has been prepared using audited accounting information for the year ended December 31, 2006.

For the twelve-month period ended December 31, 2006, the final operating surplus was \$93.6 million or 1.2% lower than the 2006 Council Approved Gross Operating Expenditure Budget. The 2006 Preliminary Year-End Operating Variance report dated April 11, 2007 reflected a surplus of \$81.4 million prior to completion of the 2006 year-end audit. The additional surplus of \$12.2 million is primarily attributed to: audit adjustments in Shelter, Support and Housing Administration (SSHA) due to the year-end reconciliation of City funding (based on 2006 estimates) vs. 2006 actual expenditures at the Toronto Community Housing Corporation (TCHC) (property taxes \$4.6 million and "rent-geared-to-income" subsidies \$2.0 million); a year-end accrual for TCHC mortgage loan interest in Capital and Corporate Financing (\$2.3 million); and various other year-end adjustments mostly in Non-Program accounts. The overall combination of lower than planned expenditures and revenues that resulted in the 2006 final year-end operating surplus are detailed in the 'Comments' section of this report.

The extraordinary revenue item of \$49.0 million representing all property tax credits unclaimed for three or more years (i.e., 2002 and prior) the City reported as part of the 2006 Preliminary Year-End Operating Variance Report was in addition to the final net operating expenditure of \$93.6 million. Details are contained in the 'Extraordinary Items' section of this report.

Background Information

2006 Final Year-End Capital Variance Report

<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5082.pdf>

EX10.28	ACTION	Adopted		
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Cliffcrest Branch Relocation – New Capital Project

(June 14, 2007) Memo from the Budget Committee

Committee Recommendations

The Executive Committee recommends that City Council:

1. approve a new 2007 capital project for the relocation of the Cliffcrest Branch at a cost of

\$750,000 gross, \$138,000 debt, requiring a 2007 gross cash flow of \$300,000 and a 2008 cash flow commitment of \$450,000;

2. approve a budget transfer of \$144,000 gross (\$138,000 debt) from the 2007 Multi-Branch Minor Renovations capital project to offset the costs of the relocation of Cliffcrest Neighbourhood Branch;
3. approve the use of development charges funding in the amount of \$162,000; and
4. authorize and direct staff to take the necessary action to give effect thereto.

Summary

This report requests approval for a new 2007 capital project for the relocation and expansion of the Cliffcrest Neighbourhood Branch. At its meeting of June 11, 2007, the Toronto Public Library Board will be considering a report on the Cliffcrest Neighbourhood Branch 2007 capital project. After Library Board approval, the full report with the details of the capital project will be forwarded to Budget Committee for consideration at its meeting of June 13, 2007.

Background Information

Cliffcrest Branch Relocation - New Capital Project

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5083.pdf>)

EX10.29	ACTION	Adopted		Ward: All
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2007 Best Start Update to Child Care Service Plan and Report Back on Income Testing

(June 14, 2007) Memo from the Budget Committee

Committee Recommendations

The Executive Committee recommends that:

1. Council approve the 2007 Best Start Update to the Toronto Child Care Service Plan attached as Appendix 1 and that the approved plan be forwarded to the Ministry of Children and Youth Services;
2. the Children's Services' 2007 Approved Operating Budget be amended to include an additional \$6,815.557 thousand in provincial Best Start revenues offset by a reduction of \$6,815.557 thousand in parent fees due to the introduction of income testing;
3. any additional reduction in parent fees in 2007 due to the introduction of income testing be funded from the Child Care Expansion Reserve Fund (CCERF);
4. retroactive to January 1, 2007, base funding rate adjustments be made to eligible child

care operators, 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 the available provincial subsidy;

5. health and safety funding of \$1.0 million, included in Children's Services' 2007 Approved Capital Budget, be paid to eligible child care operators;
6. the General Manager of Children's Services report to the Community Development and Recreational Committee and Budget Committee in December 2007, on the additional 2007 draw from the CCERF that may be required due to the impact of income testing and the expected service impacts in 2008;
7. the City continue to advocate with the province for adequate, flexible and multi-year funding for child care, including \$15 million for income testing and \$20 million for the base budget in 2008; and further, an additional \$28 million per year be requested for 2008 and 2009 to increase the number of fee subsidies available for the growing wait list of families eligible for subsidy;
8. City Council endorse the speedy passage of Bill C-303, an Act to establish criteria and conditions in respect of funding for early learning and child care programs in order to ensure the quality, accessibility, universality and accountability of those programs, and to appoint a council to advise the Minister of Human Resources and Skills Development on matters relating to early learning and child care, currently before the Federal Parliament;
9. the General Manager, Children's Services, be requested to report to the September 7, 2007, meeting of the Community Development and Recreation Committee on possible new policies and incentives to increase the availability of part-time and after hours child care; and
10. the appropriate officials be authorized to take the necessary action to give effect thereto.

Financial Impact

The Minister of Children and Youth Services has confirmed that the City will receive an additional \$9.1 million in Best Start funding for 2007/2008. As with previous Best Start funding, there is no net impact to the City. The Children's Services' 2007 Operating Budget must be adjusted to account for the additional \$6.8 million (2007 allocation) in provincial revenues. The additional provincial revenue is expected to partially offset the reduction in parent fees resulting from the introduction of Income Testing. Currently, the Division has estimated \$7.5 million reduction in parent fees due to the phasing of Income Testing in 2007 (\$15.0 million annualized). Any reduction in parent fees beyond the additional provincial revenues of \$6.8 million (included in Recommendation No. 2), estimated at \$0.7 million (\$7.5 million less \$6.8 million) is recommended to be funded from an additional draw from the CCERF.

The Child Care Expansion Reserve Fund is expected to be exhausted in 2008 (as shown on the table below). Current provincial funding is not sufficient to maintain current service levels and

absorb the full year impact of Income Testing in 2008. Service reductions may be necessary by September 2008 to fully implement service level reductions in 2009. The General Manager of Children’s Services will report to the Community Development and Recreational Committee and Budget Committee in late 2007 on the service level impact in 2008.

Child Care Expansion Reserve Fund (Best Start)	\$000s
2006 Year-end Balance	45,296.4
Council Approved Draws in 2007:	
2007 Operating Budget	(15,904.3)
2007 Capital Budget	(887.1)
Estimated additional draw required in 2007 due to Income Testing (\$7.5m - \$6.8m)	(700.0)
2007 Projected Year-end Balance	27,805.0
2008 Projected withdrawals to maintain 2007 service levels	(22,202.3)
2008 incremental impact of Income Testing (\$15.0m - \$9.1m)	(5,900.0)
Total 2008 Required Draw to maintain services levels	(28,102.3)

Also, Children’s Services 2007 Approved Capital Budget includes a Health and Safety/Playground Project of \$5.0 million to assist child care operators address health and safety concerns including playground retrofit. Recommendation No. 3 of the Children’s Services 2007 Approved Capital Budget states that “approval of the \$4.0 million, representing the provincial portion of the \$5.0 million gross expenditure for the Health and Safety/Playground project, be conditional on receiving this funding from the Province”. It is not expected that these funds will be received, thus, this report recommends that Children’s Services spend the \$1.0 million included in the 2007 Approved Capital Budget, representing the City’s portion of the Health and Safety funding.

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

Summary

This report seeks approval for the 2007 Best Start Update to the City’s 2005-2009 Child Care Service Plan, updated to reflect the impact of income testing, outlines the City’s allocation of new provincial Best Start funding and recommends base rate increases to child care operators. The updated Service Plan describes the current service levels and the funding shortfalls for 2007 and 2008 including expected reductions in parent revenues from income testing. The Division held information sessions with parents and other stakeholders on the financial pressures facing the City as a result of base funding pressures and the impact of income testing. This report provides information on the results of the information sessions. The updated plan

provides a strategy to address the impact of income testing by maintaining service levels through the use of the Child Care Expansion Reserve Fund (CCERF). The Reserve is expected to be exhausted in 2008 and the plan proposes that service reductions would occur in September 2008.

Background Information

2007 Best Start Update to Child Care Service Plan and Report Back on Income Testing 2006 Final Year-End Operating Variance Report
<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5084.pdf>

EX10.30	ACTION	Adopted		Ward: 26
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Interest-Free Loan for Thorncliffe Park Day Care

(June 14, 2007) Memo from the Budget Committee

Committee Recommendations

The Executive Committee recommends that City Council:

- grant approval to provide an interest-free repayable loan to Thorncliffe Park Day Care, through the Toronto District School Board, of up to \$150,000.00 from the Child Care Capital Reserve for the purchase of a portable to house the school-age program at Thorncliffe Park Elementary School;
- grant authority to the General Manager, Children's Services, to negotiate the agreement and execute it on behalf of the City and that the agreement have terms that are satisfactory to the General Manager and be in a form acceptable to the City Solicitor; and
- approve funds of up to \$150,000.00 being drawn from the Child Care Capital Reserve for this purpose.

Financial Impact

The recommendation contained in this report proposes an interest-free repayable loan to Thorncliffe Park Day Care of up to \$150,000 from the Child Care Capital Reserve Fund for the purchase of a portable to house the school age program at Thorncliffe Park Elementary School. The loan would be recovered through child care per diem payments. [\[CI\]](#) The Thorncliffe Park Day Care will repay these costs directly to Children's Services on a monthly basis over a five year period. The Child Care Capital Reserve Fund, with a 2006 year end balance of \$13.4 million, has sufficient funds to support this recommendation. The loan satisfies the Reserve's criteria as amended by Council.

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

Summary

This report recommends that the City of Toronto provide an interest-free loan from the Child Care Capital Reserve Fund of up to \$150,000.00 to Thorncliffe Park Day Care. The loan is required for the purchase of a portable to house the school age program at Thorncliffe Park Elementary School.

Thorncliffe Park Day Care is located in a leased space in the Jenner Jean-Marie Community Centre. This community centre will be undergoing renovation under a joint capital project with Children's Services, Parks, Forestry and Recreation and Toronto Public Library. The construction on this facility will displace the Thorncliffe Park Day Care in early July 2007. The preschool children will be accommodated in portable facilities at the site. The school age children will be accommodated in the Thorncliffe Elementary School for the summer but will need a permanent facility by September 2007.

Background Information

Interest-Free Loan for Thorncliffe Park Day Care

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5089.pdf>)

Declared Interests (Committee)

Councillor Howard Moscoe declared his interest in this matter in that his daughter is a part-time employee of the Children's Services Division.

EX10.31	ACTION	Adopted		
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Affordable Housing Funding Allocations for 2007-2008

(June 14, 2007) Communication from the Affordable Housing Committee

Committee Recommendations

The Executive Committee recommends that:

1. Federal Housing Trust Fund-Provincial Delivering Opportunities for Ontario Renters Initiative (DOOR) funds received by the City of Toronto of twenty six million, six hundred and ninety thousand dollars (\$26,690,000) be contributed to the City's Capital Revolving Fund for Affordable Housing (CRF) for the development of new affordable housing and be allocated as outlined in Table 2, Appendix 1;
2. Council grant authority to allocate existing funding from the CRF as follows:
 - (a) YWCA of Greater Toronto, 110 Edward Street:
 - (i) authority to loan two million dollars (\$2,000,000) from the City's CRF to YWCA of Greater Toronto for the installation of a geothermal/in-slab radiant heating and cooling system in the Affordable Housing Development at the City-owned site of 110 Edward Street, to be principal and interest free for the first five years at which time the terms

and conditions are to be renegotiated pending the securing of alternative financing;

- (ii) authority be granted to enter into a Contribution Agreement with YWCA for the funds on terms and conditions satisfactory to the Director of Development, Affordable Housing Office (the Director) and in a form approved by the City Solicitor;
 - (iii) the Director be authorized and directed, on behalf of the City, to execute such agreement, on terms and conditions satisfactory to the Director in a form approved by the City Solicitor;
- (b) Houses Opening Today Toronto (HOTT), 30 Darrell Avenue:
- (i) authority be granted to fund Houses Opening Today Toronto (“HOTT”) in an amount up to nine hundred and fifty three thousand, (\$953,000) by way of loan and grant from the CRF, the final amount and terms to be determined by the Director;
 - (ii) authority be granted to enter into an agreement to amend the City's Loan and Grant Agreement with HOTT ("the "Amending Agreement") and any other documents deemed necessary to give effect thereto. The Amending Agreement is to set out the terms and conditions of the City's assistance, including the ability to ensure that a viable, long-term operating and management plan is in effect; on such terms and conditions as determined by the Director and in a form approved by the City Solicitor;
 - (iii) the Director be authorized and directed, on behalf of the City, to execute all agreements and documents set out in the above recommendations, on terms and conditions satisfactory to the Director in a form approved by the City Solicitor;
3. Council commit the expenditure of reallocated funds from the Canada-Ontario Affordable Housing Program (AHP) funds, subject to confirmation of funding and a report back to Council on the complete details of each project, to:
- (a) 87 units in a new development in Regent Park by the Christian Resource Centre;
 - (b) the redevelopment of Chester Village, 717 Broadview Ave, as affordable housing

and further that the Deputy City Manager responsible for the Affordable Housing Office to write to the Community Partnerships and Projects Branch - Toronto Unit of the Ministry of Municipal Affairs and Housing informing them of Toronto's request for additional funding to address the commitments outlined in this recommendation.

Financial Impact

This report provides details of new and existing funding available for Affordable Housing Development in Table 1 and the allocation of funds as recommended in this report in Table 2 in Appendix 1.

This report recommends that the \$26,690,000 in Delivering Opportunities for Ontario Renters (DOOR) funds received from the Ministry of Municipal Affairs and Housing in March 2007 be contributed to the Capital Revolving Fund for Affordable Housing (CRF) to be allocated for affordable housing development.

Three other reports before the Affordable Housing Committee of June 14, 2007 contain recommendations to allocate these funds subject to Council approving the transfer of the DOOR funds to the CRF. The McCord site report recommends \$9,100,000 be allocated for 130 units of Affordable Housing Development and the Lawrence Heights Revitalization report recommends \$500,000 be allocated for Visioning and Framework studies. The Railway Lands development report contains a commitment to allocate funds of approximately \$17,090,000 million from DOOR funds (and \$4 million previously approved from the CRF) subject to a report back to Council in the fall of 2007 of details of the agreement between the City and TCHC regarding the land and its development.

This report also recommends allocating funds totalling \$2,953,000 to two projects from the uncommitted balance of \$7,800,000 in the CRF. The request for \$2,000,000 in loan funds for the YWCA of Greater Toronto (YWCA) to contribute to the costs of an innovative energy savings mechanical system of \$3,800,000 at the City-owned 110 Edward Street is in addition to funds already approved by Council at its meeting of July 25, 2006 in Clause 53 Report 6 of the Policy and Finance Committee. That report allocated approximately \$23,700,000 in funds from all three levels of government for a total project cost of \$60,000,000 with the remainder of the funds coming from proponent equity and mortgage financing. The remaining \$953,000 CRF allocation is to fund the HOTT affordable housing project at 30 Darrell Avenue in the amount of \$750,000 in loan and \$203,000 in grant funds. This is in addition to the \$285,000 grant funds already approved from the CRF. These funds are needed in order for construction to proceed due to escalating costs. This funding is in addition to funding already approved by Council as outlined in the table below.

HOTT Government Assistance – Capital	2007	2005
Federal/Provincial Pilot Housing Program	\$ 232,000	\$ 232,000
CRF Loan	\$ 750,000	nil
CRF Grant	\$ 488,000	\$ 285,022
Waived development charges and fees	\$ 56,635	\$ 56,635
Contribution of City land, original assessed value	\$ 54,000	\$ 54,000
Total Contributions	\$ 1,580,635	\$ 627,657

Proponent Contributions – Capital

2007

2005

Private First Mortgage Financing	\$ 253,000	\$ 562,480
Equity Donation – HOTT	\$ 75,000	\$ 75,000
Total Project Cost	\$ 1,908,635	\$ 1,265,137

Further, the report recommends that Council commit funds to two other projects, subject to the receipt of additional AHP funding estimated to be \$15,000,000 and a report back to Council on the monies received and specific allocations to the two projects. Currently, the commitment is expected to be for \$8,910,000 to allow for the redevelopment of 717 Broadview Avenue currently owned by the City, into affordable housing and \$6,100,000 to the Christian Resource Centre to develop 87 units of affordable housing in Regent Park.

In addition, this report details expected revenue of \$8,700,000 from the new federal Homelessness Partnering Initiative (HPI) which will be allocated through a Request for Proposals process and a report back to Council on specific project awards in the fall of 2007.

The detailed budget implications for the current year will be reported to Budget Committee in September, 2007 and any future year budget implications associated with the receipt of the new funding detailed in this report will be reported and included in future year program budgets as developments proceeds.

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

Summary

This report details new funding received, or expected to be received shortly, by the Affordable Housing Office and recommends allocations to a number of affordable housing projects to facilitate the spending of these new Federal and Provincial funds. The report outlines the three new sources of capital funding and recommends projects that are ready to proceed and meet previously stated Council commitments or priorities. These funding recommendations are made in the context of an overall allocation plan for the new monies and existing City funding which totals \$58,890,000 as per Table 1 in Appendix 1.

This report also recommends the expenditure of existing Capital Revolving Fund for Affordable Housing (CRF) monies on two projects in order to enhance or complete projects which have already been approved by Council for other funding.

The total of all the above allocations is \$53,343,000.

Background Information

Affordable Housing Funding Allocations for 2007-2008

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5024.pdf>)

EX10.32	ACTION	Adopted		
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Waterfront Affordable Housing – Funding Approval for TCHC North

River Square/McCord Project, West Don Lands

(June 14, 2007) Communication from the Affordable Housing Committee

Committee Recommendations

The Executive Committee recommends that:

1. City Council approve a grant, by way of forgivable loan, to the Toronto Community Housing Corporation to develop its North River Square/McCord affordable housing project on Blocks 21 and 23 of the West Don Lands, in the amount of \$70,000 per unit or \$9.1 million for a maximum of 130 units from the Capital Revolving Fund (CRF), subject to Council approval of the transfer of the Federal Housing Trust Fund - Provincial Delivering Opportunities for Ontario Renters (DOOR) Initiative to the Capital Revolving Fund;
2. City Council exempt the project from taxation for municipal and school purposes for the term of the Contribution Agreement or 25 years, whichever is less;
3. City Council exempt the project from payment of development charges and designate the project as social housing accommodation allowing all or part of the project relief from normal parking standards;
4. authority be granted for the City to enter into a municipal capital facility agreement and such other agreements and documents deemed necessary, with Toronto Community Housing Corporation on terms and conditions satisfactory to the Director of Development, Affordable Housing Office and in a form approved by the City Solicitor; and
5. the Director of Development, Affordable Housing Office be authorized and directed, on behalf of the City to execute the municipal capital facility agreement and such other agreements and documents as are necessary, with Toronto Community Housing Corporation.

Financial Impact

The preliminary estimated cost for the TCHC North River Square/McCord project, both affordable and market ownership units, is approximately \$42.5 million to \$44.8 million depending on the level of energy and other environmental features incorporated into the final design of the project. TCHC will use the revenue in excess of costs from the sale of the market ownership units to offset equity requirements for the affordable housing development. The land for the North River Square/McCord project will be conveyed by the province for a nominal amount to the Toronto Community Housing Corporation.

The \$9.1 million capital funding recommended in this report will be provided under the Federal Housing Trust Fund – Provincial Delivering Opportunities for Ontario Renters (DOOR) Initiative. The Funds were conveyed to the Province by the Federal government for the development of affordable housing. The \$9.1 million allocation includes \$150,000 for Project

Development Funding (PDF).

The combination of Federal, Provincial and City contributions will make the North River Square project affordable. City contributions include waivers for municipal property taxes, development charges, and planning, building and parkland dedication fees in the amount of approximately \$2,942,595. The current net present value of the City's municipal property tax exemption, given to support the operation of the affordable housing project, is approximately \$1,582,471.

Government Assistance: Capital	Amount
CRF - Federal Housing Trust Fund – Provincial Delivering Opportunities for Ontario Renters (DOOR) Initiative	\$9,100,000
Waived municipal development charges and fees (planning, building, parkland dedication)	\$1,360,124
Total	\$10,460,124

Government Assistance: Operating	Amount
Approximate NPV of 25-year property tax exemption	\$1,582,471

TCHC's equity contribution and financing must also be obtained and will be subject to TCHC Board approval.

The detailed budget implications for the current year will be reported to Budget Committee in September, 2007 and any future year budget implications associated with this project will be reported and included in future year program budgets as development proceeds.

There is no financial impact on the City's budget for the capital funding provision. The Deputy City Manager and Chief Financial Officer have reviewed this report and agree with the financial impact information.

Summary

This report recommends Council approval to make a \$9.1 million grant, by way of forgivable loan, to Toronto Community Housing Corporation (TCHC) for its North River Square project, also known as the McCord site, on Blocks 21 and 23 in the West Don Lands (WDL). The grant will help create 130 affordable rental housing units under the Federal Housing Trust Fund – Provincial Delivering Opportunities for Ontario Renters (DOOR) Initiative.

The land for this development will be provided by the province, at no cost to Toronto Community Housing Corporation; however, additional financial assistance at \$70,000 per unit is required to make the development of 130 affordable housing units possible.

City contributions include waivers for municipal property taxes, development charges, and planning, building and parkland dedication fees in the amount of approximately \$2,942,595.

In addition to the 130 affordable rental housing units, the TCHC is also developing approximately 33 market ownership units in the North River Square/McCord project. Providing families and individuals with access to safe, secure affordable housing in mixed income communities meets key policy objectives of the City of Toronto, the Federal and Provincial governments, the Toronto Waterfront Revitalization Corporation and the TCHC.

Background Information

Waterfront Affordable Housing y Funding Approval for TCHC North River Square/McCord Project, West Don Lands

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5023.pdf>)

EX10.33	ACTION	Adopted		
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Affordable Housing – Lease of City-Owned Site and Incentives to TCHC for 60 Richmond Street East

(June 14, 2007) Communication from the Affordable Housing Committee

Committee Recommendations

The Executive Committee recommends that:

1. Council grant authority to enter into a 50-year less a day lease with TCHC for the city-owned property at 60 Richmond Street East for the purpose of developing an affordable housing project and any ancillary uses at a nominal rent, substantially on the terms and conditions outlined in Appendix 1 to this report and in a form acceptable to the City Solicitor;
2. the City Solicitor be authorized to complete the lease transaction for 60 Richmond Street East on behalf of the City, including payment of necessary expenses and amending the commencement date of the lease and any other dates to such earlier or later date and on such terms and conditions as she may from time to time consider reasonable;
3. the Chief Corporate Officer be authorized to administer and manage the lease 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;
4. Council grant authority to exempt the Property from taxation for municipal and school purposes for twenty-five years, the term of the municipal capital facility agreement;
5. Council grant authority to exempt the Property from payment of development charges and applicable planning fees and charges;

6. Council grant authority to provide one hundred and fifty thousand dollars (\$150,000) as pre-development funding to assist with the cost of environmental sustainability and design consultants from the Mayor's Homelessness Initiative Reserve Fund on such terms and conditions satisfactory to the Director of Development, Affordable Housing Office and in a form approved by the City Solicitor;
7. Council grant authority to designate the Property as social housing accommodation, allowing all or part of the project relief from normal parking standards, where applicable;
8. Council grant authority to enter into a municipal capital facility agreement and such other agreements, licences, security, documents, with the recommended proponent to provide for the development and operation of affordable housing, on such terms and conditions as the Director of Development, Affordable Housing Office considers appropriate and in a form approved by the City Solicitor; and
9. the Director of Development, Affordable Housing Office be authorized and directed, on behalf of the City, to execute the municipal capital facility agreement and such other agreements and documents deemed necessary, on terms and conditions satisfactory to the Director of Development, Affordable Housing Office and in a form approved by the City Solicitor.

Financial Impact

The public benefit resulting from the proposed leasing of the city-owned site at 60 Richmond Street East to TCHC at a nominal rate is the creation of 85 new units of affordable housing. These new units will allow the redevelopment of Regent Park to proceed by providing relocation units for existing Regent Park tenants. The Property is currently being used for a shelter funded by the city. In April 2007, Real Estate Services appraised the Property at an estimated value of \$3,250,000.

This report is recommending the exemption of property taxes for twenty-five years which is equivalent to an NPV of \$1,030,354. The proposed waiver of development charges and applicable municipal fees is estimated at \$665,043. Pre-development funds of \$150,000 are recommended for environmental sustainability and design consultants from the Mayor's Homelessness Initiative Reserve Fund. These funds are part of the unallocated monies of \$900,000 committed in the Mayor's Fund for pre-development work of housing projects on city-owned lands.

TCHC has been approved by the Ministry of Municipal Affairs and Housing under the Affordable Housing Program Pilot Program for \$29,000 per unit in forgivable loan funds for 59 units. The remaining monies necessary to develop the project will be provided by TCHC through equity and financing as listed below.

Capital Funding	
Canada-Ontario AHP Pilot Program Funding	\$1,711,000

Waived development charges and fees	\$ 665,043
Value of City Land	\$3,250,000
Pre-development funds from Mayor's Fund	\$ 150,000
TCHC equity and financing	\$18,007,230
Total funding	\$23,783,273

Other City Contributions	
25 year NPV of Property Tax Exemption	\$1,030,354

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

Summary

This report seeks authority to enter into a 50-year less a day lease with the Toronto Community Housing Corporation ("TCHC") for the city-owned site at 60 Richmond Street East ("the Property"). Council at its meeting of January 31, February 1 and 2, 2006 approved the Property be made available to TCHC for affordable housing development. The Affordable Housing Office and Facilities and Real Estate have completed negotiations with TCHC and recommend a lease substantially on the terms and conditions listed in Appendix 1 attached to this report. By entering into this lease with the City, TCHC will be able to proceed to build an affordable housing development on the site. The site will house 85 households, primarily families relocating from Regent Park, which is being revitalized.

This report also recommends that Council authorize the exemption of property taxes for a period of twenty-five years, the waiving of applicable municipal fees and charges, and the granting of \$150,000 in pre-development funding.

Background Information

Affordable Housing y Lease of City-Owned Site and Incentives to TCHC for 60 Richmond Street East

<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5025.pdf>

EX10.34	ACTION	Adopted		
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Affordable Housing Office – Railway Lands Development

(June 14, 2007) Communication from the Affordable Housing Committee

Committee Recommendations

The Executive Committee recommends that authority be granted to fund the Toronto Community Housing Corporation (TCHC) for development of affordable housing on the Railway Lands Blocks 32 and 36 in an amount of twenty one million ninety thousand, (\$21,090,000) as a grant by way of forgivable loan from the CRF, being made up of

approximately \$17.09 million from the Federal Housing Trust Fund-Provincial Delivering Opportunities for Ontario Renters Initiative (DOOR) funds and \$4 million previously committed from the City's Capital Revolving Fund for Affordable Housing (CRF) subject to:

1. facilitating the timely development of affordable housing and other public benefits on the city owned properties on the Railway Land, and that the Deputy City Manager responsible for Affordable Housing be requested to work with Toronto Community Housing Corporation officials and submit a report directly to the Toronto City Council for its meeting on July 16, 2007 on the details of negotiations to ensure the timely transfer of the lands identified as Blocks 32, 36, 31,18A and 18B, and the funding terms and conditions between the City and the Toronto Community Housing Corporation; and
2. Council approval of the transfer of the DOOR funds to the CRF.

Financial Impact

This report recommends that funding for the Railway Lands in the amount of \$21,090,000 be committed to TCHC for the development of the Railway Lands as described in this report. The \$21,090,000 is made up of approximately \$17.09 million DOOR funds and \$4 million previously committed from the CRF. A separate report titled "Affordable Housing Funding Allocations for 2007-2008" dated May 31, 2007 describes the use of these funds.

An implementation report outlining all the financial implications will be submitted to the Affordable Housing Committee in the fall of 2007.

The detailed budget implications for the current year will be reported to Budget Committee in September 2007, and any future year budget implications associated with funding the Railway Lands as detailed in this report will be reported and included in future year program budgets as developments proceeds.

Summary

This report is in response to a request from Affordable Housing Office to report back on the steps required to proceed with the funding and development of affordable housing on Blocks 32 and 36 of the Railway Lands and is linked to the report dated May 31, 2007 titled "Affordable Housing Funding Allocations for 2007-2008".

It describes outstanding issues, the action being taken to proceed with the Railway Lands affordable housing development and recommends the commitment of funds to the Toronto Community Housing Corporation (TCHC) to develop Blocks 32 and 36. The source of funds is the Federal Housing Trust Fund-Provincial Delivering Opportunities for Ontario Renters Initiative (DOOR) funds, and the City's Capital Revolving Fund for Affordable Housing (CRF).

Background Information

Affordable Housing Office - Railway Lands Development

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5026.pdf>)

EX10.35	ACTION	Adopted		
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Habitat for Humanity Request for Fee Forgiveness – 4200 Kingston Road

(June 14, 2007) Communication from the Affordable Housing Committee

Committee Recommendations

The Executive Committee recommends that:

1. City Council recognize the development of 4200 Kingston Road by Habitat for Humanity as an affordable home ownership initiative within the City of Toronto.
2. authority be granted at this site for a one-time grant of \$131,364.48 from the city's Capital Revolving Fund equivalent to the building permit fees; development charges and park levy.
3. the Deputy City Manager, in consultation with the Chief Building Official and the Chief Financial Officer, report to Executive Committee on a policy as it relates to the waiver of fees and charges to non-profit home ownership initiatives and the legislative authority to support such policies.
5. City officials take whatever action is necessary to give effect to these recommendations.

Financial Impact

The request by Habitat for Humanity for fee waivers and charges will require a refund of these fees as they were previously paid to the city by the former owner of 4200 Kingston Road. As such, these fees refunds and grant are unbudgeted operating expenditures in 2007 to be drawn from the city's Capital Revolving fund for housing. There is currently \$9Million of uncommitted funds in the Capital Revolving Fund available for investment in affordable housing projects. It is understood that this will be a one-time grant and that staff will develop a policy on the waiver of fees and charges to non-profit homeownership initiatives for the future.

Fee Waiver Recommended	Amount of Waiver	Source
Building Permit Fees	\$32,469.95	Capital Revolving Fund
Development Charges	\$67,336.00	Capital Revolving Fund
Park Levy	\$31,559.13	Capital Revolving Fund

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

Summary

This report responds to a request from Habitat for Humanity Toronto for a rebate on certain city fees associated with the development of 19 town homes at 4200 Kingston Road. This report recommends the city provide a grant of \$131,364.48 from the Capital Revolving Fund for Affordable Housing to Habitat for Humanity, which is an amount equivalent to the development charge, parks levy and building development fees paid for this site. The grant to be applied against the cost to develop the site and deliver affordable homes to nineteen low-income families and will be used directly to reduce their mortgages. Habitat for Humanity Toronto has for many years successfully assisted low-income residents to move from poverty housing into affordable home ownership. On a case by case basis, the City of Toronto has previously waived certain fees and charges to help increase the affordability of Habitat developments.

This report proposes that city officials liaise with Habitat on an ongoing basis to determine the expected annual number of new homes and an estimated impact of future fee and charges waivers. It is also proposed that staff report to Executive Committee on a policy as it relates to the waiver of fees and charges for future non-profit home ownership initiatives and the legislative authority to support such policies.

Background Information

Habitat for Humanity Request for Fee Forgiveness ý 4200 Kingston Road
<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5027.pdf>

EX10.36	ACTION	Adopted		
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Lawrence Heights Revitalization – Initiate Preliminary Planning

(June 14, 2007) Communication from the Affordable Housing Committee

Committee Recommendations

The Executive Committee recommends that:

1. the Chief Planner be authorized to begin the development of a Vision and Planning Framework for the revitalization of Lawrence Heights at a cost of \$500,000 and funded from the Capital Revolving Fund (CRF), subject to Council approval of the transfer of the Federal Housing Trust Fund - Provincial Delivering Opportunities for Ontario Renters (DOOR) Initiative to the Capital Revolving Fund;
2. the Deputy City Managers report back to the Affordable Housing Committee in six months on the progress of the revitalization planning including the resources required and the progress in securing additional funding to support this initiative;
3. the Deputy City Manager's report to the Affordable Housing Committee in six months include a comprehensive program for consolidating all City land holdings under the direction of the Steering Committee including a protocol for dealing with the lands held by the school boards and other orders of government, including the Toronto Transit Commission;

4. as a first order of business, staff work toward securing formal agreements with the school boards, CMHC, provincial and federal ministries and their agencies for a mechanism to facilitate quick decisions on land issues and other intergovernmental matters and report progress on this in the Deputy City Manager's report;
5. a copy of this report be forwarded to all stakeholders with a formal request that it be placed on the agenda of their governing body for information including, but not limited to, the following:
 - a. Toronto District School Board;
 - b. Toronto Catholic District School Board;
 - c. Toronto Transit Commission;
 - d. Central Mortgage and Housing Corporation;
 - e. Toronto Hydro;
 - f. Baycrest Centre;
 - g. Jewish Board of Education;
 - h. Italian Canadian Benevolent Corporation (ICBC);
 - i. United Way;
 - j. Lawrence Heights Community Health Centre;
 - k. Lawrence Gardens Co-op;
 - l. Wilmont 8 Co-op;
 - m. North York Community House;
 - n. Toronto Community Housing Corporation;
 - o. Toronto Economic Development Corporation (TEDCO);
 - p. York University;
 - q. Downsview Park;
 - r. ShareLife;
 - s. United Jewish Welfare Fund;
 - t. Jewish Family and Child Services; and
 - u. COSTI Immigrant Services.

Financial Impact

The work to initiate developing a vision and Planning Framework for the revitalization of Lawrence Heights, costs of \$500,000, is recommended to be funded from the Capital Revolving Fund subject to Council approval of the transfer of the Federal Housing Trust Fund - Provincial Delivering Opportunities for Ontario Renters (DOOR) Initiative to the Capital Revolving Fund.

These funds will be used in City Planning to fund some of the staff required and contribute to the preliminary planning work associated with the revitalization. The detailed budget implications for the current year will be reported to Budget Committee in September, 2007 and any future year budget implications associated with this project will be reported and included in future year program budgets as development proceeds.

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

Summary

This report outlines the opportunities the Lawrence Heights neighbourhood revitalization presents, and the corresponding need for a corporate structure to support this initiative and coordinate associated stakeholder partnerships. This potentially presents the City with an opportunity to develop a comprehensive and integrated approach to the Lawrence Heights neighbourhood revitalization that will incorporate social, physical, economic, environmental, health-related and community-based supports into a planning framework that will ultimately strengthen the community.

A first step to beginning a City Building exercise of this complexity and scope is developing a Planning Vision and Framework. This report requests authorization for \$500,000 for City Planning to begin this work. These funds will be drawn from the \$26.69M Federal Housing Trust Fund – Provincial Delivering Opportunities for Ontario Renters (DOOR) Initiative and will have zero net impact on the City's budget.

The \$500,000 allows this work to begin but will not be sufficient to fully fund the first phase of activity. City staff will be working closely with Toronto Community Housing Corporation, community stakeholders, and neighbourhood residents to identify potential partnerships and additional resources for this unprecedented opportunity for neighbourhood revitalization.

Background Information

Lawrence Heights Revitalization √ Initiate Preliminary Planning
<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5028.pdf>

EX10.37	ACTION	Amended		Ward: All
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Provincial Property Tax Pass-Through for Recreational Leases in Hydro Corridor Lands

(May 31, 2007) Member Motion from from Councillor Palacio, seconded by Councillor Nunziata

Summary

The City of Toronto currently licenses 67 different parks and open spaces for community use from Hydro One and the Ontario Realty Corporation (ORC). Hundreds of additional opportunities exist within the City of Toronto for new parks to be licensed on Hydro Corridors in all corners of the City in the same way. These underused corridors represent a tremendous untapped recreational opportunity.

There is an impasse between the City of Toronto and Ontario Realty Corporation (ORC) on the continuation of these leases however. The Province continues to demand that Toronto (and all Ontario municipalities) pay 50% of the property taxes on these corridors for all new license agreements that are signed. This would add dramatic operating budget pressure that the City cannot afford.

As a result of this impasse the majority of these 67 license agreements have expired without renewal, leaving these parks in a precarious legal limbo. This impasse has also prevented the

creation of dozens of potential new parks in all areas of the City Toronto on Hydro Corridors.

City of Toronto Staff have developed several reasonable proposals for moving forward. A report is urgently needed to discuss these ideas and for Council to make a decision as how best to resolve this impasse.

Background Information

Provincial Property Tax Pass - Through for Recreational Leases in Hydro Corridor Lands
<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5033.pdf>

Decision Advice and Other Information

The Executive Committee:

- I. approved the following Recommendation 1. in the Member Motion by Councillor Palacio, seconded by Councillor Nunziata, amended to read as follows:
 - “1. the City Manager be requested to report to the Executive Committee on the status of the City’s requests to waive property taxes or declare hydro corridors municipal capital facilities for parks purposes, and include recommendations for next steps;” and

- II. requested the Mayor to arrange meetings with the Provincial Ministry responsible for this portfolio in an attempt to bring about a speedy resolution suitable to both the City and the Province, with the following objectives in mind:
 - a. to increase recreational opportunities in communities that are park deficient by leasing Hydro Lands as an integral component of greening the City of Toronto;
 - b. to resolve the impasse as to the renewal of the existing licenses in the 67 locations already licensed by the City;
 - c. to explore whether declaring these lands municipal capital facilities is a viable solution; and
 - d. to advance the City’s and Province’s goal of combating obesity and creating healthy communities; and

- III. requested the City Manager to report to the Executive Committee on the use of these lands and the TTC use rates paid to Toronto Hydro as they compare with recreational rates.

EX10.38	Information	Deferred		Ward: All
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Water Supply Agreement with Region of York

(June 13, 2007) Report from the General Manager, Toronto Water

Financial Impact

There are no financial implications from the adoption of this report. Toronto Water's approved Operating Budget and Capital Budget has provided for the infrastructure requirements and capital cost-sharing contributions from the Region of York. The formula used to determine York Region's water rates continues to ensure full operating cost recovery, a fair return on investment and continued rate and reserve fund stability. The Agreement also has provisions for calculating the capital cost share, on a proportionate use basis, for future expansion to the drinking water system to service both the needs of Toronto and the Region of York.

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 provide the Executive Committee with information pertaining to the City of Toronto's Water Supply Agreement with the Regional Municipality of York. The Water Supply Agreement limits the amount of water supplied to York Region while at the same time ensuring there is sufficient capacity to meet the needs of the City of Toronto.

Background Information

Water Supply Agreement with Region of York

<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5096.pdf>

Decision Advice and Other Information

The Executive Committee deferred consideration of the report (June 13, 2007) from the General Manager, Toronto Water, respecting the Water Supply Agreement with Region of York, until its meeting scheduled to be held on September 4, 2007.

EX10.39	Information	Deferred		
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City Objectives in Shareholder Direction to Toronto Hydro Corporation

(April 16, 2007) Report from the City Manager

Financial Impact

Receipt of this report has no financial impact.

Summary

In response to a request by the Executive Committee, the City Manager consulted with other City and Hydro staff in reviewing the Shareholder Direction to Toronto Hydro Corporation (THC) and has concluded that the Direction still fairly articulates the City's goals and objectives for THC. The Direction has been amended a number of times since its initial approval in July 1999. Staff are not aware of any issue that would require amendment at this time.

Background Information

City Objectives in Shareholder Direction to Toronto Hydro Corporation
<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5121.pdf>

Decision Advice and Other Information

The Executive Committee deferred consideration of the report (April 16, 2006) from the City Manager respecting City Objectives in Shareholder Direction to Toronto Hydro Corporation, until its meeting scheduled to be held on October 1, 2007.

EX10.40	ACTION	Without Recs		
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Office of the Lobbyist Registrar

(June 25, 2007) Memo from Mayor David Miller

Committee Recommendations

The Executive Committee submits this matter to Council without recommendation.

Summary

Memorandum (June 25, 2007) from Mayor David Miller advising that given that there are operational needs that need to be met by the Lobbyist Registrar over the summer period, it is necessary for the Budget Committee to address this issue and report directly to Council for its meeting scheduled to be held on July 16, 2007.

Background Information

Office of the Lobbyist Registrar
<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5197.pdf>

Decision Advice and Other Information

The Executive Committee directed the Budget Committee to give consideration to the Operating Budget requirements for the new Lobbyist Registrar function and report thereon directly to Council for its meeting to be held on July 16, 2007, for Council consideration with Item EX10.40.

EX10.41	ACTION	Without Recs		
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AOCC Settlement of Operating Results for Year 2005 and Compensation Review

Committee Recommendations

The Executive Committee submits this matter to Council without recommendation.

Decision Advice and Other Information

The Executive Committee on June 25, 2007, directed the Budget Committee to give consideration to the report (June 20, 2007) from the Deputy City Manager and Chief Financial Officer, entitled "AOCC Settlement of Operating Results for Year 2005 and Compensation Review, and forward recommendations thereon to Council for consideration with Item EX10.41, such report containing the following Recommendations:

The Deputy City Manager and Chief Financial Officer recommends that:

1. the surpluses of \$70,280 be paid to the City of Toronto from seven AOCCs and be used to fund the payments of operating deficits of \$7,021 to the other three AOCCs, resulting in a net settlement of \$63,258 to the City arising from the Core Administration Operations' year end results for the year 2005 as detailed in Appendix 1.
2. the 2007 Operating Budget for the Association of Community Centres be increased by \$589,045 (gross) and \$0 (net) and be funded from a one-time draw on the Employee and Retiree Benefits Reserve Fund to cover the retroactive payments resulting from a compensation review of AOCC management non-union staff by Centre.

Financial Impact

The total surpluses of \$70,280 from seven Community Centres will offset the funding of total deficits of \$7,021, resulting in a net payment of \$63,258 from the AOCCs to the City in 2007 arising mainly from the Core Administration Operations' year end results for 2005.

The financial impact of the compensation review arising from the Governance Review of AOCCs is \$266,218 for 2007 (excluding the retroactive payments from April 15, 2003 to December 31, 2006). Funding for this purpose has not been included in the 2007 Approved Operating Budget for the AOCC program. Consistent with past practice, this report recommends that the retroactive payments from April 15, 2003 to June 30, 2007 totalling \$589,045 be funded from the Employee and Retiree Benefits Reserve Fund, with the ongoing costs to be managed within the 2007 and future year operating budgets for the AOCC program.

A summary of net funding to the City/Community Centre is attached as Appendix 1.

Summary

This report recommends settlement with the 10 Community Centres (Association of Community Centres or AOCCs) on their Core Administration Operations for 2005 based on audited financial results. In addition, the report recommends authority to draw on the Employee and Retiree Benefits Reserve Fund to fund retroactive payments resulting from a compensation review of AOCC non-union staff, as consistent with past practice.

Background Information

AOCC Settlement of Operating Results for Year 2005 and Compensation Review
<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5232.pdf>

EX10.42	ACTION	Without Recs		
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Transportation Services - Additional 2007 Cashflow Reallocations and Deferrals

Committee Recommendations

The Executive Committee submits this matter to Council without recommendation.

Decision Advice and Other Information

The Executive Committee on June 25, 2007, directed the Budget Committee to give consideration to the report (June 22, 2007) from the General Manager, Transportation Services, entitled "Transportation Services - Additional 2007 Cashflow Reallocations and Deferrals", and forward recommendations thereon to Council for consideration with Item EX10.42, such report containing the following recommendations:

The General Manager of Transportation Services recommends that:

1. the deferred and accelerated cash flows in the amount of \$10,350,000.00 detailed in Table 1, attached, which will have no net impact on the approved 2007 approved debt, be approved;
2. the deferred cash flows in the amount of \$38,262,000.00 detailed in Table 2, attached, which represent uncontrollable third party funding from others and will have no net impact on the approved 2007 debt, be approved;
3. the accelerated cash flows in the amount of \$14,000,000.00 detailed in Table 2, attached, which represents uncontrollable third party funding from others and will have no net impact on the approved 2007 debt, be approved;
4. the General Manager, Transportation Services Division, be requested to report back to the Budget Committee as part of the 2008 Capital Budget process, on a revised five year plan; and
5. the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

Financial Impact

As with the report dated May 30, 2007 and consistent with the data contained in Table 1, attached, funding in the amount of \$10,350,000.00 will be deferred from various projects that for a number of reasons as outlined in the body of this report, will be delayed. In this regard, an

equivalent cash flow can be accelerated and reallocated to a number of projects that are ready to proceed. These cash flows represent debt funded projects with no net change to the approved 2007 net debt funding requirement.

The Division is also seeking to defer a total gross approved cash flow of \$38,262,000.00 from 2007 to 2008 representing those fully recoverable projects (work for others) that are also delayed for various reasons outside of the control of the Division. The Division is also seeking an acceleration of \$14,000,000 in gross cash flows from 2008 to 2007 for various third party works that are ready to proceed.

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

Summary

The Transportation Services Division submitted a report dated May 30, 2007 to the Budget Committee meeting on June 13, 2007 recommending the reallocation of anticipated cash flow expenditures from 200 projects that, for various reasons, must be deferred to other projects that are ready to proceed. The Budget Committee recommended the adoption of the report without amendment.

As with the previous report, additional 2007 cash flows will need to be realigned to other program areas that are ready to proceed. This will involve the deferral of 2007 approved cash flows and a corresponding acceleration of others that will yield a zero net impact on approved debt for 2007. As part of the upcoming 2008 budget process, projects will be revisited and cash flows reassessed accordingly so that approved five year debt targets are not altered.

Background Information

Transportation Services - Additional 2007 Cashflow Reallocations and Deferrals
<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5233.pdf>

EX10.43	ACTION	Without Recs		
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Re-Construction of a Retaining Wall – Turner Road Flankage of Premises No. 29 Hillcrest Drive

Committee Recommendations

The Executive Committee submits this matter to Council without recommendation.

Decision Advice and Other Information

The Executive Committee on June 25, 2007, directed the Budget Committee to give consideration to the report (June 20, 2007) from the Executive Director, Technical Services, General Manager, Transportation Services, entitled "Re-Construction of a Retaining Wall – Turner Road Flankage of Premises No. 29 Hillcrest Drive", and forward recommendations thereon to Council for consideration with Item EX10.43, such report containing the following recommendations:

The Executive Director of Technical Services and the General Manager of Transportation Services recommend that:

1. the City proceed with the slope stabilization, remediation and reconstruction of a retaining wall located on the Turner Road flankage of Premises No. 29 Hillcrest Drive, at an estimated cost of \$498,390.18;
2. cash flow funding in the amount of \$378,390.18 be accelerated from within approved 2007 Transportation Services debt targets and reduced by an equal amount from another approved 2007 Transportation Services program;
3. given the urgent nature of the work involved, that this report be considered for approval by City Council at its meeting of July 16, 2007; and
4. the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

Financial Impact

Consistent with recent initiatives by Transportation Services to defer approved 2007 cash flow funding from various projects that, for a number of reasons, will be delayed, similar mechanisms are recommended to allow for the reconstruction of the retaining wall described herein. The Transportation Services Division will arrange through Finance staff the acceleration of an equivalent amount of cash flow funding to cover the cost of this work. This reallocation will not result in any changes to net debt target levels for 2007 or future years. For various reasons, including escalating prices and modified design approach, there is a considerable change in scope (\$378,390.18) from the initial estimated cost (\$120,000.00) from over two years ago.

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 provide an update on the condition of a deteriorating retaining wall along the flankage of Premises No. 29 Hillcrest Drive, located in Ward 21 (St. Paul's), and to request authority to reallocate funding from within approved divisional Transportation Services targets in order to facilitate its reconstruction, which is of an urgent nature and, correspondingly, to award the necessary work.

Background Information

Re-Construction of a Retaining Wall y Turner Road Flankage of Premises No. 29 Hillcrest Drive

(<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5234.pdf>)

EX10.44	ACTION	Without Recs		
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Service Increases to Respond to Unanticipated Ridership Growth

Committee Recommendations

The Executive Committee submits this matter to Council without recommendation.

Decision Advice and Other Information

The Executive Committee on June 25, 2007, directed the Budget Committee to give consideration to the communication (June 14, 2007) from the General Secretary, Toronto Transit Commission, entitled “Service Increases to Respond to Unanticipated Ridership Growth.”, and forward recommendations thereon for Council consideration with Item EX10.44, such communication containing the following Recommendations:

“It is recommended that the Commission:

1. Approve the implementation of 1900 additional, unbudgeted, hours of service per week in November 2007 to reduce overcrowding on the system at an estimated cost of \$0.64 million in 2007, and an annual cost of \$6.7 million in 2008 noting that:
 - i. system ridership is expected to reach 462M annual riders by year-end in 2007, which is 1.8% higher than budgeted, and ridership growth is expected to continue in 2008,
 - ii. the additional service is required to accommodate this higher ridership level without overcrowding,
 - iii. the eight additional buses required to provide these services can be accommodated within the current bus fleet plan to the end of 2008. Bus fleet requirements in the longer-term will be reviewed as part of the 2008 budget process, and
2. Forward this report to the City’s Budget Committee for approval.”

Background Information

Service Increases to Respond to Unanticipated Ridership Growth
<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5235.pdf>

EX10.45	ACTION	Without Recs		
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Procurement Authorization Geotechnical Engineering Consultant Services Steeles West Station Contract A85-68

Committee Recommendations

The Executive Committee submits this matter to Council without recommendation.

Background Information

Procurement Authorization Pre-Engineering Consultant Services Steeles West Station Contract A85-67” and “Procurement Authorization Geotechnical Engineering Consultant Services Steeles West Station Contract A85-68
<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5237.pdf>

Decision Advice and Other Information

The Executive Committee on June 25, 2007, directed the Budget Committee to give consideration to the communication (June 14, 2007) from the General Secretary, Toronto Transit Commission, entitled “Procurement Authorization Geotechnical Engineering Consulting Services Steeles West Station, Contract A85-68”, and forward recommendations thereon to Council for consideration with Item EX10.45, such communication advising that at its meeting on Wednesday, June 13, 2007, the Commission approved the reports entitled, Procurement Authorization Pre-Engineering Consultant Services Steeles West Station Contract A85-67” and “Procurement Authorization Geotechnical Engineering Consultant Services Steeles West Station Contract A85-68”, and in approving these reports, the Commission directed that copies be forwarded to City of Toronto Council to request confirmation of in-year approval of an increase in the 2007 budget for the Spadina Subway Extension of \$3,650,000 bringing the current approved budget for 2007 to \$4,450,000 and the current project approval level to \$4,950,000.

EX10.46	ACTION	Adopted		
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Theatre Passe Muraille – City Acquisition of 16 Ryerson Avenue

Background Information

Theatre Passe Muraille - City Acquisition of 16 Ryerson Avenue
<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-5238.pdf>

Decision Advice and Other Information

The Executive Committee on June 25, 2007, directed the Budget Committee to give consideration to the report (June 20, 2007) from Deputy City Manager Sue Corke, entitled “Theatre Passe Muraille - City Acquisition of 16 Ryerson Avenue”, and forward recommendations thereon to Council for consideration with Item ED6.3, such report containing the following Recommendations:

The Deputy City Manger responsible for Economic Development, Culture and Tourism 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 (Phase I & II - does not include clean up costs)	\$ 21,000.00
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.

Meeting Sessions

Session Date	Session Type	Start Time	End Time	Public or Closed Session
2007-06-25	Morning	9:40 AM	12:40 PM	Public
2007-06-25	Afternoon	1:40 PM	8:50 PM	Public