

Government Management Committee

Meeting No.	11	Contact	Yvonne Davies, Committee Administrator
Meeting Date	Friday, January 18, 2008	Phone	416-392-7443
Start Time	9:30 AM	E-mail	ydavies@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*
- *Any amendments by Committee to recommendations appearing in a staff report are italicized.*
- *Other action taken by the Committee on its own authority, which does not require Council's approval, is listed in the decision document under the heading "Decision Advice and Other Information".*
- *Declarations of Interest, if any, appear at the end of an item.*

Minutes of the December 3, 2007 meeting - Confirmed

Communications/Reports

GM11.1	Information	Deferred		Ward: All
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Councillors' Access to 3-1-1 Information

(November 16, 2007) Report from City Manager

Decision Advice and Other Information

The Government Management Committee deferred consideration of this report until the forthcoming report from Mr. Rust D'Eye is available.

Financial Impact

No financial impact beyond what has already been approved in the current year's budget.

Summary

Mr. George Rust-D'Eye of the firm WeirFoulds LLP has been retained by the City of Toronto

to prepare the opinion requested by Council.

The motion put forward by Councillor Palacio is very similar to the IBMS issue and will be dealt with in Mr. Rust-D'Eye's legal opinion.

The legal opinion with respect to the right of access to information by Members of the public and Members of Council will address access to the 3-1-1 system.

Background Information

Report - Councillors' Access to 3-1-1 Information

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-9731.pdf>)

GM11.2	ACTION	Adopted		Ward: All
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Delegation of Signing Authority to Division Heads for Master Agreements for the Purchase/Rental of Fax Machines, Photocopiers and Oracle Licenses

(January 3, 2008) Report from Chief Information Officer, Information and Technology

Committee Recommendations

The Government Management Committee recommends that:

1. City Council authorize the delegation of signing authority for the Master Contracts described in this report for the purchase or rental of fax machines, photocopiers and Oracle licenses to the Division Head of the Division purchasing or renting such products provided that expenditures do not exceed the approved Council spending authority for each Master Contract without further authorization.

Financial Impact

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

Funds required for the acquisition of fax machines, photocopiers and Oracle licenses are included in each Division's respective operating or capital budgets. In SAP, a commitment against blanket contracts cannot be created unless a budget is in place to cover the full value of the commitment. Staff in the Contract Management Office of the Information & Technology Division will continue to manage the blanket contracts.

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

Summary

Council authority is being requested to delegate signing authority to the individual Division Head only, for acquiring, through purchase or rental, digital photocopiers and fax machines, and for ordering licenses and services from Oracle under the Master Agreements that the City

has in place for these products. Although Council authorization to utilize each of these Master Agreements exceeds \$500,000, the individual orders that are continually processed from time to time throughout the year are well within the signing authority delegated to Division Heads.

Approval of these changes will greatly streamline the process for obtaining photocopier and fax equipment, and standard Oracle licenses as required.

Background Information

Report - Delegation of Signing Authority to Division Heads for Master Agreements for the Purchase/Rental of Fax Machines, Photocopiers and Oracle Licenses

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-9745.pdf>)

Appendix 1 - GM11-2

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-9747.pdf>)

GM11.3	ACTION	Adopted		Ward: All
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MySAP ERP Version 6.0 Software Upgrade

(January 3, 2008) Report from Chief Information Officer and Director, Purchasing and Materials Management Division

Decision Advice and Other Information

The Government Management Committee:

1. Authorized staff to issue a Purchase Order in the amount of \$810,000.00 net of GST, to allow payment for an upgrade to mySAP ERP version 6.0.

Financial Impact

The total contract award identified in this report is \$847,500 including all taxes. The cost to the City is \$810,000 net of GST. Funding in the amount of \$810,000 net of GST is available in the 2008 Approved Capital Budget for Information & Technology in account CIT702 – Technology Asset Sustainment.

Since SAP has agreed not to charge the City for the one-time upgrade fee until the City has received Committee approval, GST is applicable at a rate of 5%.

There is a favourable impact on operating budgets due to the avoidance of extended maintenance costs of \$399,948 including all taxes in each of 2008 and 2009. An additional amount of \$151,308 including all taxes was saved in 2007.

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

Implementation Points

Upon Government Management Committee approval, I&T Division staff will work with both Purchasing & Materials Management Division and Accounts Payable staff to issue the

Purchase Order and process the invoice in a timely manner.

Summary

The existing SAP 4.6c software version is nearing its end of useful life and will no longer be supported by SAP after December 31, 2009. Staying at the current version would not provide the functionality required for key projects in the I&T Division's Capital Plan in 2008 and 2009.

A software upgrade was required to sustain the SAP environment and as such, the SAP upgrade was a planned 2007 capital project. Upgrading from the existing version of SAP 4.6c to mySAP ERP version 6.0 will result in a positive operating budget impact in 2008 and 2009.

An amendment to the Software End-User Value Licence and Implementation Services Agreement dated December 18, 1998 between the City and SAP Canada Inc. has been executed and governs this acquisition.

Approval is being sought to allow payment of an invoice received from SAP Canada for the upgrade to mySAP ERP version 6.0 from the end-of-life SAP 4.6c version.

Background Information

Report - MySAP ERP Version 6.0 Software Upgrade

<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-9746.pdf>

GM11.4	ACTION	Adopted		Ward: 17
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Proceeds from Sale of 80 Turnberry Avenue

Confidential Attachment - 1 - Litigation or potential litigation and the receiving of advice that is subject to solicitor-client privilege

(December 20, 2007) Report from Deputy City Manager and Chief Financial Officer

Committee Recommendations

The Government Management Committee recommends that:

1. City Council adopt the confidential recommendations to staff in Attachment 1.
2. City Council authorize the public release of the confidential information and recommendations in Attachment 1, if any settlement is finalized to the satisfaction of the City Solicitor.
3. City Council establish a discretionary reserve fund account called the 'Hounslow Heath Reserve Fund' to receive the net proceeds from the sale of 80 Turnberry Avenue and a portion of 11R Hounslow Heath Road to fund the expropriation of the lands municipally known as 11R Hounslow Heath Road; the clean up of surrounding lands; the opening of a public laneway; and for general improvements to Wadsworth Park and the local area.

4. Municipal Code Chapter 227 (Reserves and Reserve Funds) be amended by adding the 'Hounslow Heath Reserve Fund' to Schedule '3' (Corporate Discretionary Reserve Funds) within the Land Acquisition Reserve Fund Group.
5. City Council authorize and direct the appropriate City Officials to take the necessary action to give effect thereto, and that leave be granted for the introduction of any necessary bills in Council to give effect thereto.

Financial Impact

There is no net financial impact resulting from the approval of the recommendation contained in this report. The recommendations seek to authorize the creation of a new Capital project within the Capital Budget to allow for tracking of expenditures to disburse unspent funds previously received from the sale of 80 Turnberry Avenue and to create a sub-account within the Land Acquisition Reserve Fund Group to collect and disburse funds from said sale and any sale of a portion of 11R Hounslow Heath Road.

The net sale proceeds from the sale of 80 Turnberry Avenue are currently held with Financial Accounting in Land Acquisition Reserve Fund – Corporate (XR1012). Portions of the expropriated lands at 11R Hounslow Heath Road have been used for Wadsworth Park and laneway. The remaining portion may be disposed of provided that it is no longer required for its purposes.

Summary

The purpose of this report is to respond to the Government Management Committee's request that the Chief Financial Officer report back on the proceeds from the sale of 80 Turnberry Avenue, which was specifically allocated by City Council for the expropriation of the lands municipally known as 11R Hounslow Heath Road; the cleaning up of surrounding lands; opening of a public laneway; and general improvements to Wadsworth Park and the local area.

The report also seeks authorization to establish a new Capital Project within Parks, Forestry and Recreation's 2008 Approved Capital Budget and a new reserve fund account in order to track expenditures to be disbursed from unspent funds previously received from the sale of 80 Turnberry Avenue.

Background Information

Report - Proceeds from Sale of 80 Turnberry Avenue

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-9748.pdf>)

Confidential Attachment 1 - GM11-4

GM11.5	ACTION	Adopted		Ward: All
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Transfer Ownership of Specialized Equipment for Children with Special Needs from the City to Community Living Toronto

(January 3, 2008) Report from General Manager, Children’s Services and Director, Purchasing and Materials Management Division

Committee Recommendations

The Government Management Committee recommends that City Council:

1. Authorize Children's Services to transfer ownership of current City owned specialized equipment, with a current value estimated value between \$2,300.00 and \$3,500.00, to Community Living Toronto at no cost, for use in community to child care programs across Toronto.
2. Authorize the General Manager of Children’s Services to execute an agreement on behalf of the City with Community Living Toronto for the transfer of such equipment and such agreement be on terms and conditions satisfactory to the General Manager and in a form satisfactory to the City Solicitor.

Financial Impact

This report has no financial impact.

Summary

Children’s Services seeks approval to transfer ownership of specialized equipment from the City of Toronto to Community Living Toronto for use in community child care programs across the city at no cost.

Children’s Services equipment for children with special needs has been used in recent years, exclusively in municipal child care programs. Community Living Toronto is establishing a centralized city-wide “bank” of equipment that can be accessed by all licensed child care programs.

This new centralized bank will far exceed current city resources and will be professionally maintained and enhanced each year. Children’s Services would like to contribute City owned equipment to the centralized bank which will increase the inventory of equipment available to child care programs and in turn give city staff access to an extensive catalogue of equipment.

Background Information

Report - Transfer Ownership of Specialized Equipment for Children with Special Needs from the City to Community Living Toronto

<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-9750.pdf>

GM11.6	ACTION	Adopted		Ward: 25
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1132 Leslie Street – License to Sunnybrook Stables Limited for Operation of a Horse Riding Facility in Sunnybrook Park

(November 15, 2007) Report from Chief Corporate Officer

Committee Recommendations

The Government Management Committee recommends that:

1. City Council authorize entering into a License Agreement with Sunnybrook Stables Limited (the “Licensee”) to use and occupy the horse riding facility in Sunnybrook Park, consisting of two residences, two barns/stables, one indoor riding arena and one outdoor riding ring, shown as Parts 1, 2, 3, 4, 6, & 7 on “Appendix B”, (the “Premises”) for the operation of a public horse riding stable, commencing on January 1st, 2008 and expiring on December 31st, 2017, substantially on the terms and conditions as set out in “Appendix A” and on such other terms and conditions as approved by the Chief Corporate Officer, or his or her designate, and in a form and content acceptable to the City Solicitor.
2. City Council authorize the Chief Corporate Officer to administer and manage the License 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.
3. The confidential information in Attachment 1 to the report (December 20, 2007) from the Chief Corporate Officer (GM11.6a) remain confidential.

Financial Impact

The proposed agreement sets a minimum fee of \$137,000.00 per year, for a total of \$1,370,000.00 for the ten (10) year term, commencing on January 1, 2008. Throughout the term, the Licensee will also perform approximately \$128,000.00 of various capital improvements on the buildings. The final cost of these improvements will be amortized against the minimum fee on a straight-line basis throughout the term. This translates into an amortized amount of approximately \$12,800.00 per year that will be credited against the minimum fee owed by the Licensee. As a result, the net revenue to the City will be approximately \$124,200.00 per year for a total of \$1,242,000.00 over the ten (10) year term. This License is fully net and carefree to the City so that all operating and capital maintenance costs are the responsibility of the Licensee.

The revenues are included in the 2008 budget, as submitted, and will be included in future operating budgets.

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

Summary

The purpose of this report is to obtain authority to enter into a License Agreement with Sunnybrook Stables Limited for the operation of a horse riding facility in Sunnybrook Park, commencing on January 1st, 2008. The proposed License is for a ten (10) year term with a five (5) year extension option at market value.

Background Information

Report - 1132 Leslie Street - License to Sunnybrook Stables Limited for Operation of a Horse Riding Facility in Sunnybrook Park

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-9751.pdf>)

Appendix A - GM10-8

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-9752.pdf>)

Appendix B - GM10-8

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-9753.pdf>)

Appendix C - GM10-8

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-9754.pdf>)

6a Information Report on 1132 Leslie Street – License to Sunnybrook Stables Limited for Operation of a Horse Riding Facility in Sunnybrook Park

Confidential Attachment - 1 - The security of the property of the municipality or local board

(December 20, 2007) Report from Chief Corporate Officer

Committee Recommendations

The Government Management Committee recommends that:

1. Council adopt the staff recommendations contained in the recommendation section of the report dated November 15, 2007, from the Chief Corporate Officer headed, “1132 Leslie Street – License to Sunnybrook Stables Limited for Operation of a Horse Riding Facility in Sunnybrook Park” [GM10.8].
2. The confidential information in Attachment 1 remain confidential.

Financial Impact

Refer to financial impact statement in the November 15, 2007, report.

Summary

The purpose of this report is to address the report-back requirements requested by Government Management Committee at its meeting on December 3, 2007, respecting the subject.

Background Information

Report - Information Report on 1132 Leslie Street - License to Sunnybrook Stables Limited for Operation of a Horse Riding Facility in Sunnybrook Park

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-9759.pdf>)

Appendix A - GM11-6a

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-9760.pdf>)

Appendix B - GM11-6a

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-9761.pdf>)

Confidential Attachment 1 - GM11-6a

GM11.7	ACTION	Deferred		Ward: 20
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Sale of City-owned Leased Property at 192A Bloor Street West to McDonald's Restaurants of Canada Limited

Confidential Attachment - 1 - The security of the property of the municipality or local board

(January 3, 2008) Report from Chief Corporate Officer

Decision Advice and Other Information

The Government Management Committee deferred consideration of this report to its next meeting on February 14, 2008 and provided confidential instructions to staff.

Financial Impact

If Council accepts the Offer to Purchase from McDonald's, revenue in the amount of \$3,380,000.00 plus GST, if applicable, less closing costs and the usual adjustments, is anticipated from this sale.

If Council chooses not to accept the Offer to Purchase from McDonald's, staff shall resume negotiations with McDonald's with respect to a new rental rate, which may be higher or lower than the \$195,000.00 per annum estimated by staff and applicable to the lease renewal term commencing January 1, 2005 for 33 years.

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 authorize the stratification and sale of a City-owned surplus property municipally known as 192A Bloor Street West, currently leased to McDonald's Restaurants of Canada Limited ("McDonald's"). It is also to provide information, in the confidential attachment, with regards to the motions made during the in camera session at the Government Management Committee (GMC) meeting on December 3, 2007.

Having completed negotiations with McDonald's, we are seeking authority to enter into an agreement of purchase and sale with McDonald's substantially on the terms and conditions

outlined in the attached Appendix “A”.

The terms for completing the transaction, as set out herein, are considered to be fair, reasonable and reflective of market value.

Background Information

Report - Sale of City-owned Leased Property at 192A Bloor Street West to McDonald's Restaurants of Canada Limited

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-9763.pdf>)

Appendix A - GM11-7

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-9764.pdf>)

Appendix B - GM11-7

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-9765.pdf>)

Confidential Attachment 1 - GM11-7

GM11.8	ACTION	Adopted		Ward: 22
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TTC Fire Ventilation Upgrade Project - St. Clair Subway Station

(January 3, 2008) Report from Chief Corporate Officer

Committee Recommendations

The Government Management Committee recommends that:

1. City Council consider a report from the Chief Corporate Officer on the proposed acquisition of the real estate interests required to permit the implementation of the TTC Project.

Decision Advice and Other Information

The Government Management Committee authorized the Chief Corporate Officer to report directly to City Council at its meeting to be held on January 29 and 30, 2008, regarding the proposed acquisition of the real estate interests required to permit the implementation of the TTC Project.

Financial Impact

There are no financial implications resulting from adoption of this report. Details of the proposed acquisition, including financial impacts, will be set out in a subsequent report.

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

Summary

In September 2006 City Council authorized the sale of a stratified interest in the City-owned property at 30 Alvin Avenue, under the management of the Toronto Parking Authority (“TPA”), to Wittington Properties Limited (“Wittington”) and the City’s acquisition, on behalf of the TPA, of a stratified interest in the adjacent Wittington lands to accommodate 209 public

parking spaces in a below-grade parking garage within a new residential development. As a condition for completing the property transactions, Wittington and the Toronto Transit Commission (“TTC”) must enter into a binding agreement to permit the implementation of the TTC’s Fire Ventilation Upgrade Project at the St. Clair Subway Station (the “TTC Project”).

Background Information

Report - TTC Fire Ventilation Upgrade Project - St. Clair Subway Station

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-9767.pdf>)

Site Map - GM11-8

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-9768.pdf>)

GM11.9	Information	Deferred		Ward: 44
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Possibility of Bringing the 2.3 acre Parcel of Land Abutting Port Union Village Common Park into Public Ownership

(December 13, 2007) Report from Chief Corporate Officer

Decision Advice and Other Information

The Government Management Committee deferred consideration of this report to its next meeting on February 14, 2008.

Financial Impact

There is no financial impact.

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 respond to the Scarborough Community Council’s request that the Chief Corporate Officer report to the Government Management Committee on the possibility of bringing the 2.3 acre parcel of land abutting Port Union Village Common Park into public ownership for enhancement of the Port Union Park and increased parking supply for park users. Discussions with the Parks, Forestry and Recreation Division and the Toronto Parking Authority have determined that there is no municipal purpose or funding to acquire the 2.3 acre parcel of land.

Background Information

Report - Possibility of Bringing the 2.3 acre Parcel of Land Abutting Port Union Village Common Park into Public Ownership

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-9769.pdf>)

Appendix A - GM11-9

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-9770.pdf>)

Communication from Councillor Moeser

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-10050.pdf>)

Communications

(January 16, 2008) letter from Councillor Ron Moeser (GM.Main.GM11-9a)
<http://www.toronto.ca/legdocs/mmis/2008/gm/comm/communicationfile-5491.pdf>

GM11.10	Information	Received		Ward: All
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2007 Final Report on Property Sales and Acquisitions

(January 3, 2008) Report from Chief Corporate Officer

Decision Advice and Other Information

The Government Management Committee received this report for information.

Summary

This report provides information regarding property sales and purchases by the City in the fourth quarter of 2007, and also includes total sales for 2007.

To assist in the management for the sale of surplus properties, a regular quarterly report is prepared establishing targets for the sale of properties in the City portfolio. The quarterly report includes the number of properties proposed for sale in the previous quarter and the current status of such properties. The quarterly report also includes the number, value and type of properties purchased during that quarter by ward.

Background Information

Report - 2007 Final Report on Property Sales and Acquisitions
<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-9771.pdf>
 Appendix A - GM11-10
<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-9775.pdf>
 Appendix B - GM11-10
<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-9772.pdf>

GM11.11	Information	Received		Ward: 5, 9, 10, 20, 22, 24, 32, 35
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2008 Status Report - Optimizing Revenue from Development Potential of Transit Sites

(January 3, 2008) Report from Chief Corporate Officer and Chief General Manager, Toronto Transit Commission (TTC)

Decision Advice and Other Information

The Government Management Committee received this report for information.

Financial Impact

There are no immediate financial implications arising from this report. Initiatives to facilitate

the development of transit sites may in some cases be self-financing, while in other cases they may require investment in properties or the acquisition of additional properties to ensure that some transit sites can be developed to their highest and best use.

Summary

Development of Transit Sites (DOTS) is a City of Toronto/Toronto Transit Commission interdepartmental working group mandated to identify, facilitate and expedite the development or redevelopment of properties currently utilized for public transit purposes.

This report summarizes the current status of the DOTS program and the priority sites on which it is focussing its efforts to promote development.

Background Information

Report - 2008 Status Report - Optimizing Revenue from Development Potential of Transit Sites (<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-9773.pdf>)

Attachment 1 - GM11-11

(<http://www.toronto.ca/legdocs/mmis/2008/gm/bgrd/backgroundfile-9774.pdf>)

Meeting Sessions

Session Date	Session Type	Start Time	End Time	Public or Closed Session
2008-01-18	Morning	9:35 AM	9:45 AM	Public
2008-01-18	Morning	9:45 AM	11:05 AM	Closed
2008-01-18	Morning	11:05 AM	11:15 AM	Public