



## STAFF REPORT ACTION REQUIRED

### Technical Amendment to EX33.1 Shareholder Direction for Build Toronto

<b>Date:</b>	July 21, 2009
<b>To:</b>	City Council
<b>From:</b>	City Manager
<b>Wards:</b>	All
<b>Reference Number:</b>	

#### SUMMARY

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This report recommends a technical amendment to the proposed Shareholder Direction for Build Toronto to clarify that the specific City direction for the creation of subsidiaries is subject to any other conditions that the Province may impose through amending the City Services Corporations Regulation as it pertains to Build Toronto.

#### RECOMMENDATIONS

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**The City Manager recommends that** Council amend Recommendation 1 of the Executive Committee report EX33.1 to read as follows:

1. Council approve the Shareholder Direction for Build Toronto Inc., as set out in Appendix A to the report (May 16, 2009) from the City Manager, revised as follows, and for Invest Toronto Inc., as set out in Appendix B:
  - (a) Sub-section 2.7 (c) of the Shareholder Direction for Build Toronto be amended by inserting after the words ‘City conditions’ the words ‘and any other conditions that the Province may impose through relevant amendments to the City Services Corporations Regulation:’.

#### Financial Impact

As described in the original report, there is no financial impact.

## **Equity Statement**

The Operating Principles set out in the Shareholder Directions for Build Toronto and Invest Toronto include provisions to establish access, equity and human rights goals and implement human rights policies and procedures consistent with those established by City Council.

## **DECISION HISTORY**

On June 2, 2009, the Executive Committee considered a report from the City Manager dated May 16, 2009 (Item EX33.1).

<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-21479.pdf>

The recommended Shareholder Direction for Build Toronto was attached as Appendix A.

<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-21480.pdf>

## **ISSUE BACKGROUND**

The current City Services Corporations Regulation does not permit Build Toronto to create subsidiaries. However, the City has requested that the Province of Ontario amend the Regulation to permit Build Toronto to create subsidiaries and Section 2.7 of the recommended Shareholder Direction for Build Toronto establishes conditions under which Build Toronto may establish subsidiaries if and when the Regulation is amended.

## **COMMENTS**

Discussions between Provincial and City staff have taken place and it is hopeful that an amendment to the Regulation will be made in the Fall 2009. Since the precise wording of the Regulation amendment has not been finalized, the technical amendment recommended above will serve to clarify that any other conditions that the Province may require through amendment to the Regulation are also imposed on Build Toronto by the City.

If there is a conflict between the City's specific direction and the Regulation as it pertains to Build Toronto, the Regulation and any relevant amendments made by the Province of Ontario to such Regulation will prevail.

## **CONTACT**

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## **SIGNATURE**

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