



## STAFF REPORT ACTION REQUIRED

### Build Toronto - Annual General Meeting and Audited Annual Financial Statements 2010

<b>Date:</b>	August 22, 2011
<b>To:</b>	Executive Committee
<b>From:</b>	City Manager
<b>Wards:</b>	All
<b>Reference Number:</b>	

#### **SUMMARY**

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This report recommends the actions necessary to comply with the requirements of the *Business Corporations Act* (Ontario) for holding the 2010 Annual General Meeting of the shareholder of Build Toronto Inc. including receipt of Audited Financial Statements and appointment of the auditor.

#### **RECOMMENDATIONS**

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**The City Manager recommends that City Council:**

1. treat the Council meeting at which this report is considered as the 2010 Annual General Meeting of the Shareholder for Build Toronto Inc. by:
  - a. receiving the Annual Report of Build Toronto Inc., Attachment 1 to this report;
  - b. appointing Pricewaterhouse Coopers LLP, Chartered Accountants, as the Auditor of Build Toronto Inc. for fiscal year 2011, and authorizing the Board of Directors of Build Toronto to fix the remuneration of such Auditor; and
  - c. receiving the report of the Deputy City Manager and Chief Financial Officer, dated August 12<sup>th</sup>, 2011 "Build Toronto Inc. 2010 Audited Financial Statements", Attachment 2 to this report and receiving Build Toronto's 2010 Annual Audited Financial Statements, Appendix A to that report; and

2. forward a copy of Build Toronto's 2010 Audited Annual Financial Statements, Appendix A to Attachment 2 to this report, to the Audit Committee for information.

## **FINANCIAL IMPACT**

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

## **DECISION HISTORY**

Build Toronto Inc. was incorporated under the Ontario *Business Corporations Act* (OBCA). The City is the sole shareholder. In August 2009, Council approved a Shareholder Direction to Build Toronto which, among other things, sets out the City's objectives relating to Build Toronto, and establishes governance principles and accountability and reporting requirements for Build Toronto Inc.

The mandate of Build is to: facilitate land exit strategies through value add sales; undertake catalytic development opportunities; undertake development that attracts and retains employment in the City; and create a financial dividend for the City.

Implementation Report #2: New Model to Enhance Toronto's Economic Competitiveness (<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-21479.pdf>)

Appendix A - Build Toronto Shareholder Direction (<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-21480.pdf>)

Technical amendment to Shareholder Direction for Build Toronto - Report from the City Manager (EX33.1a) (<http://www.toronto.ca/legdocs/mmis/2009/cc/bgrd/backgroundfile-22587.pdf>)

Build Toronto- Annual General Meeting and Audited Financial Statements (2009) (<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2010.EX46.5>)

## **ISSUE BACKGROUND**

This is Build Toronto Inc.'s second Annual Shareholder's Meeting since incorporation in November 2008.

## **COMMENTS**

The Build Toronto Board of Directors approved its first Strategic Plan for 2010 – 2014 in March 2010. The focus for Build in 2010 was the transfer of properties, preparing properties for pre-development work and completing and approving a number of significant transactions in order to begin generating income. Build completed its first sale, of 154 Front Street East, in 2010, generating proceeds of over \$19 million. Build also arranged a \$34.5 million loan through Infrastructure Ontario for Pinewood Toronto

Studios that secured funding to enable its growth and viability as part of the film production and sound industry in the City. Finally, management continued to work to identify improvements to regulations and processes in the conduct of business, land transfers and approvals to facilitate pre-development and property planning as well as turnovers and transfers.

The shareholder's review of Build Toronto's 2010 Annual Audited Financial Statements is set out in the report of the Deputy City Manager and Chief Financial Officer, which is attached to this report as Attachment 2 and which should be considered part of the agenda of the Annual General Meeting.

## **CONTACTS**

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## **SIGNATURE**

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Joseph P. Pennachetti  
City Manager

## **ATTACHMENTS**

Attachment 1: Build Toronto 2010 Annual Report and Audited Annual Financial Statements of Build Toronto

Attachment 2: Report of Deputy City Manager and Chief Financial Officer dated August 12<sup>th</sup>, 2011 "Build Toronto Inc. 2010 Audited Financial Statements"

Appendix A: 2010 Audited Annual Financial Statements of Build Toronto dated July 21<sup>st</sup>, 2011