

Attachment 2: Summary of Toronto Community Housing's Current Legal Structure and the City's Accountability Framework

a) Legal Structure

TCHC is a corporation whose sole shareholder is the City of Toronto. It is governed by a 12-member board of directors (the Board) appointed by the City of Toronto including City Councillors, TCHC residents and citizens.

The Board oversees the management of TCHC and monitors its performance. The Board is accountable to the City of Toronto through presentation of its business plan, annual reports, financial statements and a rolling four-year strategic plan. In order to fulfil its oversight responsibilities, the Board has established committees to which it delegates some of its authority and responsibility.

Along with the statutory authority to manage TCHC's corporate business comes an individual statutory duty for each Director to do so in the best interests of the corporation¹.

Currently the Interim Seniors Housing Unit is operated under the same legal structure as the mixed portfolio and exists as a distinct business unit.

b) Current Accountability Instruments

Shareholder Direction

As TCHC's sole shareholder, the City outlines its expectations of and the fundamental principles for TCHC in a Shareholder Direction. The Shareholder Direction defines the relationship between City as Shareholder and TCHC as a corporation and is managed by the City Manager's Office. The current Shareholder Direction was adopted by City Council in 2013. The Shareholder Direction can be amended by resolution adopted by City Council, and amendments become effective immediately.

Operating Agreement

The City of Toronto is also the Service Manager for TCHC, under the provincial *Housing Services Act* (HSA). The City's role as service manager is managed through Shelter, Support and Housing Administration (SSHA), and governed by an Operating Agreement and its amendments. The Operating Agreement defines the relationship between City as Service Manager and TCHC.

The current Operating Agreement includes, but is not limited to, service level standards, format and timing of reporting financial information to the City as part of the budget process, a method to calculate TCHC's operating subsidy, reporting requirements to SSHA, and responsibilities delegated to TCHC by the Service Manager as per the HSA.

Currently, the Interim Seniors Housing Unit is accountable to the City under the same Shareholder Direction and Operating Agreement as the Mixed Portfolio.

¹ OBCA, s. 134

c) Mandate

TCHC's mandate, which is set out in the Shareholder Direction, is intended to provide clear parameters for TCHC's operations. In addition to this Shareholder Direction, motions passed at City Council are considered Directions that also guide the work of TCHC.

Both the Mayor's Task Force and Service Manager Assessment have identified that TCHC currently has a broad and permissive mandate that does not correspond to available resources or existing City expectations. This broad mandate has led to confusion about the roles and responsibilities of the corporation.

There is not currently a distinct mandate set out for the Interim Seniors Housing Unit.