

**EX8.11**

## Decision Letter

### Budget Committee

<b>Meeting No.</b>	8	<b>Contact</b>	Julie Amoroso, Committee Administrator
<b>Meeting Date</b>	Friday, September 6, 2019	<b>Phone</b>	416-392-4666
<b>Start Time</b>	9:30 AM	<b>E-mail</b>	buc@toronto.ca
<b>Location</b>	Committee Room 1, City Hall	<b>Chair</b>	Councillor Gary Crawford

BU8.1	ACTION	Adopted		Ward: All
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### Sustainable Energy Plan Financing Program Supporting Toronto Community Housing Corporation, TransformTO and Resiliency

#### Committee Decision

The Budget Committee recommends to the Executive Committee that:

1. City Council amend the 2019-2028 Council Approved Capital Budget and Plan for Facilities, Real Estate, Environment and Energy program to add a new project with total project cost and cash flow in 2020 of \$28.0 million funded from recoverable debt for the purpose of providing a 2.6 percent interest bearing loan to Toronto Community Housing Corporation to be repaid to the City over a term of 20 years.
2. City Council authorize the Deputy City Manager, Corporate Services to enter into an agreement with Toronto Community Housing Corporation for a \$38.0 million Sustainable Energy Plan Financing loan on terms and conditions satisfactory to the Deputy City Manager, Corporate Services and in a form satisfactory to the City Solicitor.
3. City Council authorize the Deputy City Manager, Corporate Services to release funds to Toronto Community Housing Corporation in multiple installments, each contingent on the completion of significant pre-established milestones.

#### Origin

(August 22, 2019) Report from the Deputy City Manager, Corporate Services

#### Summary

Toronto Community Housing Corporation is undertaking a comprehensive \$63.9 million installation of Combined Heat and Power generators in thirty-nine (39) Toronto Community Housing Corporation buildings throughout the City of Toronto. It will create a resilient network of sustainable buildings that will act as a safe haven to shelter residents in place as well as offer shelter to the local community when power is not accessible from the electricity system with most major systems within the buildings remaining operational during a power outage.

Through the City's Sustainable Energy Plan Financing program, Toronto Community Housing Corporation has requested a low-interest repayable loan of \$38.0 million to fund 59 percent of

the project. The remaining \$25.9 million will be funded by an \$8.9 million incentive from the Independent Electricity System Operator and \$17.0 million from Toronto Community Housing Corporation's capital budget.

The purpose of this report is to seek Council approval to increase the 2019-2028 Council Approved Capital Budget and Plan for Facilities, Real Estate, Environment and Energy by \$28.0 million for a new capital project with 2020 cash flow funded from debt repayable by the Toronto Community Housing Corporation, utilizing energy savings generated from the proposed energy retrofit project for loan repayment. The remaining \$10.0 million will be disbursed to Toronto Community Housing Corporation in 2019 utilizing available 2019 Council Approved TransformTO recoverable debt capital budget. The project requires approval in advance of the 2020 budget process in order for Toronto Community Housing Corporation to proceed with the project in 2019.

This initiative aligns with a number of the City of Toronto's Resiliency Strategy Goals including Home Resilience, Vertical Resilience, and Leading a Resilient City, all goals that support protecting the most vulnerable residents from the impacts of climate change. It also supports TransformTO directives to reduce greenhouse gas emissions in the City as a whole by 80 percent by 2050.

### **Background Information**

(August 22, 2019) Report from the Deputy City Manager, Corporate Services on Sustainable Energy Plan Financing Program Supporting Toronto Community Housing Corporation, TransformTO and Resiliency

(<http://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-136741.pdf>)