

**THE CITY OF TORONTO**

**City Clerk's Division**

**Minutes of the Policy and Finance Committee**

**Meeting No. 4**

**Tuesday, April 17, 2001**

The Policy and Finance Committee met on Tuesday, April 17, 2001, in the Council Chamber, City Hall, Toronto, commencing at 1:10 p.m.

Attendance

Members were present for some or all of the time periods indicated.

	1:10 p.m. to 9:20 p.m.	9:35 p.m. to 11:30 p.m.
Mayor Mel Lastman, Chair	X	X
Councillor Sandra Bussin	X	X
Councillor Norman Kelly	X	X
Councillor Gloria Lindsay Luby	X	X
Councillor Pam McConnell	X	X
Councillor Denzil Minnan- Wong	X	X
Councillor Case Ootes, Vice Chair	X	X
Councillor Kyle Rae	X	X
Councillor David Shiner	X	X
Councillor Paul Sutherland	-	-

Councillor Case Ootes assumed the Chair.

**4-1(a). 2001-2005 Recommended Capital Expenditure Program.**

2001-2005 Recommended Capital Expenditure Program:

The Policy and Finance had before it the following reports and communications:

- (i) (April 12, 2001) from the Chair, Budget Advisory Committee, entitled "City of Toronto, 2001-2005 Recommended Capital Expenditure Program, presenting the Budget Advisory Committee's 2001 - 2005 Capital Program for the City of Toronto; recommending projects and cash flow for 2001 approval; advising that the

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report also provides an overview of the capital budget process and summarizes the various issues and challenges currently faced by the City; and that this report also reflects all of the amendments and recommendations of the Budget Advisory Committee during the capital budget process up to and including the wrap-up meeting of April 6, 2001; and recommending that:

- (1) the 2001 – 2005 Tax Supported Capital Program for the City, with a cash flow totalling \$4.603 billion as outlined in Appendix A-1 be received;
- (2) the 2001 Tax Supported Capital Program for new projects with a total cost of \$993.779 million as recommended in Appendix D-2 be approved. These projects require a 2001 cash flow of \$369.790 million and future year commitments totalling \$166.250 million in 2002; \$207.510 million in 2003; \$142.424 million in 2004, \$83.705 million in 2005 and \$24.100 million in 2006 and beyond;
- (3) the 2001 Tax Supported Capital Program for previously approved projects with change in scope with a total cost of \$117.091 million as recommended in Appendix D-3 be approved. These projects require a 2001 cash flow of \$100.362 million and future year commitments totalling \$7.714 million in 2002; \$8.475 million in 2003 and \$0.540 million in 2004;
- (4) the Operating Budget impact, identified in Appendix E-1, that results in an incremental net expenditure impact of \$5.332 million in 2001; \$9.196 million by 2002; \$6.994 million in 2003; \$0.959 million in 2004 and \$1.265 million in 2005 for a total impact of \$23.735 million be approved for inclusion in the 2001 and future operating budgets;
- (5) the Chief Financial Officer and Treasurer report back on the status of previously approved capital projects and provide recommendations to the Budget Advisory Committee on completed projects to be closed;
- (6) all capital projects which have been deferred and / or included as part of the future years capital program (2002 – 2005) be considered placeholders and subject to full review during the 2002 – 2006 capital budget review process, unless a project and its future year commitments have been recommended for approval in the 2001 Tax Supported Capital Program;
- (7) the Chief Financial Officer and Treasurer report to the Policy and Finance Committee, prior to October 1, 2001, on the Priority Ranking Tool for the Capital Budget specifically with respect to: (i) establishing a tool or tools for use by all City departments as well as Agencies, Boards and Commissions, (ii) determining whether the tool criteria and weighting is appropriate and (iii) the success or otherwise with which the tool is being used;

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- (8) the reports, transmittals and communications that were adopted or received during the Budget Advisory Committee's deliberations of the capital budget be held on file with the City Clerk;
  - (9) the Toronto Parking Authority 2001 Recommended Capital Program for new projects, as outlined in Appendix A-2, with a 2001 cash flow of \$9.3 million and no future year commitments be approved;
  - (10) the balance of the Non-Tax Supported and Other Capital Program, as outlined in Appendix A-1, including TEDCO, Water Supply and Wastewater be deferred for consideration and reviewed prior to Council's final approval of the 2001 Capital Budget; with the Water Supply and Wastewater Capital Program approved by the Works and Emergency Services Committee, and forwarded by the Budget Advisory Committee to the Policy and Finance Committee without recommendation; and
  - (11) additional financing in an amount not to exceed \$349 million be debentured for new and change in scope projects for the 2001 Tax Supported Capital Program, if required, for a term up to but not exceeding 20 years (**Item 1s**)
- (ii) (April 11, 2001) from the Chief Financial Officer and Treasurer, entitled, "Recommended 2001-2005 Tax Supported Capital Plan Debt and Debt Service Impact", identifying the debt and debt servicing requirements for the recommended 2001 – 2005 capital plan as amended by the recommended adjustments in the Policy and Finance report entitled "2001 Operating Budget – Amendments to Budget Advisory Committees' Recommendations", but excluding the impact of the \$50 million Provincial grant; advising that in addition, the report identifies issues surrounding sustainable funding for the capital program; and recommending that:
- (1) the Chief Financial Officer and Treasurer report on any changes necessary to the capital financing plan should major funding changes occur following approval of the 2001- 2005 Capital Works Program, such as new senior government support for the City's capital program;
  - (2) Council again request that the federal and provincial governments provide the City with sustained ongoing funding to support the City's capital program and help maintain the competitiveness and financial sustainability of the Toronto;
  - (3) Council again request the provincial government to forgive the \$200 million in loans provided to the City to put Toronto on the same basis as other amalgamating cities that received provincial support for transition costs;
  - (4) any surplus in the City's Sinking Fund accounts that is released in 2001 and future years be applied to the capital program to reduce borrowing; and

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- (5) the appropriate City officials be directed to give effect to the foregoing **(Item 1t)**.
- (iii) (April 11, 2001) from the City Clerk, entitled “City of Toronto 2001 Capital and Operating Budgets (All Wards)”, advising that the Budget Advisory Committee on April 2 and 6, 2001, recommended to the Policy and Finance Committee, and Council, the adoption of the reports, listed in Appendix 1, such reports having been incorporated in the recommendations from the Chief Financial Officer and Treasurer respecting the City of Toronto 2001 Recommended Capital and Operating Budgets; and that the Budget Advisory Committee:
- (a) received the reports containing recommendations, listed in Appendix 2; and
- (b) received the reports and communications, listed in Appendix 3, copies of which are on file in the office of the City Clerk;
- (iv) (April 5, 2001) from Councillor Anne Johnston, Seniors’ Advocate, expressing deep concern regarding the Recommendation of the Budget Advisory Committee to “delay the proposed new Scarborough Home until 2002”; and requesting the Policy and Finance Committee to reconsider this decision;
- (v) (April 17, 2001) from Councillor Joe Mihevc, St. Paul’s, recommending that the Public Health budget be increased by \$317,300.00 to support the restaurant disclosure program; that, in addition, an increase of \$400,000.00 be added to maintain current services; that a value added/efficiency review approved by the Board of Health be undertaken and should savings/efficiencies be realized within 2001, the budget to be adjusted accordingly; and furthermore that the Chief Financial Officer and Treasurer provide \$2,218,000.00 in the City’s Non-Program accounts for the Information Technology leasing program and other costs;
- (vi) (April 12, 2001) from Ms. Ann Dembinski, President, Local 79, Canadian Union of Public Employees (CUPE), expressing serious objections to the budget that has been proposed and requesting that the Policy and Finance Committee preserve Toronto’s reputation as a “liveable City” by working towards an equitable deal with the Province while maintaining the programs and services that make Toronto a vibrant and healthy City;
- (vii) (April 10, 2001) from Mr. Peter Clutterbuck, Senior Program Manager, Community Social Planning Council of Toronto, requesting that the Policy and Finance Committee reconsider the construction of a new 178-bed long term care facility in Scarborough;

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- (viii) (April 10, 2001) from Ms. Judy Darcy, National President Canadian Union of Public Employees, expressing support for the construction of a new city-run home for the aged in Scarborough;
- (ix) (March 29, 2001) from Mr. Paul A.W. Gamble, DrPH, Chairman, Advisory Committee on Homes for the Aged, Ryerson University, expressing deep concern that the Budget Advisory Committee did not support the addition of the proposed new Scarborough Home in the Homes for the Aged Division's capital budget request; and requesting that the Policy and Finance Committee reconsider this issue and approve the budget for the proposed new Scarborough Home, contingent upon the Ministry of Health and Long Term Care (MOHLTC) approval;
- (x) (April 5, 2001) from Mr. Wayne Samuelson, President, Ontario Federation of Labour, expressing support for the City of Toronto's application to the Province for a Home for the Aged in Scarborough;
- (xi) (March 29, 2001) from Dr. Ming Tat Cheung, President and Chairman, Chinese Cultural Centre of Greater Toronto, addressed to Councillor David Shiner, Chair, Budget Advisory Committee, respecting "2001 Capital Budget – Economic Development, Culture And Tourism – Classical Chinese Garden" requesting that Phase II of the Chinese Cultural Centre project be expedited;
- (xii) (Undated) from Mr. Stig Harvor forwarding comments respecting the City of Toronto's budget situation;
- (xiii) (October 24, 2000) from Mr. Ib A. Amonsens, forwarding comments respecting the City of Toronto's budget on behalf of the Multiple Dwelling Standards Association which is an apartment owners organization which has been representing owners of small apartment buildings in Ontario with a total of about 62,000 apartment units;
- (xiv) (April 5, 2001) from Mr. Don Wackley, Co-Chair, Ontario Society (Coalition) of Senior Citizens' Organizations, suggesting that in the face of the growing needs of seniors for an additional Home for the Aged in Scarborough, that City Council create this long term care facility in Scarborough; and advising that an investment today in a superior facility is one that many City residents will benefit from tomorrow;
- (xv) (April 11, 2001) from the President, Canadian Pensioners Concerned, Inc., Ontario Division, respecting the City of Toronto's Application for a new 178 bed Home for the Aged facility; and
- (xvi) (April 17, 2001) from the President, United Way of Greater Toronto, respecting the Consolidated Grants Program and the proposed cuts to the Community Services Grants Program.

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The following persons appeared before the Policy and Finance Committee in connection with the foregoing matter:

- Mr. Paul York, on behalf of the Greater Toronto Tenants Association;
- Ms. Pam Jolliffe, Executive Director, Fred Victor Centre, and filed a submission in regard thereto;
- The Reverend Terence Finlay, Archbishop of Toronto, Anglican Diocese of Toronto; Rabbi Arthur Bielfeld, Temple Emanu-El; and The Reverend Dr. Karen Hamilton, President, Toronto Conference, The United Church of Canada, who also spoke on behalf of Ms. Ann Fitzpatrick, Children's Aid Society of Toronto, and filed a submission in regard thereto;
- Mr. Barry Rieder, Jane Finch Community Ministry, and filed a submission in regard thereto;
- Mr. John Bessai;
- Mr. Lee Zaslofsky, Advocacy and Media Relations Coordinator, Aids Committee of Toronto;
- Ms. Helen Kennedy, spokesperson, Save our City Campaign, and filed a submission in regard thereto;
- Ms. Josephine Grey, Low Income Families Together;
- Mr. Peter Clutterbuck, Community Social Planning Council of Toronto;
- Mr. Tim Rourke, and filed a submission in regard thereto;
- Mr. Terry Reardon, Etobicoke Federation of Ratepayers and Residents Associations, and filed a submission in regard thereto;
- Ms. Sandy Nimmo, on behalf of Ms. Pat McEndry, City Wide Tenant Council, and filed a submission in regard thereto;
- Ms. Anna Willats, YWCA of Greater Toronto, and filed a submission in regard thereto;
- Ms. Irene Atkinson, Chair, Toronto District School Board; together with Trustees Bruce Davis and Shelley Laskin;
- Mr. Ken Sosa;

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- Mr. Kevin Gregory, Children's Aid Society of Toronto ;
- Ms. Phyllis Dutchak;
- Mr. Mike Foderick, Toronto Youth Cabinet;
- Mr. Adrian Johnston, Chair, Toronto Youth Cabinet;
- Ms. Lily Leung, Toronto Youth Cabinet;
- Mr. Kehinde Bah, Toronto Youth Cabinet;
- Mr. Ryan Teschner, Toronto Youth Cabinet;
- Mr. Brian Cochrane, President, CUPE Local 416, who also gave a video presentation and filed a submission in regard thereto;
- Ms. Ann Dembinski, President, CUPE Local 79;
- Ms. Gina Gignae, National Representative, CUPE Local 416;
- Mr. Tooker Gomberg;
- Mr. Colin Hughes, Toronto Campaign 2000;
- Mr. John Sewell, Committee for Fair City Taxes, and filed a submission in regard thereto;
- Ms. Bronwyn Fitz-James, Wabash Community Recreation Centre Working Group, and filed a submission in regard thereto;
- Ms. Alije Ozturk, and filed a submission in regard thereto;
- Ms. Linda Karageorgos, Coalition for Student Nutrition, and filed a submission in regard thereto;
- Ms. Irene Waldman, and filed a submission in regard thereto;
- Mr. Stig Harvor, and filed a submission in regard thereto;
- Mr. David Rew;
- Ms. Edith Lam, Chinese Inter Agency Network, and filed a submission in regard thereto;

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- Mr. Gerard Van Deelen, Chair, Issues and Actions Committee, Toronto York Region Labour Council;
- Mr. Colin Madison;
- Ms. Grace Valentini;
- Mr. Breton Madison-MacIntyre;
- Mr. Ben Eisen, and filed a submission in regard thereto;
- Mr. Alan Burke, President, East Beach Community Association;
- Mr. Terry Russell;
- Mr. John Wilson, and filed a submission in regard thereto;
- Ms. Sunshine Smith;
- Mr. Oudit Raghbir;
- Ms. Jane Mercer, Executive Coordinator, Toronto Coalition for Better Child Care;
- Mr. Paul Federico, Community Relations Director, Toronto Military Heritage Association, and filed a submission in regard thereto;
- Ms. Fiona Nelson, and filed a submission in regard thereto;
- Mr. John Cartwright, Business Manager, Construction Trades Council, and filed a submission in regard thereto;
- Ms. Barbara McCarron;
- Mr. Ib Amonsén;
- Mr. V. Jeevaratham;
- Mr. Robert Koil, Ethno Cultural Seniors Group;
- Mr. Geoffrey Geduld, Chair, Toronto Historical Museums Board, and filed a submission in regard thereto;
- Ms. Ann Rowan, President, Toronto Historical Association;



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- Mr. Terry Russell on behalf of Ms. Marion Joppe, Chair, Heritage Toronto, and filed a submission in regard thereto;
- Mr. Robert Mifflin on behalf of Ms. Janette McPherson, Chair, Board of Management, Pier Museum, and filed a submission in regard thereto;
- Mr. George James, who also addressed the Committee on behalf of Ms. Nancy Abbey and Ms. Annette Helou, and filed a submission in regard thereto;
- Mr. Tom Steers;
- Mr. Joe Gill, Chair, The Friends of Fort York, and filed a submission in regard thereto;
- Ms. Ameeta Bangur, and filed a submission in regard thereto;
- Ms. Danielle Urquhart, employee, Pier Museum;
- Mrs. Sophie Zeber; and
- Mr. Steven Burdick, Chair, CUPE Library Workers Committee (Ontario).

The following Members of Council also appeared before the Policy and Finance Committee in connection with the foregoing matter:

- Councillor Raymond Cho, Scarborough-Rouge River;
- Councillor Olivia Chow, Trinity-Spadina;
- Councillor Frank Di Giorgio, York South-Weston;
- Councillor Suzan Hall, Etobicoke North;
- Councillor Chris Korwin-Kuczynski, Parkdale-High Park;
- Councillor Jack Layton, Broadview-Greenwood;
- Councillor David Miller, Parkdale-High Park;
- Councillor Howard Moscoe, Eglinton-Lawrence;
- Councillor Frances Nunziata, York South-Weston;
- Councillor Sherene Shaw, Scarborough-Agincourt; and

- Councillor David Soknacki, Scarborough East.

**(Note: All submissions filed with Minute No. 4-1(b))**

(Councillor David Shiner declared his interest in those portions of the Budget respecting Information Technology in that a Member of his family has worked in this field in the past and may do so in the future).

- A. Councillor McConnell moved, on behalf of Councillor Chow, the adoption of the 2001 Capital Budget subject to the adoption of the recommendation of the Community Services Committee of February 26, 2001, i.e. that the 2001-2005 Capital Program be adopted subject to:
  - (a) approving the proposed new 178 bed Home for the Aged in Ward 35 – Scarborough Southwest, as recommended in the report dated January 24, 2001, from the Commissioner of Community and Neighbourhood Services and that funds in the amount of \$1 M be included in the budget for this purpose; and
  - (b) deferring the Site Redevelopment Project for True Davidson Acres until the period 2004-2006, providing the new Home for the Aged in Scarborough is approved and that the budget be reduced accordingly by \$4.8 M, for a net reduction of \$3.8 M. **(Lost)**
- B. Councillor Shiner moved that the Policy and Finance Committee:
  - (A) recommend to Council the adoption of the report (April 12, 2001) from the Chair, Budget Advisory Committee subject to:
    - (I) striking out the following Recommendation No. (10):
      - “(10) the balance of the Non-Tax Supported and Other Capital Program, as outlined in Appendix A-1, including TEDCO, Water Supply and Wastewater be deferred for consideration and reviewed prior to Council’s final approval of the 2001 Capital Budget;

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with the Water Supply and Wastewater Capital Program approved by the Works and Emergency Services Committee, and forwarded by the Budget Advisory Committee to the Policy and Finance Committee without recommendation;"; and

- (II) the Parks and Recreation Capital Budget respecting the St. James Town Project, being reduced to \$8.3 M to reflect a deferral of the pool component of the Project in light of the Toronto District School Board's intention in regard thereto;
- (B) request the Commissioner of Economic Development, Culture and Tourism to submit a report directly to Council for its meeting scheduled to be held on April 24, 2001, identifying the type of recreation centre that can be built for the \$8.3 M identified in the aforementioned Committee Recommendation No. (A) (II), and how the pool component and library component can be phased-in; and
- (C) defer consideration of the Toronto Port Authority Capital Budget of \$7.891 M, and the TEDCO Budget of \$6.911 M, until the Budget Advisory Committee gives consideration thereto in May, 2001. **(Carried)**

Councillor Lindsay Luby moved that the Policy and Finance Committee recommend to Council the adoption of the report (April 11, 2001) from the Chief Financial Officer and Treasurer, entitled "Recommended 2001-2005 Tax Supported Capital Plan Debt and Debt Service Impact", wherein it is recommended that:

- "(1) the Chief Financial Officer and Treasurer report on any changes necessary to the capital financing plan should major funding changes occur following approval of the 2001- 2005 Capital Works Program, such as new senior government support for the City's capital program;
- (2) Council again request that the federal and provincial governments provide the City with sustained ongoing funding to support the City's capital program and help maintain the competitiveness and financial sustainability of Toronto;

- (3) Council again request the provincial government to forgive the \$200 million in loans provided to the City to put Toronto on the same basis as other amalgamating cities that received provincial support for transition costs;
- (4) any surplus in the City's Sinking Fund accounts that is released in 2001 and future years be applied to the capital program to reduce borrowing; and
- (5) the appropriate City officials be directed to give effect to the foregoing." **(Carried)**

Mayor Lastman moved that the Policy and Finance Committee recommend to Council:

- (1) that Toronto City Council endorse the 2001-2005 Capital Budget recommendations of the Budget Advisory Committee, as amended by the Policy and Finance Committee; and **(Carried on the following recorded vote:**

**FOR: Kelly, Lastman, Lindsay Luby, McConnell, Ootes, Rae, Shiner**

**AGAINST: Minnan-Wong)**

- (2) that any recommendations to increase City spending on programs beyond those recommended by the Policy and Finance Committee, also include the identification of the savings and/or revenue source required to achieve this goal. **(Carried on the following recorded vote:**

**FOR: Kelly, Lastman, Lindsay Luby, Ootes, Shiner**

**AGAINST: Bussin, McConnell, Minnan-Wong, Rae)**

**The decision of the Policy and Finance Committee, therefore, is as follows:**

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The Policy and Finance Committee:

- (I) recommended to Council:
  - (A) the adoption of the report (April 12, 2001) from the Chair, Budget Advisory Committee subject to:
    - (I) striking out the following Recommendation No. (10):
      - “(10) the balance of the Non-Tax Supported and Other Capital Program, as outlined in Appendix A-1, including TEDCO, Water Supply and Wastewater be deferred for consideration and reviewed prior to Council’s final approval of the 2001 Capital Budget; with the Water Supply and Wastewater Capital Program approved by the Works and Emergency Services Committee, and forwarded by the Budget Advisory Committee to the Policy and Finance Committee without recommendation;” and
    - (II) the Parks and Recreation Capital Budget respecting the St. James Town Project, being reduced to \$8.3 M to reflect a deferral of the pool component of the Project in light of the Toronto District School Board’s intention in regard thereto;
  - (B) that Toronto City Council endorse the 2001-2005 Capital Budget recommendations of the Budget Advisory Committee, as amended by the Policy and Finance Committee;
  - (C) that any recommendations to increase City spending on programs beyond those recommended by the Policy and Finance Committee, also include the identification of the savings and/or revenue source required to achieve this goal; and
  - (D) the adoption of the report (April 11, 2001) from the Chief Financial Officer and Treasurer, entitled “Recommended 2001-2005 Tax Supported Capital Plan Debt and Debt Service Impact”, wherein it is recommended that:
    - “(1) the Chief Financial Officer and Treasurer report on any changes necessary to the capital financing plan should major funding changes occur following approval of the 2001- 2005 Capital Works Program, such as new senior government support for the City’s capital program;

- (2) Council again request that the federal and provincial governments provide the City with sustained ongoing funding to support the City's capital program and help maintain the competitiveness and financial sustainability of Toronto;
  - (3) Council again request the provincial government to forgive the \$200 million in loans provided to the City to put Toronto on the same basis as other amalgamating cities that received provincial support for transition costs;
  - (4) any surplus in the City's Sinking Fund accounts that is released in 2001 and future years be applied to the capital program to reduce borrowing; and
  - (5) the appropriate City officials be directed to give effect to the foregoing."; and
- (II) requested the Commissioner of Economic Development, Culture and Tourism to submit a report directly to Council for its meeting scheduled to be held on April 24, 2001, identifying the type of recreation centre that can be built for the \$8.3 M identified in the aforementioned Committee Recommendation No. (A) (II), and how the pool component and library component can be phased-in; and
- (III) deferred consideration of the Toronto Port Authority Capital Budget of \$7.891 M, and the TEDCO Budget of \$6.911 M , until the Budget Advisory Committee gives consideration thereto in May, 2001.

(Commissioner of Economic Development, Culture and Tourism; c. Budget Advisory Committee; Chief Financial Officer and Treasurer – April 17, 2001)

**(Clause No. 1 – Report No. 5)**

**4-1(b). City of Toronto 2001 Operating Budget.**

The Policy and Finance Committee had before it the following reports and communications:

- (i) (April 11, 2001) from the Chair, Budget Advisory Committee, entitled "2001 Recommended Operating Budget", presenting the 2001 Recommended Operating Budget for the City of Toronto's Departments, Agencies, Boards and Commissions; advising that this report also provides an overview of the operating budget process and highlights the recommended base budget and new service changes for 2001;

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- (ii) (April 10, 2001) from the Chief Financial Officer and Treasurer entitled “2001 Operating Budget – Amendments to Budget Advisory Committee’s Recommendations”, reporting on various amendments to the Budget Advisory Committee’s Recommended 2001 Operating Budget; advising that the adoption of the adjustments in the report will reduce the Budget Advisory Committee 2001 Operating Budget net pressure from \$173.0 million to \$98 million; that the City’s property tax increase on only the residential property class imposed by Bill 140 is reduced from 18.0 percent to 10.2 percent; that because the City’s share of the residential property tax bill is approximately 2/3, this will mean a 6.8 percent increase on the total tax bill; and recommending that the adjustments contained in this report be adopted;
  
- (iii) Copy of Mayor’s Remarks to the Budget Advisory Committee on April 11, 2001, respecting the City Of Toronto’s Operating Budget; advising, amongst other things, that the Province has agreed to a number of regulation changes which will reduce the pressure on the Operating Budget by \$75 million, including the following:
  - (a) \$45 million through a CVA tax shift;
  - (b) \$6 million in PST relief for the purchase of TTC subway cars;
  - (c) another \$6 million by allowing the city to use the old CVA values for G.T.A. pooling;
  - (d) \$1.5 million in Technology Transition funding for Social Services;
  - (e) a \$1 million reduction in the administration costs billed to Social Services;
  - (f) \$3.5 million in savings as a result of reduced debt-carrying costs; and
  - (g) the City transferring \$12 million from Woodbine Race Track in game revenues;
  
- (iv) (April 11, 2001) from the City Clerk entitled “City of Toronto 2001 Capital and Operating Budgets (All Wards)”, advising that the Budget Advisory Committee on April 2 and 6, 2001, recommended to the Policy and Finance Committee, and Council, the adoption of the reports, listed in Appendix 1, such reports having been incorporated in the recommendations from the Chief Financial Officer and Treasurer respecting the City of Toronto 2001 Recommended Capital and Operating Budgets; and that the Budget Advisory Committee:
  - (a) received the reports containing recommendations, listed in Appendix 2; and

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- (b) received the reports and communications, listed in Appendix 3, copies of which are on file in the office of the City Clerk;

**(The foregoing communication has been filed with Minute No. 4-1(a))**

- (v) (April 6, 2001) from the Chief Administrative Officer entitled “Corporate Environmental Initiatives for 2001”, addressed to the Budget Advisory Committee, recommending that:
  - (1) the Chief Administrative Officer provide an annual, co-ordinated work plan to implement the Environmental Plan initiatives in a phased manner, for consideration with the annual budget process, starting with the 2002 process;
  - (2) funding in the amount of \$972,630 (net) be provided in various programs’ 2001 operating budgets to proceed with the Environmental Plan Initiatives as outlined in Appendix II of this report; and
  - (3) the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto;
- (vi) (April 3, 2001) from Councillor Jack Layton, Chair, Advisory Committee on Homeless and Socially Isolated Persons, advising that on February 12, 2001, the Community Services Committee adopted a motion asking City Council to “direct the Commissioner of Community and Neighbourhood Services to add 1,000 new beds to the emergency shelter system over the next year; and further to report thereon to the Budget Advisory Committee during the 2001 budget process on the implementation of adding such beds to the system, and requesting that the Budget Advisory Committee be urged to fund rapid emergency shelter expansion”; that the Budget Advisory Committee on March 20, 2001, did not approve the motion to add 1,000 new beds; and requesting the Policy and Finance Committee to reconsider the decision of the Budget Advisory Committee and instead support the motion adopted by the Community and Neighbourhood Services Committee;
- (vii) (March 28, 2001) from the City Clerk, entitled “Works and Emergency Services 2001 Operating Budget – Transportation Services”, advising that the Works Committee at its meeting on March 28, 2001, during further consideration of the 2001 Operating Budget submission for Transportation Services, adopted the following motion:

“Be it resolved that the Works Committee advise the Policy and Finance Committee at its next meeting that the Works Committee is very disappointed with the Budget Advisory Committee actions on the



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Transportation Services budget with regard to sidewalk snow clearing in North York being reinstated for the period November – December 2001 without foresight to the \$600,000 annualized costs, which is very discriminatory to the rest of the City;

Be it further resolved that the Policy and Finance Committee be made aware that the Works Committee, which is responsible for overseeing this department, rationally had staff renegotiate, without cost, a fair and equitable sidewalk program of improved snow clearing in front of schools, parks, libraries, and community centres which are areas of concern to the larger Toronto community; and

Be it further resolved that the Works Committee reconfirm its position and request the Policy and Finance Committee and Council to reverse the Budget Advisory Committee recommendation, to send a clear message to all Torontonians that the City of Toronto is amalgamated and wishes to treat all citizens in a fair and equitable manner.”;

- (viii) (February 20, 2001) from the City Clerk, Advising that the Toronto Cycling Committee on February 19, 2001, requested that:
- (1) that the \$108,000.00 operating budget be reinstated into the 2001 City budget for final consideration by City Council;
  - (2) that the Toronto Cycling Committee members appear concerning the cycling budget at the Joint Meeting of the Policy and Finance Committee on Friday, February 23, 2001, and that the Toronto Cycling Committee also present deputation at further Committee meetings, where possible;
  - (3) that the Urban Development Services Department list the cycling programs as a separate line item in all future budget submissions in order that the confusion resulting from the budget documents this year can be avoided; and
  - (4) that the following members of the Toronto Cycling Committee be listed as deputants at the February 23, 2001 meeting of the Policy and Finance Committee:
    - (a) Mr. Israel Chackowicz, CAN-BIKE Instructor;
    - (b) Mr. Crawford Murphy, representing Toronto Catholic District School Board;
    - (c) Mr. Ron Hart, representing North York Cycling and Pedestrian Committee; and

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- (d) Mr. Martin Koob, representing Toronto Bicycling Network;
- (ix) (April 12, 2001) from the Secretary, Board of Health, entitled "Child Nutrition Programs in Toronto", advising that the Board of Health on April 10, 2001, during its consideration of a report (March 23, 2001) from the Medical Officer of Health, entitled "Child Nutrition Programs in Toronto", recommended to the Policy and Finance Committee and Council, that the proposed 2.5 percent reduction in funding to Child Nutrition Programs (which equals 40,000 meals) not be adopted; and, further, that the eight elementary schools that have not received municipal funding for this school year, under the Child Nutrition Program, receive funds in the amount of \$60,000.00;
- (x) (April 12, 2001) from the Secretary, Board of Health, entitled "Toronto Public Health Budget 2001", advising that the Board of Health on April 10, 2001, recommended that:
  - (1) the Policy and Finance Committee reverse the Budget Advisory Committee's most recent recommendations (of April 6, 2001) and restore funding to the Toronto Public Health Budget to the amount of \$63,438,500.00 (net) as recommended by the Budget Advisory Committee on March 26, 2001;
  - (2) the City Auditor be requested to:
    - (a) investigate and account for the \$13.2 million interdepartmental charges in the Toronto Public Health budget and report back to the Board of Health and the Budget Advisory Committee; and
    - (b) investigate and report back to the Board of Health and the Budget Advisory Committee on a competitive process whereby the IT program could be out-sourced; and
  - (3) \$317,000.00 (net), \$634,000.00 (gross) be reinstated for the food premises disclosure system;
- (xi) (April 12, 2001) from the Chair, Toronto District School Board, entitled "Financial Accord between the City of Toronto and the Toronto District School Board", recommending that
  - (1) the City and the TDSB establish a stable funding protocol that would provide predictable and stable inter-organization funding for a three-year period;

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- (2) the City transfer school board tax revenues to the Toronto District School Board within 15 days of the tax payment due date at an estimated annual cost of \$6-million to \$8-million;
- (3) the City's Parks and Recreation Department contribute to the community-use of schools to offset new permit fees implemented by the TDSB effective September 2000 at an estimated annual cost of \$6-million to \$9-million;
- (4) that City's Commissioner of Economic Development, Parks and Tourism and the TDSB's Executive Officer, Business Services report by September 2001 on the potential for a consolidated permit issuing office between the two organisations;
- (5) the City's Parks and Recreation Department contribute to the operational costs of 41 of the TDSB's 85 swimming pools at an estimated annual net cost of \$4.2 million. See Appendix A for a list of the 41 pools and the operating costs;
- (6) that the City restore its level of grants to the TDSB nutrition programs at an annual estimated cost of \$215,000 thousand;
- (7) that there be no charge to the TDSB for the collection of waste or recyclables from the 600 TDSB locations at an estimated annual cost to the TDSB of \$2.5-million;
- (8) that the TDSB agree, in principle, to accommodate "before and after school" children's programs in TDSB schools at no charge where these programs are funded in whole or in part by the City and where space is available between 8:00 am. and 6:00 p.m., Monday to Friday;
- (9) that the issue of landscaping and snow removal at TDSB's 560 schools be referred to a working group of TDSB and City officials with the objective of maintaining operational effectiveness, maximizing the utilization of specialized equipment and minimizing operational costs and that the Commissioner of Works and Emergency Services and the TDSB's Executive Officer, Facilities Services report on this matter by September, 2001;
- (10) that the Commissioner of Corporate Services and the TDSB's Executive Officer, Facilities Services report to the Policy and Finance Committee and the Toronto District School Board's Business and Facilities Committee on the status of negotiations over the TDSB's administrative buildings at 1 Civic Centre Court, 5050 Yonge Street, the Scarborough Civic Centre and leasing at 2 Trethewey;

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- (11) that City's Treasurer and Chief Financial Officer and the TDSB's Executive Officer of Business Services report by September 2001 on the potential for increased co-operative purchasing between the two organizations;
  - (12) that the Commissioner of Urban Development Services and the TDSB Executive Officer of Facilities Services report by September 2001 on the impact of waiving building fees, planning application fees, and development charges on school and residential construction projects implemented by the TDSB;
  - (13) that the Chief Administrative Officer, the Commissioner of Works and Emergency Services and the TDSB's Executive Officer of Facilities Services report by September 2001 to the Policy and Finance Committee and the TDSB Business and Facilities Committee on the strategic importance of the TDSB as a customer of Toronto Hydro and on ways of building alliances between Toronto Hydro, the City, the Toronto Atmospheric Fund, the Better Buildings Partnership and the TDSB to increase energy efficiency and reduce energy costs to the TDSB; and
  - (14) that the Commissioner of Corporate Services report to the Policy and Finance Committee by September 2001 on the potential for including the TDSB in the Better Transportation Partnership;
- (xii) (April 12, 2001) from Ms. Ann Dembinski, President, Local 79, Canadian Union of Public Employees (CUPE), forwarding comments respecting the 2001 Operating and Capital Budgets; and urging the Policy and Finance Committee to preserve the reputation of the City by working towards an equitable deal with the Province while maintaining the programs and services that make Toronto a vibrant and healthy City;
  - (xiii) (April 17, 2001) from the Commissioner of Economic Development, Culture and Tourism, entitled "Corporate Environmental Initiatives for 2001 (All Wards)", responding to the Budget Advisory Committee request for a report on the proposed Environmental Plan Initiatives for 2001; and recommending that the report be received for information;
  - (xiv) (Undated) from Mr. Stig Harvor, forwarding his concerns respecting the financial situation of the City;
  - (xv) (October 24, 2000) from Mr. Ib Amonsén forwarding comments respecting the City of Toronto's budget on behalf of the Multiple Dwelling Standards Association which is an apartment owners organization which has been representing owners of small apartment buildings in Ontario with a total of about 62,000 apartment units;

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- (xvi) communications to the Mayor, and his response in regard thereto, from the following individuals respecting support for the Toronto Police Service helicopter; suggestions on how the City of Toronto can reach an efficient operating budget; and suggestions on bi-weekly garbage pick-up and re-establishing truck routes due to the new City of Toronto boundaries:
- Dr. Grant Angus Farrow;
  - Mr. Claude A. de Souza;
  - Mr. Peter Schlecht;
  - Mr. Don York;
  - Mr. C.B. Winn;
  - Mr. W. Howieson;
  - Mr. Arran Shommans;
  - Mr. Ronald Marion;
  - Ms. Heather Jamieson; and
  - Mr. P. Ryan.
- (xvii) (April 11, 2001) from Gerda Kaegi, President, Canadian Pensioners Concerned, Inc., Ontario Division, in support of the application for a new 178-bed long term care facility for the Scarborough area;
- (xviii) (April 17, 2001) from Mr. Vincent Rodo, General Secretary, Toronto Transit Commission, advising that in order to balance their budget, TTC fares will increase and consultations will take place to discuss possible 2002 service cuts;
- (xix) (April 17, 2001) from Dr. Hazel Stewart, Toronto Public Health, providing a briefing note with respect to an analysis of dental program costs;
- (xx) (April 12, 2001) from Ms. Helen Riley, requesting that funding be restored for various social programs now that the tax increase has been reduced from 18 per cent to 5 per cent;
- (xxi) (April 17, 2001) from Mr. Thomas Steers, regarding City of Toronto Fire Services;

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- (xxii) (April 17, 2001) from H. J. Watson, regarding the impact of user fees from a seniors perspective and cuts to dental services which is currently provided to 32,500 seniors and children;
- (xxiii) (April 17, 2001) from Mr. Joe Gill, Chair, The Friends of Fort York and Garrison Common, urging Council not to close the Pier Museum until a thorough report has been presented outlining the pros and cons of the Pier Museum remaining in its present location and if this location is not appropriate, provide a specific proposal to move the museum to another location which will be more appropriate;
- (xxiv) (April 17, 2001) from Mr. Brian Cochrane, President, Toronto Civic Employees Union, Local 416, providing a budget proposal to streamline staff selection; prevent program cuts; and the reduction of hours of service in Toronto Public Library Branches;
- (xxv) (April 17, 2001) from Ms. Anne Golden, President, United Way of Greater Toronto, regarding the Consolidated Grants Program and proposed cuts of the Community Services Grants Program;
- (xxvi) (April 16, 2001) from Mr. Walter Hucker, providing suggestions for reducing the burden on property owners in the City of Toronto; and
- (xxvii) (April 17, 2001) from Ms. Melanie Hare, urging Committee and Council to consider including the Wabash Recreation Centre within the 2001 City Budget.

The following persons appeared before the Policy and Finance Committee in connection with the foregoing matter:

- Mr. Paul York, on behalf of the Greater Toronto Tenants Association;
- Ms. Pam Jolliffe, Executive Director, Fred Victor Centre, and filed a submission in regard thereto;
- The Reverend Terence Finlay, Archbishop of Toronto, Anglican Diocese of Toronto; Rabbi Arthur Bielfeld, Temple Emanu-El; and The Reverend Dr. Karen Hamilton, President, Toronto Conference, The United Church of Canada, who also spoke on behalf of Ms. Ann Fitzpatrick, Children's Aid Society of Toronto, and filed a submission in regard thereto;
- Mr. Barry Rieder, Jane Finch Community Ministry, and filed a submission in regard thereto;
- Mr. John Bessai;

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- Mr. Lee Zaslofsky, Advocacy and Media Relations Coordinator, Aids Committee of Toronto;
- Ms. Helen Kennedy, spokesperson, Save our City Campaign, and filed a submission (canvas poster) in regard thereto;
- Ms. Josephine Grey, Low Income Families Together;
- Mr. Peter Clutterbuck, Community Social Planning Council of Toronto;
- Mr. Tim Rourke, and filed a submission in regard thereto;
- Mr. Terry Reardon, Etobicoke Federation of Ratepayers and Residents Associations, and filed a submission in regard thereto;
- Ms. Sandy Nimmo, on behalf of Ms. Pat McEndry, City Wide Tenant Council, and filed a submission in regard thereto;
- Ms. Anna Willats, YWCA of Greater Toronto, and filed a submission in regard thereto;
- Ms. Irene Atkinson, Chair, Toronto District School Board; together with Trustees Bruce Davis and Shelley Laskin;
- Mr. Ken Sosa;
- Mr. Kevin Gregory, Children's Aid Society of Toronto ;
- Ms. Phyllis Dutchak;
- Mr. Mike Foderick, Toronto Youth Cabinet;
- Mr. Adrian Johnston, Chair, Toronto Youth Cabinet;
- Ms. Lily Leung, Toronto Youth Cabinet;
- Mr. Kehinde Bah, Toronto Youth Cabinet;
- Mr. Ryan Teschner, Toronto Youth Cabinet;
- Mr. Brian Cochrane, President, CUPE Local 416, who also gave a video presentation and filed a submission in regard thereto;
- Ms. Ann Dembinski, President, CUPE Local 79;

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- Ms. Gina Gignae, National Representative, CUPE Local 416;
- Mr. Tooker Gomberg;
- Mr. Colin Hughes, Toronto Campaign 2000;
- Mr. John Sewell, Committee for Fair City Taxes, and filed a submission in regard thereto;
- Ms. Bronwyn Fitz-James, Wabash Community Recreation Centre Working Group, and filed a submission in regard thereto;
- Ms. Alije Ozturk, and filed a submission in regard thereto;
- Ms. Linda Karageorgos, Coalition for Student Nutrition, and filed a submission in regard thereto;
- Ms. Irene Waldman, and filed a submission in regard thereto;
- Mr. Stig Harvor, and filed a submission in regard thereto;
- Mr. David Rew;
- Ms. Edith Lam, Chinese Inter Agency Network, and filed a submission in regard thereto;
- Mr. Gerard Van Deelen, Chair, Issues and Actions Committee, Toronto York Region Labour Council;
- Mr. Colin Madison;
- Ms. Grace Valentini;
- Mr. Breton Madison-MacIntyre;
- Mr. Ben Eisen, and filed a submission in regard thereto;
- Mr. Alan Burke, President, East Beach Community Association;
- Mr. Terry Russell;
- Mr. John Wilson, and filed a submission in regard thereto;
- Ms. Sunshine Smith;



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- Mr. Oudit Raghbir;
- Ms. Jane Mercer, Executive Coordinator, Toronto Coalition for Better Child Care;
- Mr. Paul Federico, Community Relations Director, Toronto Military Heritage Association, and filed a submission in regard thereto;
- Ms. Fiona Nelson, and filed a submission in regard thereto;
- Mr. John Cartwright, Business Manager, Construction Trades Council, and filed a submission in regard thereto;
- Ms. Barbara McCarron;
- Mr. Ib Amonsén;
- Mr. V. Jeevaratham;
- Mr. Robert Koil, Ethno Cultural Seniors Group;
- Mr. Geoffrey Geduld, Chair, Toronto Historical Museums Board, and filed a submission in regard thereto;
- Ms. Ann Rowan, President, Toronto Historical Association;
- Mr. Terry Russell on behalf of Ms. Marion Joppe, Chair, Heritage Toronto, and filed a submission in regard thereto;
- Mr. Robert Mifflin on behalf of Ms. Janette McPherson, Chair, Board of Management, Pier Museum, and filed a submission in regard thereto;
- Mr. George James, who also addressed the Committee on behalf of Ms. Nancy Abbey and Ms. Annette Helou, and filed a submission in regard thereto;
- Mr. Tom Steers;
- Mr. Joe Gill, Chair, The Friends of Fort York, and filed a submission in regard thereto;
- Ms. Ameeta Bangur, and filed a submission in regard thereto;
- Ms. Danielle Urquhart, employee, Pier Museum;
- Mrs. Sophie Zeber; and

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- Mr. Steven Burdick, Chair, CUPE Library Workers Committee (Ontario).

The following Members of Council also appeared before the Policy and Finance Committee in connection with the foregoing matter:

- Councillor Raymond Cho, Scarborough-Rouge River;
- Councillor Olivia Chow, Trinity-Spadina;
- Councillor Frank Di Giorgio, York South-Weston;
- Councillor Suzan Hall, Etobicoke North;
- Councillor Chris Korwin-Kuczynski, Parkdale-High Park;
- Councillor Jack Layton, Broadview-Greenwood;
- Councillor David Miller, Parkdale-High Park;
- Councillor Howard Moscoe, Eglinton-Lawrence;
- Councillor Frances Nunziata, York South-Weston;
- Councillor Sherene Shaw, Scarborough-Agincourt; and
- Councillor David Soknacki, Scarborough East.

(Councillor David Shiner declared his interest in those portions of the Budget respecting Information Technology in that a Member of his family has worked in this field in the past and may do so in the future).

(A) Community and Neighbourhood Services – Children’s Services:

- A. Councillor Rae moved, on behalf of Councillor McConnell, who had to leave the meeting that the Policy and Finance Committee recommend to Council that the Children’s Services Operating Budget be approved subject to the following amendment:

“that \$160,000 be restored to the Children’s Services Budget to fund one-third of the York Before and After School Program, and that approval be subject to receiving one-third from the Toronto District School Board and one-third from parents providing funding in an equal amount.” **(Carried)**

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- B. Councillor Rae moved, on behalf of Councillor McConnell, who had to leave the meeting that the Policy and Finance Committee recommend to Council that \$3 M be restored to the Children's Services Operating Budget for the expansion of day care spaces (2,000) in the event that the provincial government cost shares this cost. **(Lost on the following recorded vote:**

**FOR: Bussin, Rae**

**AGAINST: Kelly, Lastman, Lindsay Luby, Minnan-Wong, Ootes, Shiner)**

A recorded vote on the adoption of the Community and Neighbourhood Services Children's Services Operating Budget, as amended, was as follows:

**FOR: Kelly, Lastman, Lindsay Luby, Minnan-Wong, Ootes, Shiner**

**AGAINST: Bussin, Rae**

- (C) Community and Neighbourhood Services – Shelter, Housing and Support:

- C. Councillor McConnell moved, on behalf of Councillor Chow, that the Policy and Finance Committee recommend to Council that the Shelter, Housing and Support Operating Budget be approved subject to the following amendments:

“(a) that Recommendation No. (15) (ii) embodied in the report (April 11, 2001) from the Chair, Budget Advisory Committee, be amended by adding thereto the following words “especially one in the City of Toronto, and that the Shelter be named “Jordan House”; and

(b) that Recommendation No. (15) (iii) in the aforementioned report be amended by adding thereto the following words “and the Ministry of Community and Social Services”;

so that Recommendation No. (15) embodied in the report (April 11, 2001) from the Chair, Budget Advisory Committee, now reads as follows:

“(15) the report (March 30, 2001) from Commissioner of Community and Neighbourhood Services, entitled “Robertson House Pilot Project for At Risk Pregnant Women” embodying the following recommendations, be adopted:

- (i) Council request that the Ministry of Health fund the annual operating costs of \$171,258 for pregnant mothers’ program at Robertson House;
- (ii) the Province of Ontario be encouraged to expand the pregnant mothers program in all family shelters across Ontario, especially one in the City of Toronto, and that the Shelter be named Jordan House;
- (iii) this report be forwarded to the Ministry of Health and to the Inquest into the death of Jordan Heikamp, and the Ministry of Community and Social Services. **(Carried)**

D. Councillor McConnell moved that the Policy and Finance Committee recommend to Council that:

- (1) \$6.4 M of savings as a result of lower interest rates be allocated to build affordable housing; and
- (2) the Mayor’s Homeless Initiative Fund be reallocated for spending on homeless initiatives. **(Lost)**

The Services Shelter, Housing and Support Operating Budget carried, as amended.

(G) Works and Emergency Services – Solid Waste Management Operating Budget:

- E. Councillor Minnan-Wong moved that the Policy and Finance Committee recommend to Council the elimination of Industrial, Commercial and Institutional garbage collection for a savings of \$2.1 M. **(Lost on the following recorded vote:**

**FOR: Kelly, Minnan-Wong**

**AGAINST: Bussin, Lastman, Lindsay Luby, Ootes, Rae, Shiner)**

- F. Councillor Lindsay Luby moved that the foregoing motion E., moved by Councillor Minnan-Wong, be amended by deferring consideration of the residential component of the Industrial, Commercial and Institutional garbage collection; and that the Commissioner of Works and Emergency Services be requested to report to the Works Committee on the option for ensuring that the residential collection be continued. **(Carried)**

- G. Councillor Bussin moved that the Policy and Finance Committee recommend to Council the adoption of the recommendation of the Works Committee respecting Solid Waste Management Services as reflected in the Budget Advisory Committee recommendations embodied in the report (April 11, 2001) from the Chair, Budget Advisory Committee. **(Carried on the following recorded vote:**

**FOR: Bussin, Kelly, Lastman, Lindsay Luby, Minnan-Wong, Ootes, Rae, Shiner**

**AGAINST: Nil)**

The Solid Waste Management Operating Budget carried.

(K) Works and Emergency Services – Technical Services:

- H. Councillor Bussin moved, on behalf of Councillor Layton, that the Policy and Finance Committee recommend to Council that the Technical Services Operating Budget be approved subject to an amount of \$643,625.00 being allocated to the following three projects:

- (1) the Clean Air Campaign;

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- (2) the Air Emission Reduction Program; and
  - (3) the Pesticide Reduction Program. **(Lost)**
- I. Councillor Lindsay Luby moved that the Policy and Finance Committee recommend to Council that the report (April 6, 2001) from the Chief Administrative Officer, entitled “Corporate Environmental Initiatives for 2001”, embodying the following Recommendations, be received:

“It is recommended that:

- (1) the Chief Administrative Officer be requested to provide an annual, co-ordinated work plan to implement the Environmental Plan initiatives in a phased manner, for consideration with the annual budget process, starting with the 2002 process;
- (2) funding in the amount of \$972,630 (net) be provided in various programs’ 2001 operating budgets to proceed with the Environmental Plan Initiatives as outlined in Appendix II of this report; and
- (3) the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.” (Carried)

The Works and Emergency Services Technical Services Operating Budget carried, as amended.

- (O) Economic Development, Culture and Tourism – Parks and Recreation:
- J. Councillor McConnell moved that the Policy and Finance Committee recommend to Council that \$105,000 be restored to the Parks and Recreation Budget to continue the summer outdoor swim program hours as offered by the former City of Toronto. **(Carried)**
- K. Councillor Bussin moved that the Policy and Finance Committee recommend to Council that:
- (1) the Woodbine/Ashbridges Bay Pilot Project be opened at the same time as the other locations included in the project for paid parking suggested in the report dated March 29, 2001, from the Commissioner of Economic Development, Culture and Tourism, entitled “Parks and Recreation Division – Information Requests on 2001 Operating Budget (All Wards)”; and **(Carried)**
- (2) the Chief Administrative Officer be requested to submit a report to the Policy and Finance Committee on the potential funding model to sustain school pools, to include Riverdale Collegiate, Malvern Collegiate and Monarch Park Collegiate, which is used for disabled persons, and that such report also include consideration of the Etobicoke model in terms of funding. **(Carried, as amended)**
- L. Councillor Minnan-Wong moved that Part (2) of the foregoing motion K, moved by Councillor Bussin, be amended by deleting the words “to include Riverdale Collegiate, Malvern Collegiate and Monarch Park Collegiate, which is used for disabled persons” and substituting therefor “including all relevant pools City-wide”. **(Carried)**
- M. Councillor Shiner moved that the report (April 12, 2001) from the Chair, Toronto District School Board, entitled “Financial Accord Between the City of Toronto and the Toronto District School Board”, be referred to the Budget Advisory Committee for consideration at its first meeting dealing with the 2002 Operating Budget. **(Carried)**

The Parks and Recreation Operating Budget carried, as amended.

(R) Urban Development Services:

- N. Councillor Shiner moved that the Policy and Finance Committee recommend to Council that the Urban Development Services budget be approved subject to amending Recommendation No. (99) embodied in the report (April 11, 2001) from the Chair, Budget Advisory Committee, by deleting the following words “at its next meeting on March 26, 2001”, so that such Recommendation now reads as follows:

“(99) The Commissioner of Urban Development Services be requested to immediately begin to undertake the studies necessary to refine development levies and that the briefing note dated February 15, 2001, on the Costs of Development in Toronto, prepared by the Chief Financial Officer and Treasurer and submitted by Councillor Moscoe, be considered by the Planning and Transportation Committee with a view to recommending that the City aim towards rationalizing development levies for the 2002 budget;”  
**(Carried)**

(V) Corporate Services – Facilities and Real Estate:

- O. Councillor Ootes moved that the Policy and Finance Committee recommend to Council that Recommendation No. (124) embodied in the report (April 11, 2001) from the Chair, Budget Advisory Committee, be amended to read as follows:

“(124) that if any additional specialized legal work is required for the sale of surplus property or the implementation of the Master Accommodation Plan, that this work be undertaken by Legal Division staff and that funds be allocated from the sale of surplus property net proceeds up to a maximum of \$77,200.00 per annum;” **(Carried)**

- P. Councillor Bussin moved that \$17 M be reinstated to the Facilities and Real Estate Operating Budget for the Let’s Build Program.  
**(Lost)**

The Facilities and Real Estate Operating Budget carried, as amended.



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(DD) Council:

Q. Councillor Minnan-Wong moved that the Policy and Finance Committee recommend to Council that:

- (1) the Councillors' Global Office Budget be decreased by \$10,000.00; and
- (2) Recommendation No. 153 embodied in the report (April 11, 2001) from the Chair, Budget Advisory Committee, be amended to read as follows:

“(153) the freezing of Councillors and Council staff current salary levels for two years, commencing with the approval of the 2001 Operating Budget;”. **(Lost)**

The Council Budget carried.

(FF) Toronto Public Health:

R. Councillor Shiner moved that the Policy and Finance Committee recommend to Council:

- (1) that the Public Health Operating Budget be increased by \$717.3 with \$317.3 allocated for the Food Safety disclosure program and \$400.0 to maintain current services, and that this be funded by the additional revenue identified in the report (April 12, 2001) from the Chief Financial Officer and Treasurer, entitled “Tax Impacts of Provincially Imposed Transition Ratios and Education Tax Rates for the 2001 Reassessment Year”;
- (2) that the Capital and Corporate Financing Computer Leasing Program expenditure be increased by \$2.218 M to fund Public Health's IT initiatives; and that Non-Program Revenues – OMERS recovery be increased by \$2.218 M to reflect 2000 actuals updated for 2001. **(Carried)**

S. Councillor Minnan-Wong moved that the Policy and Finance Committee recommend to Council:

- (1) that a value for money audit be conducted by the City Auditor to determine if the current service delivery model can be improved;

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- (2) that the City Auditor be requested to submit a report to the Audit Committee specifically evaluating alternative service delivery and outsourcing models;
- (3) that the Ontario Dental Association be consulted in the preparation of the foregoing requested report; and
- (4) the cost of this audit be assigned to the Public Health Department's Budget. **(Referred)**

T. Councillor Shiner moved that the foregoing motion S., moved by Councillor Minnan-Wong, be referred to the City Auditor; and the Medical Officer and Health be requested to forward all reports from the Medical Officer of Health and consultants in the past, including correspondence from the Ontario Dental Association, respecting an audit of service delivery, to the City Auditor for report thereon to Council, through the Audit Committee, on the best course of action to be taken. **(Carried)**

U. Councillor Bussin moved that the Policy and Finance Committee recommend to Council that the Child Nutrition Program be reinstated in the amount of \$60,000.00. **(Redundant)**

The Public Health Budget carried, as amended.

(GG) Toronto Public Library:

V. Councillor McConnell moved that the Policy and Finance Committee recommend to Council that an amount of \$200,000.00 be restored to the Library Services Budget to prevent cuts in hours of service for the 26 libraries identified. **(Carried, as amended)**

W. Councillor Shiner moved that the foregoing motion V., moved by Councillor McConnell, be amended by replacing the sum of \$200,000.00 with \$100,000.00. **(Carried)**

The Toronto Public Library budget carried, as amended.

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(OO) Toronto Transit Commission:

- X. Councillor Shiner moved that the Policy and Finance Committee recommend to Council that Recommendation No. (204) embodied in the report (April 11, 2001) from the Chair, Budget Advisory Committee, be deleted and the following inserted in lieu thereof:

“(204) that the Chief Financial Officer and Treasurer, after consultation with Agencies, Boards and Commissions, be requested to submit a report to the Policy and Finance Committee on opportunities to reduce benefit costs for the City and the Agencies, Boards and Commissions, including the merging of all benefit carriers to the City;” **(Carried)**

(PP) Toronto Police Service and Toronto Police Services Board:

- Y. Councillor Shiner moved that the Policy and Finance Committee recommend to Council that Recommendation No. (213) embodied in the report (April 11, 2001) from the Chair, Budget Advisory Committee, be amended to read as follows:

“(213) the Toronto Police Services Board, the City Auditor, and the City’s Chief Financial Officer and Treasurer be requested to report to the Budget Advisory Committee regarding the policing expenditures incurred at 23 Division since the opening of Woodbine Casino as directed through Clause No. 1 of Report No. 6 of the Policy and Finance Committee, adopted by Council at its meeting of May 9, 10, and 11, 2000;”. **(Carried)**

(RR) Consolidated Grants:

- Z. Councillor Rae moved on behalf of Councillor McConnell who had to leave the meeting that the Policy and Finance Committee recommend to Council that the 2.5 per cent cut in the Consolidated Grants Budget be restored. **(Lost)**

(SS) Non-Program:

- AA. Councillor Shiner moved that the Policy and Finance Committee recommend to Council the adoption of the following motion:

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“Whereas the Chief Financial Officer and Treasurer identified in her report dated April 10, 2001, entitled “2001 Operating Budget – Amendments to Budget Advisory Committee’s Recommendations”, that the remaining net pressures from the Budget Advisory Committee recommended Operating Budget at \$173.0 M which when taken with Mayor Lastman’s motion embodied in the Policy and Finance Committee Recommendation (II) (ii) reduces the net pressure to \$48 M or a 5 percent residential tax increase; and

Whereas the actual net pressure is \$172.1 M, and that \$900.0 is available to maintain the 5 percent increase,

Be it resolved that the \$900,000 that is available be used to fund the following adjustments:

+ \$160.0      Restore York – Before and After School Program, subject to one-third from the City, one-third from the Toronto District School Board and one-third from parents providing funding in an equal amount;

+\$100.0      Restore reduction to Library Hours of Service;

+\$100.0      Restore outdoor pool harmonization; and

+\$540.0      Reserve Account for possible school pool issue;”.  
**(Carried)**

BB. Councillor McConnell moved that the Policy and Finance Committee recommend to Council:

(1) that Council pursue with the Province of Ontario the fair settlement for the rate of the Provincial Heads and Beds tax as proposed in 1998 which would have increased City revenue by \$17.6 M; and

(2) that AMO be requested to pursue this matter on behalf of all Ontario Municipalities given that there has been no increase in the \$75.00 rate since 1987 and given that an appropriate rate of \$208.00 in 1998 was not implemented;”. **(Carried)**

The Non-Program Budget carried, as amended.

General:

CC. Mayor Lastman moved that the Policy and Finance Committee recommend to Council:

(1) that Toronto City Council endorse:

- (i) the 2001 Operating Budget recommendations of the Budget Advisory Committee, as amended by the Policy and Finance Committee; and
- (ii) the recommended revenue adjustments of \$75 million contained in the report dated April 10, 2001, from the Chief Financial Officer; entitled "2001 Operating Budget – Amendments to Budget Advisory Committee's Recommendations"; **(Carried on the following recorded vote:**

**FOR: Kelly, Lastman, Lindsay Luby, McConnell, Ootes, Rae, Shiner**

**AGAINST: Minnan-Wong)**

(2) that Toronto City Council confirm the use of the \$50 million grant from the Provincial government to be used towards reducing the 2001 Operating Budget pressures; **(Carried on the following recorded vote:**

**FOR: Kelly, Lastman, Lindsay Luby, McConnell, Ootes, Rae, Shiner**

**AGAINST: Minnan-Wong)**

(3) that any recommendations to increase city spending on programs beyond those recommended by the Policy and Finance Committee, also include the identification of the savings and/or revenue source required to achieve this goal; **(Carried on the following recorded vote:**

**FOR: Kelly, Lastman, Lindsay Luby, Ootes, Shiner**

**AGAINST: Bussin, McConnell, Minnan-Wong, Rae)**

- (4) that any recommendations to approve a tax decrease also include the identification of the saving and/or revenue source required to achieve this goal; and **(Carried on the following recorded vote:**

**FOR: Kelly, Lastman, Lindsay Luby, McConnell, Ootes, Rae, Shiner**

**AGAINST: Minnan-Wong)**

- (5) that the Chief Financial Officer and Treasurer be requested to submit a report to the Budget Advisory Committee in May, 2001, on Toronto's future Budget pressures and projected long-term financial condition. **(Carried)**

**The decision of the Policy and Finance Committee, as amended, are contained in Clause No. 2 of Report No. 5 of the Policy and Finance Committee.**

**(Clause No. 2 – Report No. 5)**

**4-2. Water and Wastewater  
2001 Operating Budget and  
2001-2005 Capital Program.**

The Policy and Finance Committee had before it the following communications:

- (i) (April 12, 2001) from the City Clerk, advising that the Budget Advisory Committee on April 11, 2001, amongst other things:
- (1) submitted to the Policy and Finance Committee, without recommendations, the 2001 Capital Budget for Water and Wastewater; and
  - (2) recommended to the Policy and Finance Committee, and Council:
    - (a) the adoption of the 2001 Operating Budget, as presented, subject to the following \$6.6 million of adjustments:
      - (i) adjustments to salary/benefits for additional gapping savings of \$1.1million;
      - (ii) reductions of \$698,100.00 for technical and support service charges from WES;
      - (iii) revised estimate of interest earnings of \$2.2 million;

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- (iv) decrease in non salary expense of \$1.9 million, based on review of 2000 actual expenses; and
  - (v) reductions in the Inter-Departmental charges of \$0.741 million from Finance – Revenue Division for billing, collection and client services;
- (b) that when the water rate and financing options are presented for the 2002-2006 Capital Budgets of the Water and Wastewater Programs, the Chief Financial Officer and Treasurer and the Commissioner of Works and Emergency Services be requested to report to the Budget Advisory Committee and the Works Committee on same, such options to include:
- (i) the total debt to net expenditure ratio being maintained at current levels; and
  - (ii) rate increases being limited to a maximum of 5 percent per year;
- and further the said report also include, but not be limited to:
- (iii) realistic expenditure levels; and
  - (iv) sources of funding;
- (c) that \$50,000.00 be approved to hire consultants for a drainage study at Hogg's Hollow, such study to be funded within the existing operating expenditure as outlined by staff;
- (d) the adoption of Recommendations Nos. (1), (2) and (5) of the joint report (January 24, 2001) from the Commissioner of Works and Emergency Services and the Chief Financial Officer and Treasurer, as recommended by the Works Committee, embodied in the report (February 28, 2001) from the City Clerk, respecting the No Fault Flood Grant Program: Basement Flooding Damages and Clean-up Cost; and
- (e) the adoption of the recommendations of the Works Committee, embodied in the report (March 28, 2001) from the City Clerk, respecting the Universal Metering Program and Implementation of a New Modern Meter Reading Technology;

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- (ii) (March 28, 2001) from the City Clerk, advising that the Works Committee at its meeting on March 28, 2001, during consideration of the Water and Wastewater 2001-2005 Capital Program, referred the following motion to the Policy and Finance Committee for consideration:

Moved by Councillor Balkissoon:

“That the City Auditor be requested to conduct a detailed review of all additions to and withdrawals from the Water and Wastewater reserve accounts since amalgamation;

That such review examine all documentation supporting additions to and withdrawals from the reserve accounts;

That the review also include an examination of the appropriate Council authority for all such transactions, including circumstances where the nature of the reserve may have been changed from a reserve fund to a reserve;

That the review also include consultations with Ernst & Young, the City’s external financial auditors, in order to determine the extent of the audit work conducted by them on reserve transactions; and

That the City Auditor also review the rationale and reasons for the fact that the City’s Water and Wastewater reserve accounts are not subject to a separate financial attest audit by the external City Auditors, Ernst & Young, as was the case at the pre-amalgamation municipalities.”

On motion by Councillor Shiner the Policy and Finance Committee recommended to Council:

- (A) that a 2001 Capital Program of \$221 M be adopted so that no new borrowing is required;
- (B) that the Commissioner of Works and Emergency Services be requested to submit a report to the Works Committee on the amounts for each project and sub-project that are included in the recommended budget; and



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- (C) the adoption of the following Recommendation No. (2) embodied in the communication (April 12, 2001) from the City Clerk, entitled “Water and Wastewater – 2001 Operating and Capital Budget – All Wards”:
- “(2) the Budget Advisory Committee recommends to the Policy and Finance Committee, and Council:
- (a) the adoption of the 2001 Operating Budget, as presented, subject to the following \$6.6 million of adjustments:
- (i) adjustments to salary/benefits for additional gapping savings of \$1.1million;
  - (ii) reductions of \$698,100.00 for technical and support service charges from WES;
  - (iii) revised estimate of interest earnings of \$2.2 million;
  - (iv) decrease in non salary expense of \$1.9 million, based on review of 2000 actual expenses; and
  - (v) reductions in the Inter-Departmental charges of \$0.741 million from Finance – Revenue Division for billing, collection and client services;
- (b) that when the water rate and financing options are presented for the 2002-2006 Capital Budgets of the Water and Wastewater Programs, the Chief Financial Officer and Treasurer and the Commissioner of Works and Emergency Services be requested to report to the Budget Advisory Committee and the Works Committee on same, such options to include:
- (i) the total debt to net expenditure ratio being maintained at current levels; and

- (ii) rate increases being limited to a maximum of 5 percent per year;

and further the said report also include, but not be limited to:

- (iii) realistic expenditure levels; and
  - (iv) sources of funding;
- (c) that \$50,000.00 be approved to hire consultants for a drainage study at Hogg's Hollow, such study to be funded within the existing operating expenditure as outlined by staff;
  - (d) the adoption of Recommendations Nos. (1), (2) and (5) of the joint report (January 24, 2001) from the Commissioner of Works and Emergency Services and the Chief Financial Officer and Treasurer, as recommended by the Works Committee, embodied in the report (February 28, 2001) from the City Clerk, respecting the No Fault Flood Grant Program: Basement Flooding Damages and Clean-up Cost; and
  - (e) the adoption of the recommendations of the Works Committee, embodied in the report (March 28, 2001) from the City Clerk, respecting the Universal Metering Program and Implementation of a New Modern Meter Reading Technology.

**(Clause No. 3 – Report No. 5)**

**4-3. 2001 Ontario Regulation 75/01 Regarding Content and Form of Standardized Property Tax Bill**

The Policy and Finance Committee had before it the following:

- (i) report(April 10, 2001) from the Chief Financial Officer and Treasurer, reporting on the implications of Ontario Regulation 75/01, filed on March 30, 2001, prescribing the form and content of Final Property Tax Bills starting in 2001; and recommending that:

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- (1) if the Minister of Finance has not filed the amending regulation to Ontario Regulation 75/01 by the time that the Policy and Finance Committee deals with this report, the Policy and Finance Committee request the Minister to immediately file a regulation amending Ontario Regulation 75/01 to address the issues of:
    - (a) the placement of the payment stubs and account information on the tax bill; and
    - (b) the use of the same terms (i.e. "Final YYYY Taxes" and "YYYY Tax Cap Adjustment") on different schedules to mean different things; and
  - (2) if the amending regulation is not filed by April 17, 2001, the Policy and Finance Committee request the Minister of Finance to compensate the City for its loss of interest revenue due to the fact that the City is unable to issue its 2001 final tax bills on schedule pending possible amending regulations.
- (ii) drafts of the City of Toronto 2001 Final Property Tax Bill for the various categories.

Councillor Olivia Chow, Trinity-Spadina, appeared before the Policy and Finance Committee in connection with the foregoing matter.

- A. Councillor Rae moved that the Policy and Finance Committee:
- (A) recommend to Council that:
    - (1) the Chief Financial Officer and Treasurer be requested to include the following notice with the City of Toronto 2001 Final Property Tax Bill:

"This tax bill has been formatted by the Province of Ontario and if you have any difficulties in reading or understanding this bill, please call your MPP or the Ministry of Finance Call Centre at 1-800-263-7965"; and
  - (B) direct the Chief Financial Officer and Treasurer to request the Minister of Finance:
    - (i) to immediately file a regulation amending Ontario Regulation 75/01 to address the issues of:

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- (a) the placement of the payment stubs and account information on the tax bill; and
- (b) the use of the same terms (i.e., “Final YYYY Taxes” and “YYYY Tax Cap Adjustment”) on different schedules to mean different things; and
- (ii) to compensate the City for its loss of interest revenue due to the fact that the City is unable to issue its 2001 final tax bills on schedule pending possible amending regulations;

having regard that the Minister of Finance has not filed the amending regulation to Ontario Regulation 75/01 by the time of the Policy and Finance Committee meeting held on April 17, 2001; and

- (C) further recommend to Council that Council concur with the action taken by the Policy and Finance Committee in the aforementioned Recommendation (B). **(Carried)**

- B. Councillor Rae moved, on behalf of Councillor Chow, that the Policy and Finance Committee recommend to Council that the Mayor’s Office, in consultation with the Chief Administrative Officer, the Chief Financial Officer and Treasurer, and Corporate Communications, be requested to prepare a message, to be included with the tax bill, respecting provincial downloading; and that a copy of this message be circulated to all Members of Council by the Mayor’s Office. **(Carried)**

**The decision of the Policy and Finance Committee, therefore, is as follows:**

The Policy and Finance Committee:

- (A) recommended to Council that:

- (1) the Chief Financial Officer and Treasurer be requested to include the following notice with the City of Toronto 2001 Final Property Tax Bill:

“This tax bill has been formatted by the Province of Ontario and if you have any difficulties in reading or understanding this bill, please call your MPP or the Ministry of Finance Call Centre at 1-800-263-7965”; and

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- (2) the Mayor's Office, in consultation with the Chief Administrative Officer, the Chief Financial Officer and Treasurer, and Corporate Communications, be requested to prepare a message, to be included with the tax bill, respecting provincial downloading; and that a copy of this message be circulated to all Members of Council by the Mayor's Office; and
- (B) directed the Chief Financial Officer and Treasurer to request the Minister of Finance:
  - (i) to immediately file a regulation amending Ontario Regulation 75/01 to address the issues of:
    - (a) the placement of the payment stubs and account information on the tax bill; and
    - (b) the use of the same terms (i.e., "Final YYYY Taxes" and "YYYY Tax Cap Adjustment") on different schedules to mean different things; and
  - (ii) to compensate the City for its loss of interest revenue due to the fact that the City is unable to issue its 2001 final tax bills on schedule pending possible amending regulations;

having regard that the Minister of Finance has not filed the amending regulation to Ontario Regulation 75/01 by the time of the Policy and Finance Committee meeting held on April 17, 2001; and

- (C) further recommended to Council that Council concur with the action taken by the Policy and Finance Committee in the aforementioned Recommendation (B).

(City Council; Chief Financial Officer and Treasurer – April 17, 2001)

**(Clause No. 3(a) – Report No. 6)**

**4-4. 2001 Tax Levy By-Laws.**

The Policy and Finance Committee had before it a report (April 10, 2001) from the Chief Financial Officer and Treasurer, recommending that:

- (1) the Chief Financial Officer and Treasurer be directed to report directly to Council, at its meetings of April 25, 26, and 27, 2001, with respect to the tax levy by-law;

- (2) in the event that the Province has not filed the required regulations prescribing the education tax rates for 2001 at the time that Council considers this report:
  - (a) Council immediately request the Minister of Finance to regulate the education rates for 2001, no later than May 8, 2001; and
  - (b) Council schedule a special meeting to adopt a levy by-law levying the education rates for 2001 not later than May 10, 2001;
- (3) in the event that the Minister has not filed the required regulations prescribing the education tax rates for 2001 by May 9, 2001, or if the required regulations are filed by May 8, 2001, but Council is not able to accommodate a special meeting to adopt the levy by-law by May 10, 2001, the Province be requested to reimburse the City of Toronto for costs incurred with respect to the loss of interest earnings and a shortfall in the City's cash flow resulting from the delay in the issuance of the City's 2001 final property tax bills; and
- (4) Council be authorized to waive, on a one-time basis, its directive for a clear 30 days from the date of mailing of the tax bill to the first due date.

The Policy and Finance Committee recommended to Council the adoption of Recommendations Nos. (2) to (4) embodied in the foregoing report (April 10, 2001) from the Chief Financial Officer and Treasurer; and concurred with Recommendation No. (1).

**(Clause No. 4 – Report No. 5)**

**4-5. Toronto Port Authority – Surplus Account.**

The Policy and Finance Committee had before it the following Notice of Motion and communication:

- (i) Moved by Councillor Howard Moscoe

Seconded by Councillor David Miller

“WHEREAS on June 16, 2000, in a report to the Audit Committee, the City Auditor identified a surplus account containing \$50 million in the accounts of the Toronto Port Authority; and

WHEREAS the *Toronto Harbour Commissioners’ Act* of 1911 requires that ‘surplus profits’ be returned to the City; and

WHEREAS the Auditor has recommended that City Finance, in consultation with Legal Services, determine the composition of the surplus account at the Toronto Port Authority with a 'view to determining whether or not any of this surplus qualifies as *surplus profits*' which should be returned to the City under this Act; and

WHEREAS the City is still awaiting this report;

THEREFORE BE IT RESOLVED that City Finance, in consultation with Legal Services, be directed to report to the next meeting of Council; and

- (ii) (April 17, 2001) from the President and CEO, Toronto Port Authority, commenting on the issue of the Toronto Port Authority "Reserves".

On motion by Mayor Lastman, the Policy and Finance Committee referred the foregoing Notice of Motion and the communication (April 17, 2001) from the President and CEO of the Toronto Port Authority, to the Chief Administrative Officer with a request that he consult with the Toronto Port Authority, the City Auditor and the Chief Financial Officer and Treasurer in regard thereto and submit a report thereon to the Policy and Finance Committee for its meeting scheduled to be held on May 17, 2001.

(Chief Administrative Officer; c. President and CEO, Toronto Port Authority; City Auditor; Chief Financial Officer and Treasurer – April 17, 2001)

**(Clause No. 3(b) – Report No. 6)**

**4-6. Loans from the Bank of Canada.**

The Policy and Finance Committee had before it a report (February 14, 2001) from the Chief Financial Officer and Treasurer, providing information regarding the availability of loans to municipalities from the Bank of Canada; advising that given that loans from the Bank of Canada are not interest-free and not available directly to municipalities under the Bank Act, the lowest cost of funds and most flexible terms can be achieved in competitive capital markets without resorting to federal loans or programs that could have higher interest rates and restrict the City's future financing program; that the City continues to have a strong credit rating and enjoys excellent access to domestic and global capital markets; that as new opportunities for financing capital projects arise, staff will continue to evaluate their applicability for improving the City's current and future financial position; and recommending that this report be received for information.

On motion by Councillor McConnell, the Policy and Finance Committee:

- (A) recommended to Council that:
  - (1) the Federal Minister of Finance, in conjunction with the Province of Ontario, be requested to provide low cost, below prime, long-term loans to municipalities, such as through the Bank of Canada; and
  - (2) a copy of this request be forwarded to the Federation of Canadian Municipalities and the Association of Municipalities of Ontario; and
- (B) received the report (February 14, 2001) from the Chief Financial Officer and Treasurer, entitled "Loans from the Bank of Canada".

**(Clause No. 2 – Report No. 6)**

**4-7. Purchase of Rear Ravine Lands Located in Kimbark/Coldstream Ravine – 33 Kimbark Boulevard (Ward 16 – Eglinton-Lawrence).**

The Policy and Finance Committee had before it the following confidential reports and communications respecting the Purchase of Rear Ravine Lands Located in Kimbark/Coldstream Ravine, copies of which were forwarded to Members of Council under confidential cover, having regard that the subject matter relates to the acquisition of property:

- (i) (January 9, 2001) from the City Clerk, forwarding confidential recommendations from the Administration Committee meeting held on January 9, 2001;
- (ii) (January 17, 2001) from the Chief Financial Officer and Treasurer;
- (iii) (January 25, 2001) from the Commissioner of Urban Development Services; and
- (iv) (March 19, 2001) from the Commissioner of Economic Development, Culture and Tourism and the Commissioner of Corporate Services; and
- (v) (April 4, 2001) from the City Clerk.



The Policy and Finance Committee recommended to Council:

- (1) the adoption of the joint confidential report (March 19, 2001) from the Commissioner of Economic Development, Culture and Tourism and the Commissioner of Corporate Services, respecting the Purchase of Rear Ravine Lands Located in Kimbark/Coldstream Ravine – 33 Kimbark Boulevard; and
- (2) the adoption of Recommendation No. (1) embodied in the confidential report (March 16, 2001) from the Director, Community Planning, South District, respecting Interim Control By-law No. 319-2000, attached to the communication (April 4, 2001) from the City Clerk;

which were forwarded to Members of Council under confidential cover; and, further that in accordance with the Municipal Act, discussions pertaining thereto be held in-camera having regard that the subject matter relates to the acquisition of property.

**(Clause No. 1 – Report No. 6)**

**4-8. Tax Policy Options for Charities and Similar Organizations in 2001 and Beyond.**

The Policy and Finance Committee had before it a report (April 2, 2001) from the Chief Financial Officer and Treasurer, presenting tax policy options for the treatment of Charitable and Similar Organizations in 2001 and beyond; wherein it is recommended that:

- (1) (a) the Minister of Finance be requested to prescribe an alternate rebate percentage for charities occupying rental premises within the commercial and industrial classes in Toronto that reflects the mandatory limits on tax increases that will apply in 2001 and the *actual* tax increases faced by these organizations since the introduction of Current Value Assessment (CVA) in 1998; and
- (b) that such rebate percentage for 2001 be set such that rebate amounts equal 40 per cent of the combined total of any CVA-related increases and any municipal levy increase over 2000 taxes;

- (2)
  - (a) in the event that the Minister of Finance does not prescribe an alternate rebate percentage for 2001, that the tax deficiency budget for 2001 be increased to include an additional \$1.28 million to fund the costs of providing mandatory rebates to registered charities, otherwise that the tax deficiency budget be increased by \$61,000 for 2001;
  - (b) that rebates for charities within the commercial and industrial classes be financed from within the commercial and industrial classes, and that such rebate amounts be included in the calculation of the tax rates for these classes; and
  - (c) that the Minister of Finance be requested to prescribe a regulation under Section 386(5) of the *Municipal Act*, if necessary, to allow the tax rates for the commercial and industrial tax classes to be greater than would otherwise be allowed for the purpose of allowing additional taxes to be levied within these classes to fund the municipal portion of mandatory rebates for charities;
- (3) the Minister of Finance be requested to extend, for 2001, the period for payment of the first half of the rebate from 60 days to 120 days following receipt of the application, and from 120 days to 180 days for the balance of the rebate amount;
- (4) Council not adopt any optional increase beyond the prescribed rebate percentage for charities within the commercial and industrial classes;
- (5) Council not provide optional rebates of taxes to similar organizations;
- (6) Council continue tax rebates of 100 percent for properties specifically identified by existing City by-laws (Ethno-cultural Centres and Veteran's Clubs and Legion Halls) for the 2001 taxation year, but that these rebate programs be re-examined for taxation in 2002;
- (7) the Chief Financial Officer and Treasurer, in conjunction with the Commissioner of Community and Neighbourhood Services, conduct a review and provide a report for 2002 on the City's overall treatment of the charitable sector, including current grant levels and property tax measures, with a view towards co-ordinating the City's support efforts and tax policies within this sector; and
- (8) that authority be granted for the introduction of the necessary bill in Council.

The Policy and Finance Committee submitted to Council, without recommendation, the report (April 2, 2001) from the Chief Financial Officer and Treasurer, for consideration with Clause No. 2 of Report No. 4 of The Policy and Finance Committee, respecting the 2001 Provincial Re-Assessment Impacts and Tax Options.

(City Council; c. Chief Financial Officer and Treasurer – April 17, 2001)

**(Clause No. 3(c) – Report No. 6)**

**4-9. Vacancy Rebate Program for  
Commercial and Industrial Properties.**

The Policy and Finance Committee had before it a report (April 12, 2001) from the Chief Financial Officer and Treasurer, providing an update on the new vacancy rebate program for commercial and industrial buildings as legislated by Bill 140 and reporting on program features that the Province is proposing to regulate with respect to the program; wherein it is recommended that the Minister of Finance be requested to:

*General:*

- (1) file regulations pertaining to the vacancy rebate program by April 27, 2001;

*Eligibility Criteria:*

- (2) ensure that eligibility criteria and the terms used in setting the criteria are clearly defined in the regulation;

*Amount of Rebates:*

- (3) regulate that the portion of the “total taxes” attributable to vacant space not include BIA levies; and, should the Minister of Finance regulate that the portion of the “total taxes” attributable to vacant space include BIA levies, the Minister ensure that the filed regulations provide municipalities with the ability to charge BIAs for their share of the cost of any vacancy rebate attributable to their BIA levy;
- (4) regulate provisions to allow municipalities to recalculate the vacancy rebate following the processing of a successful appeal which results in a change to “total taxes”;

Applications:

- (5) regulate the following with respect to the vacancy application and verification process:
  - (a) that only one application, designed to meet the needs of the both the municipality and OPAC, be submitted to the municipality. The municipality will submit a copy of the application to OPAC within 5 days of the date the application is received and will forward an acknowledgement of receipt to the applicant;
  - (b) assuming that all information required by OPAC is provided by the applicant at the time of the application is filed with the municipality, OPAC has 75 days from the date the application is received from the municipality to provide the assessment apportionment attributable to the vacant space. If all the information required by OPAC is not provided at the time of filing the application, the 75 days commences after OPAC receives the information required from the applicant;
  - (c) that OPAC be mandated to verify that the information provided on, or with, the application is accurate and that it verify that the eligibility criteria are met;
  - (d) if OPAC is not mandated to verify the accuracy of information provided on, or with the application, the Minister regulate that the municipality have 120 days from the date the complete information is received from OPAC to verify the information provided on, or with, the application and process the rebate accordingly;
  - (e) that OPAC be permitted to request additional information/documentation directly from the applicant/property owner;

Payment Obligations:

- (6) waive the 120 day deadline for payment of rebates in the first year of the program; and, that the for the first year (2001) the deadline for payment be 240 days, 180 days for 2002 and 120 in 2003 and subsequent years;
- (7) regulate that interest becomes payable within 120 days after all required and requested information and documentation is received from the applicant;

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- (8) regulate that OPAC be mandated to reimburse the municipality for the cost of any interest payable, if OPAC fails to provide the assessment apportionment to the municipality within the required 75 days, and as a result the municipality is unable to process the required rebate within the legislated 120 days;
- (9) regulate that the interest rate payable on vacancy rebates processed after the 120 days, be set at a rate which is not above the rate the City earns on investments;

Appeals:

- (10) regulate that property owners only be allowed to file an appeal with the ARB, if they disagree with the amount of the rebate that is calculated by the municipality, and that the right to appeal not be extended to situations where the municipality has failed to process the rebate within the 120 days;
- (11) regulate that OPAC be mandated to be party to the vacancy appeal process and to defend the assessment value it determines is attributable to the eligible vacant portion; and

Vacant and Excess Land:

- (12) regulate a process, similar to the process followed between 1998 and 2000, making the property owner responsible for filing an application with OPAC each year in order for the property to be returned on the assessment roll as “vacant and excess land”.

The Policy and Finance Committee recommended to Council the adoption of the report (April 12, 2001) from the Chief Financial Officer and Treasurer, entitled “Vacancy Rebate Program for Commercial and Industrial Properties”,

(City Council; c. Chief Financial Officer and Treasurer – April 17, 2001)

**(Clause No. 3(d) – Report No. 6)**

**4-10. Tax Impacts of Provincially Imposed Transition Ratios and Education Tax Rates for the 2001 Reassessment Year.**

The Policy and Finance Committee had before it a report (April 12, 2001) from the Chief Financial Officer and Treasurer, presenting the tax impacts arising from the Provincially imposed transition ratios and education tax rates for the 2001 taxation year; wherein it is recommended that:

- (1) the Minister of Finance be requested to file a regulation prescribing the 2001 transition ratio for the City of Toronto as announced on April 2, 2001;
- (2) if the regulation establishing the 2001 transition ratios for the City of Toronto is filed prescribing the same transition ratios as were announced on April 2, 2001, the following tax ratios, arising from Option 3 embodied in this report, be adopted:

Property Class	2001 Tax Ratio
Residential	1.0000
Multi-Residential	4.7000
Commercial	4.2759
Industrial	5.9685
Pipelines	1.9231
Farmlands	0.2500
Managed Forests	0.2500

- (3) the Minister of Finance be again requested to prescribe a residential and multi-residential education tax rate for 2001 of 0.33934 percent in order to maintain total education tax burden on these classes at the 2000 level, and failing that, to adopt a residential and multi-residential education tax rate for 2001 of 0.37092 percent, a level estimated to be revenue neutral to the Province;
- (4) the Minister of Finance be again requested to file a regulation prescribing the final education tax rates for all property classes for the City of Toronto by April 20, 2001, so that the City can issue its final tax bill in a timely manner;
- (5) the Minister of Finance be requested to file by April 20, 2001, the regulation required by clause 368(4.3(b)) of the *Municipal Act* prescribing the manner in which the tax rates on property in the commercial, industrial and multi-residential property classes are to be determined;
- (6) the clawback rates for the multi-residential, commercial and industrial property classes be set at the appropriate level sufficient to fund the foregone revenues arising from a 5 percent limit on total tax increases for these classes; and

- (7) the appropriate City officials be directed to take the necessary action to give effect thereto.

The Policy and Finance Committee recommended to Council the adoption of the report (April 12, 2001) from the Chief Financial Officer and Treasurer, entitled "Tax Impacts of Provincially Imposed Transition Ratios and Education Tax Rates for the 2001 Reassessment Year",

(City Council; Chief Financial Officer and Treasurer – April 17, 2001)

**(Clause No. 3(e) – Report No. 6)**

**4-11. Comparison of Residential Property Taxes on Similar Single Family Homes in Selected Ontario Municipalities.**

The Policy and Finance Committee had before it a report (April 17, 2001) from the Chief Financial Officer and Treasurer, providing a comparison of property tax burdens on similar single family homes in various municipalities across the Province as requested by the Policy and Finance Committee on April 5, 2001; advising that although Toronto has the lowest residential tax rate amongst the selected municipalities presented in this report, this differential does not necessarily translate into a lower tax burden for Toronto taxpayers; that Residential property taxes paid in Toronto for similar properties are on average greater than elsewhere in Ontario; and recommending that this report be received for information.

The Policy and Finance Committee received the foregoing report (April 17, 2001) from the Chief Financial Officer and Treasurer; entitled "Comparison of Residential Property Taxes on Similar Single Family Homes in Selected Ontario Municipalities" and directed that it be forwarded to Council for information.

(City Council; Chief Financial Officer and Treasurer – April 17, 2001)

**(Clause No. 3(f) – Report No. 6)**

The Policy and Finance Committee adjourned its meeting at 11:30 p.m.

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Acting Chair.