



STAFF REPORT ACTION REQUIRED

Toronto Community Housing (TCH) Amended Shareholder Direction – TCH Approval of Council Direction

Date:	August 15, 2014
To:	Executive Committee
From:	City Manager
Wards:	All
Reference Number:	

SUMMARY

City Council at its November 13, 2013 meeting approved an Amended and Restated Shareholder Direction for Toronto Community Housing Corporation ("TCH") and requested that the TCH Board of Directors approve Council's direction by amending its By-law No. 2 to bring it into conformity with the updated Shareholder Direction, and submit the amended By-law to City Council for approval.

As requested by Council, this report transmits the amended TCH By-law No. 2 considered by the TCH Board of Directors at their August 14, 2014 meeting. The Board approved the proposed amended and restated By-law No. 2 as presented.

As required under the Business Corporations Act (Ontario) and the TCH Shareholder Direction, this report recommends that the City as the shareholder confirm the amended and restated By-law No. 2.

In addition, this report provides a brief update on the City's support to the TCH Executive Leadership Team during the transition period until a new permanent President and CEO is appointed.

RECOMMENDATIONS

The City Manager recommends that:

1. City Council treat the part of the Council meeting when this report is considered as a special meeting of the Shareholder for Toronto Community Housing Corporation (TCH) and confirm the amended and restated By-law No. 2 approved by the TCH Board of Directors at its meeting of August 14, 2014 in the form attached in Appendix 2a.

Financial Impact

This report has no financial impact. The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial implications.

DECISION HISTORY

At its meeting on November 13, 2013, City Council adopted an Amended and Restated Shareholder Direction for Toronto Community Housing Corporation ("TCH") and requested that the TCH Board of Directors amend its By-law No. 2 to bring it into conformity with the updated Shareholder Direction, and submit the amended By-law to City Council for approval.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.EX35.5>

ISSUE BACKGROUND

The City is the owner and sole Shareholder of TCH. The Business Corporations Act (Ontario) section 116(2), and the TCH Shareholder Direction section 7.4.2, requires the City as the shareholder to approve TCH by-law amendments.

City Council at its November 13, 2013 meeting adopted an Amended and Restated Shareholder Direction for Toronto Community Housing Corporation. Amendments to the Shareholder Direction included updates to definitions, removing outdated references, modernizing and enhancing TCH's reporting requirements, and increasing transparency and improving the accountability of TCH.

COMMENTS

Shareholder Direction Amendments to TCH By-law No. 2

As requested by City Council, TCH has updated its By-law No. 2 to bring it to conformity with the Amended and Restated Shareholder Direction. By-law No. 2 is an operating by-law that addresses the conduct of the business and affairs of TCH.

The proposed amendments to By-law No. 2 bring it to conformity and are consistent with the Amended and Restated Shareholder Direction for Toronto Community Housing Corporation as adopted by City Council in November 2013. By-law No. 2 was updated by TCH's General Counsel and Corporate Secretary with input from the City. At a high level, amendments to By-law No. 2 include refreshing By-law specific definitions and references, updating the term of office for City Councillors and Tenant and Citizen

Directors (s. 3.02 and 3.04), establishing the position of vice-chair (s. 3.11), and adding a new requirement that TCH board meetings be open to the public (s. 4.01).

The proposed amendments were considered by TCH's Governance, Risk and Human Resources Committee at its July 24, 2014 meeting (GRHRC). The GRHRC received and recommended approval of the proposed amendments to the By-law to the TCH Board of Directors. The Board considered the amendments at its August 14, 2014 meeting. The Board approved the proposed amended and restated By-law No. 2 as presented and directed that they be submitted to City Council for confirmation.

Transition Support to TCH

As outlined in the City Manager's report to Council at its meeting on May 6, 7 and 8, 2014, a City staff team has been established under the leadership of the Deputy City Manager for Cluster A to support the TCH Executive Leadership Team during the period of transition until a new permanent President and CEO is appointed. The regular meetings between the City and TCH have been collaborative and have enabled the City to provide support to TCH in responding to key issues and Council directions related to recommendations from the Ombudsman. For example, a Manager from the City's Human Resources Division has been seconded to assist TCH with the implementation of its human resources policies and to identify further areas for improvement. The transition process to date has been effective and TCH's Executive Leadership Team is ensuring that the best interests of residents continue to be protected. The City's Service Manager assessment of TCH's administration of social housing will begin shortly and it is anticipated that the review will be completed early in 2015.

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SIGNATURE

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City Manager

ATTACHMENTS

1. Transmittal letter, dated August 14, 2014, from Toronto Community Housing Corporation Interim President and Chief Executive Officer, Re: Revisions to By-law No. 2.
2. Toronto Community Housing Corporation Report, dated July 24, 2014, *Revisions to By-law No. 2* considered by the TCH Board of Directors on August 14, 2014, including the following report attachments:
 - a. Report Attachment 1 – Recommended Amended and Restated By-law No. 2
 - b. Report Attachment 2A – City Council Decision, November 13, 2013, regarding the Report from the City Manager on the *Amended and Restated Shareholder Direction to Toronto Community Housing Corporation*, dated October 16, 2013
 - c. Report Attachment 2B – Report from the City Manager on the *Amended and Restated Shareholder Direction to Toronto Community Housing Corporation*, dated October 16, 2013