

June 26, 2023

John Elvidge  
City Clerk  
Toronto City Hall  
100 Queen Street West  
Toronto, ON M5H 2N2

Dear John Elvidge,

**Recommendations:**

Build Toronto Inc. (Build Toronto) Board recommends that City Council:

1. Treat that portion of the City Council meeting at which this report is considered as the Annual General Meeting of the Shareholder for Build Toronto:
  - a. receive the 2022 Annual Report for Build Toronto Inc.;
  - b. receive the CreateTO's 2022 Highlights Report;
  - c. receive the Board-approved 2022 Audited Financial Statements for Build Toronto Inc.
2. Appoint KPMG LLP as the Auditor of Build Toronto Inc. for fiscal year 2023.
3. Direct the City Clerk to forward a copy of the Board-approved 2022 Audited Financial Statements for Build Toronto Inc. to the Audit Committee for information.

**Financial Impact:**

There are no financial implications to the City resulting from the approval of recommendations in this report.

Build Toronto's 2022 Statements recognized a net income and comprehensive income of \$15.5 million, total assets of \$242.3 million, and total liabilities of \$31.8 million. The value of Build Toronto's real estate inventory decreased by \$7.9 million to \$50 million. Shareholder's equity increased by \$8.5 million in 2022 to \$210.6 million after net income and a transfer of land back to the city.

For the year ending December 31, 2022, KPMG LLP conducted the audit and delivered a clean audit opinion for Build Toronto.

### **Decision History:**

On April 24, 2023, the Board of Directors approved the 2022 Annual Report and 2022 Audited Financial Statements for Build Toronto Inc. The Board of Directors recommended the appointment of KPMG as auditors for the year ending 2023.

On July 19, 2022, that portion of the City Council meeting where EX34.28 Build Toronto - Annual General Meeting and 2021 Audited Financial Statements and as Shareholder was approved by Council, was considered the previous Annual General Meeting of the Shareholder for Build Toronto.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.EX34.28>

On July 11, 2012, City Council approved a requirement that Shareholder Directions for all wholly-owned City corporations be amended to require public disclosure to the extent permitted by law of individual executive compensation as part of the annual reporting to the Shareholder and where required obtain consent from executives.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.EX21.19>

### **Background:**

City Council authorized the establishment of Build Toronto in 2008 pursuant to section 148 of the City of Toronto Act, 2006, and Ontario Regulation 609/06. Build Toronto was incorporated under the Business Corporations Act (Ontario) (OBCA) on November 13, 2008. The City is the sole shareholder.

Subsection 94(1) requires that the Board of Directors of Build Toronto call an annual meeting of its Shareholder by no later than fifteen months after holding the last preceding annual meeting. The last annual meeting was held by City Council on July 19, 2022.

Subsection 154(1) of the OBCA requires that the Shareholder receive the Build Toronto Statements and the Auditor's Report at the annual meeting of the Shareholder.

Section 149(2) of the OBCA requires that the Build Toronto Shareholder at each annual meeting appoint one or more auditors to hold office until the close of the next annual meeting and allows the Shareholder to authorize the Auditor's fee for the service.

Section 6.8 of the Shareholder Direction to Build Toronto requires Build Toronto to provide an annual update to City Council, in addition to the requirement of the OBCA to hold an annual general meeting.

### **Decision Advice and Other Information:**

Build Toronto is managed by CreateTO. On January 1, 2018, the City launched CreateTO, a new agency to lead the City-wide Real Estate Model adopted by City Council in 2017.



CreateTO  
61 Front Street West  
Union Station, East Wing, 3<sup>rd</sup> Floor  
Toronto, ON M5J 1E5



As a result of the City-wide Real Estate Model, Build Toronto supports CreateTO to fulfill its mandate, which is focused on taking a different approach towards the City of Toronto's real estate assets to ensure they are being put to the best use for the collective public good. Consequently, Build Toronto supports CreateTO to look for new and better ways to use assets and deliver value to the City, identifying significant savings and opportunities to improve the lives of Toronto residents (e.g. through the delivery of city-building initiatives such as affordable housing, office optimization, transit-oriented developments, new park space, and supporting City service delivery).

Build Toronto, through CreateTO, is committed to advancing the City's key priorities to improve both the performance of the City and the quality of life for Torontonians through the delivery of projects that contribute towards the City's financial sustainability and represent an investment in housing, people and neighbourhoods. We look forward to continuing to work with our partners and stakeholders to further advance the important work of CreateTO.

Sincerely,

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Jaspreet Hansra-Kulasingam  
Executive Vice President & Chief Financial Officer

Copy:

Vic Gupta  
Chief Executive Officer

**Attachments:**

1. Attachment 1 - 2022 Annual Report for Build Toronto Inc.
2. Attachment 2 - CreateTO 2022 Highlights Report
3. Attachment 3 – 2022 Audited Financial Statements for Build Toronto Inc.