

June 26, 2023

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

Dear John Elvidge,

Recommendation:

Toronto Port Lands Company (TPLC) 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 Toronto Port Lands Company:
 - a. receive the 2022 Annual Report for Toronto Port Lands Company;
 - b. receive the CreateTO's 2022 Highlights Report;
 - c. receive the Board-approved 2022 Audited Financial Statements for Toronto Port Lands Company
2. Appoint KPMG LLP as the Auditor of Toronto Port Lands Company for fiscal year 2023.
3. Direct the City Clerk to forward a copy of the Board-approved 2022 Audited Financial Statements for Toronto Port Lands Company 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.

TPLC's 2022 Statements recognize a net income and comprehensive income of \$9.9 million total assets of \$426.4 million, and total liabilities of \$27.9 million. TPLC investment properties increased by \$2.0 million to \$356.1 million. In 2022 TPLC recorded an expropriation gain of \$1.9 million.

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

Decision History:

On April 24, 2023, the Board of Directors approved the 2022 Annual Report and 2022 Audited Financial Statements for Toronto Port Lands Company. 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 EX34.29 Toronto Port Lands Company - 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 the Toronto Port Land Company.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.EX34.29>

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:

The City of Toronto Economic Development Corporation (TEDCO) was incorporated in 1986 under the Business Corporations Act (Ontario) (OBCA), and has operated with a revised mandate under the business name Toronto Port Lands Company (TPLC) since 2009. The City is the sole shareholder.

Subsection 94(1) of the OBCA requires that the directors of the TPLC call an annual meeting of its Shareholders not 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 TPLC Statements and the Auditor's Report at the annual meeting of the Shareholder.

Section 149(2) of the OBCA requires that the TPLC 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 requires TPLC to provide an annual update to City Council.

Decision Advice and Other Information:

Toronto Port Lands Company (TPLC) 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.

TPLC manages real estate assets throughout the Port Lands, continues to advance the long-term vision for a sustainable new community in the Port and supports the ongoing flood protection work by Waterfront Toronto. TPLC's primary assets consist of investment properties, which include land, office and other commercial properties held to earn rental income or for capital appreciation.

The Port Lands represents one of the most significant urban renewal opportunities in the city today. And, as the largest landowner in the Port Lands, TPLC, through CreateTO, is active in its role as steward and property manager and is poised to play a significant role in shaping the future of the area. We look forward to continuing to work with our partners and stakeholders to further advance this important work.

Sincerely,

Jaspreet Hansra-Kulasingam
Executive Vice President & Chief Financial Officer

Copy:
Vic Gupta
Chief Executive Officer

Attachments:

1. Attachment 1 - 2022 Annual Report for Toronto Port Lands Company
2. Attachment 2 - CreateTO 2022 Highlights Report
3. Attachment 3 – 2022 Audited Financial Statements for Toronto Port Lands Company