

Transmittal of a Report from the Board of Toronto Seniors Housing Corporation: Request regarding the composition of the Board

Date: January 13, 2025
To: Executive Committee
From: City Manager
Wards: All

SUMMARY

The purpose of this report is to transmit and recommend approval of a request to City Council from the Board of the Toronto Seniors Housing Corporation (TSHC) that the composition of the Board include the City Manager, or designate who is an employee of the City, sitting in an ex-officio non-voting capacity until December 31, 2026.

Section 7.3 of the Shareholder Direction and the provisions of the Business Corporation Act (Ontario) state that TSHC cannot, without the approval of the Shareholder (the City of Toronto), make any change to the number of Directors comprising the Board, or appoint Directors. Section 14 of the Shareholder Direction provides that the Shareholder Direction may only be amended by City Council as Shareholder of TSHC.

In accordance with these requirements, the Chief Executive Officer of TSHC has transmitted the Board's request to change the composition of the Board provided as Attachment 1, and City staff recommend approval in the form of an amendment to the Shareholder Direction, provided as Schedule 1 to this report.

RECOMMENDATIONS

The City Manager recommends that:

1. City Council, as Shareholder of Toronto Seniors Housing Corporation, approve the request by the Toronto Seniors Housing Corporation Board of Directors in the letter (January 8, 2025) from the Chief Executive Officer, Toronto Seniors Housing Corporation, forming Attachment 1 to this Report, to amend Section 6.1, Composition of the Board, of the Toronto Seniors Housing Corporation Shareholder Direction to include the City Manager, or designate who is an employee of the City, sitting in an ex-officio non-voting capacity until December 31, 2026, and authorize the City Manager to

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execute the necessary amendment to the Shareholder Direction attached as Schedule 1 to this Report.

FINANCIAL IMPACT

There are no financial impacts resulting from the recommendations in this report.

The Chief Financial Officer and Treasurer has reviewed this report and agree with the financial implications as presented in the Financial Impact section.

DECISION HISTORY

The Board of Toronto Seniors Housing Corporation adopted the Board recommendation set out in Attachment 1, dated December 16, 2024 and submitted their decision to the City Manager for transmittal to City Council.

City Council at its meeting on May 5, 2021, adopted item 2021.EX23.4 titled Implementing Tenants First: Creating a Seniors Housing Corporation, which directed the creation of TSHC and approved a Shareholder Direction for the corporation.
<https://secure.toronto.ca/council/agenda-item.do?item=2021.EX23.4>

COMMENTS

Per Section 6.1.2 of the Shareholder Direction (SHD) to Toronto Seniors Housing Corporation (TSHC) approved in 2021, the composition of the Board of Directors of the TSHC included the City Manager's designate sitting in an ex-officio non-voting capacity for the first two years following the incorporation. The two-year term expired on June 23, 2023.

The proposed amendment to the SHD, which adds Section 6.1.3, would allow the City Manager or designate to sit in an ex-officio non-voting capacity for another term, from the date of the amendment of the SHD to December 31, 2026. Toronto Seniors Housing Corporation is still a relatively new organization, and the Board of Directors is continuing to establish key foundational aspects of the corporation (such as establishing strategies and plans, establishing policies and best practices of corporate governance and financial and risk management, and other matters related to its responsibilities listed in Section 5 of the SHD) to achieve its mandate. In this context, City representation and support on the Board will continue to be beneficial and facilitate alignment and integration with City approaches.

This matter requires Council approval because Section 7.3 of the SHD and the provisions of the Business Corporation Act (Ontario) state that TSHC cannot, without the approval of the Shareholder (the City of Toronto), make any change to the number of Directors comprising the Board, or appoint Directors. Additionally, Section 14 of the

SHD provides that only City Council, as Shareholder, may amend the Shareholder Direction.

According to Sections 6.7.2 and 6.7.3 of the SHD, Board member terms for Members of Council and Public Members are two years. The City Manager or designate' s term is proposed to end on December 31, 2026, which corresponds with the end of the Council member term on the Board. A further change to the TSHC SHD would be required should Council wish to extend the City Manager or designate' s term beyond this date.

CONTACT

Tom Hunter
Chief Executive Officer
Toronto Seniors Housing Corporation
tom.hunter@torontoseniorshousing.ca

Jean Abou Saab
Deputy Chief of Staff, Intergovernmental & Agency Relations
Jean.AbouSaab@toronto.ca
416-392-3922

SIGNATURE

Paul R. Johnson
City Manager

ATTACHMENTS

Schedule 1: Amendment to the Shareholder Direction relating to Toronto Seniors Housing Corporation

Attachment 1: Letter from the Toronto Seniors Housing Corporation transmitting the Toronto Seniors Housing Corporation Board of Directors' Report dated December 16, 2024