

Adopted by consent	EX24.22	Facilities and Real Estate - 2008 Capital Budget and 2009-2012 Capital Plan Adjustments (Ward All)
Held for consideration Minute 25.21	EX24.23	Procurement Authorization Amendment – Option to Purchase 120 Forty-Foot Hybrid Low Floor City Buses (Ward All)
Adopted by consent	EX24.24	Amendment to the Terms of Reference for the Agnes Macphail Community Selection Committee
Adopted by consent	EX24.26	Terms of Reference and Membership – Aboriginal Affairs Committee

**Consideration of Items - Executive Committee Meeting 24**

25.12 **New Model to Enhance Toronto’s Economic Competitiveness**

<b>EX24.1</b>	ACTION	Amended		Ward: All
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**October 29, 2008**

Speaker Bussin in the Chair.

*Motions:*

1. Mayor Miller moved that the Item be amended in accordance with the following recommendations contained in the report (October 27, 2008) from the City Manager:

That:

1. Council amend the number of directors on the TEDCO Board of Directors to five members with the same composition as the interim Boards for Build Toronto and Invest Toronto effective November 14, 2008 and, effective the same day, appoint to the Board of Directors of TEDCO the same board members as are appointed to the two interim boards following Council’s adoption of Recommendation 2 of Item EX24.1 of the Executive Committee.
2. Contingent on adoption of Recommendation 1 above, Council delete Executive Committee Recommendation 10 (the establishment of a Transition Team) and Recommendation 19 (the approval of a unanimous shareholder declaration).
3. Council authorize the City Solicitor to take appropriate action prior to

November 14, 2008 to amend the articles of incorporation, by-laws, shareholder direction, and any other corporate documents of TEDCO to be consistent with these Council decisions.

4. City staff and the interim Board of Directors of Build Toronto consider all of the project work to date completed by TEDCO in their work to develop and market the Properties referred to in Executive Committee Recommendations 13 and 14(a).
  5. Recommendations 1 and 3 above be constituted as a shareholder declaration and a resolution of the City as shareholder of TEDCO and appropriate City Officials be authorized and directed to do all things that, in the opinion of the City Manager or the City Solicitor, are necessary or desirable to give effect to the foregoing recommendations.
2. Councillor Shiner moved that the Item be amended by adding the following:
- City Council express its appreciation to Jeffrey D. Steiner, President and Chief Executive Officer of TEDCO, and all the staff at TEDCO, for their accomplishments and exemplary performance.
3. Councillor Holyday moved that the Item be amended by adding the following:
- In drafting the Shareholder Direction for the two new Corporations, the City Manager be requested to include options for repayment of the seed money provided by City Council.

*Votes:*

Adoption of motion 1 by Mayor Miller:

Yes - 37	
Mayor:	Miller
Councillors:	Ainslie, Ashton, Augimeri, Bussin, Carroll, Cho, Davis, De Baeremaeker, Di Giorgio, Feldman, Fillion, Fletcher, Giambrone, Grimes, Hall, Heaps, Holyday, Kelly, Lee, Lindsay Luby, McConnell, Mihevc, Milczyn, Moeser, Moscoe, Nunziata, Palacio, Pantalone, Parker, Perks, Perruzza, Rae, Saundercook, Shiner, Stintz, Vaughan
No - 4	
Councillors:	Jenkins, Minnan-Wong, Ootes, Walker

Carried by a majority of 33.

Adoption of motion 2 by Councillor Shiner:

Yes - 42	
Mayor:	Miller
Councillors:	Ainslie, Ashton, Augimeri, Bussin, Carroll, Cho, Davis, De Baeremaeker, Del Grande, Di Giorgio, Feldman, Filion, Fletcher, Giambrone, Grimes, Hall, Heaps, Holyday, Jenkins, Kelly, Lee, Lindsay Luby, McConnell, Mihevc, Milczyn, Minnan-Wong, Moeser, Moscoe, Nunziata, Ootes, Palacio, Pantalone, Parker, Perks, Perruzza, Rae, Saundercook, Shiner, Stintz, Vaughan, Walker
No - 0	

Carried unanimously.

Adoption of motion 3 by Councillor Holyday:

Yes - 34	
Mayor:	Miller
Councillors:	Ainslie, Ashton, Carroll, Cho, Davis, De Baeremaeker, Del Grande, Feldman, Filion, Fletcher, Giambrone, Grimes, Hall, Heaps, Holyday, Jenkins, Lee, Lindsay Luby, Mihevc, Milczyn, Minnan-Wong, Moeser, Moscoe, Nunziata, Ootes, Palacio, Parker, Perks, Perruzza, Saundercook, Shiner, Stintz, Walker
No - 7	
Councillors:	Bussin, Di Giorgio, Kelly, McConnell, Pantalone, Rae, Vaughan

Carried by a majority of 27.

Adoption of the Item, as amended:

Yes - 37	
Mayor:	Miller
Councillors:	Ainslie, Ashton, Bussin, Carroll, Cho, Davis, De Baeremaeker, Del Grande, Di Giorgio, Feldman, Filion, Fletcher, Giambrone, Grimes, Hall, Heaps, Holyday, Kelly, Lee, Lindsay Luby, McConnell, Mihevc, Milczyn, Moeser, Moscoe, Nunziata, Palacio, Pantalone, Parker, Perks, Perruzza, Rae, Saundercook, Shiner, Stintz, Vaughan
No - 4	

Councillors: Jenkins, Minnan-Wong, Ootes, Walker
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Carried by a majority of 33.

### **City Council Decision**

City Council adopted the following motions:

1. To advance Toronto's broad economic competitiveness and unlock the value of the City's under-utilized real estate holdings, Council adopt the Business Case Study, Attachment 1 to this report, for the establishment of 2 new corporations referred to as Build Toronto and Invest Toronto.

#### Governance:

2. City Council authorize the City Solicitor to incorporate two new corporations pursuant to section 148 of the City of Toronto Act, 2006, and Ontario Regulation 609/06, the City Services Corporation Regulation and the Business Corporations Act (Ontario):
  - a. one with the operating name Build Toronto to unlock the value in under-utilized lands and use the available City and ABC land base to attract targeted industries, stimulate the creation of desirable employment and regenerate neighbourhoods; and
  - b. one with the operating name Invest Toronto to engage the private sector in marketing and promotion activities to increase business investment and create desirable jobs in Toronto;

and, as of the date of incorporation, appoint the City Manager, Deputy City Manager and Chief Financial Officer (CFO), City Chief Corporate Officer (CCO), Deputy Mayor, and Chair of the Economic Development Committee as initial interim directors of both boards until the new boards are appointed by Council, in order to execute any documents or take other actions necessary to set up operations.

3. Effective on the date that City Council appoints the recruited citizen directors, the Board of Directors of Build Toronto be comprised of 11 members as follows:
  - a. the Mayor as Chair for the first 2 year term;
  - b. a citizen as Vice-Chair for the first 2 year term;
  - c. the Chair of the City's Economic Development Committee;
  - d. the City's General Manager of EDCT;
  - e. the City's Chief Corporate Officer; and
  - f. 6 residents of Toronto who are not elected officials or employees of the

City or any of its ABCs or Corporations (ABCCs);

and that after the initial 2 year term, or as the Chair deems appropriate, the Vice-Chair become the Chair and the Mayor may continue as Vice-Chair or name a designate to be Vice-Chair of the Board.

4. Effective on the date that City Council appoints the recruited citizen directors, the Board of Directors of Invest Toronto be comprised of 15 members as follows:
  - a. the Mayor as Chair;
  - b. a citizen as Vice-Chair;
  - c. the Chair of the City's Economic Development Committee;
  - d. the City's General Manager of EDCT; and
  - e. 11 residents of Toronto who are not elected officials or employees of the City or any of its ABCCs.
  
5. The Public Appointments Policy corporations nominating process, currently used for other corporate boards, apply to Build Toronto and Invest Toronto and the City Manager be authorized to amend the Policy by adding the following specific qualifications for each board:
  - a. for Build Toronto – accomplished in real estate law, planning and development, capital financing, environmental remediation, and construction; and
  - b. for Invest Toronto – accomplished in international business, academics, marketing, government relations, labour, tourism or other marketing linkages.
  
6. The Mayor establish a Corporations Nominating Panel to recruit citizen members of the Board of Directors for the 2 new corporations and conduct a national search for the Chief Executive Officers for the 2 corporations.
  
7. The Remuneration Policy and the Expense Reimbursement Policy for City ABCCs apply to Invest Toronto and Build Toronto and the City Manager recommend remuneration for these boards for City Council approval at the same time as the citizen board members are appointed by Council.
  
8. The City Manager develop shareholder directions for the 2 new corporations for City Council approval at the same time as the citizen board members are appointed by City Council.
  
9.
  - a. Effective January 1, 2009, TEDCO's current incubator programs along with the associated funding and staffing be managed by and subsequently transferred to EDCT and included in the 2009 budget; and

- b. the General Manager of EDCT, or a person acting in that capacity, be authorized to execute on behalf of the City any agreements necessary with TEDCO or others to provide for the transfer of the incubator programs and the funding for such programs.
10. Council amend the number of directors on the TEDCO Board of Directors to five members with the same composition as the interim Boards for Build Toronto and Invest Toronto effective November 14, 2008, and effective the same day, appoint to the Board of Directors of TEDCO the same board members as are appointed to the two interim boards following Council's adoption of Part 2, above.
11. Council authorize the City Solicitor to take appropriate action, prior to November 14, 2008, to amend the articles of incorporation, by-laws, shareholder direction and any other corporate documents of TEDCO to be consistent with these Council decisions.
12. Parts 10 and 11, above, be constituted as a shareholder declaration and a resolution of the City as shareholder of TEDCO and appropriate City officials be authorized and directed to do all things that, in the opinion of the City Manager or the City Solicitor, are necessary or desirable to give effect to Parts 10 and 11, above.
13. In drafting the Shareholder Direction for the two new Corporations, the City Manager be requested to include options for repayment of the seed money provided by City Council.

#### Real Estate Strategy and Authorities for Land Transfers and Turnovers

Note 1: A land transfer conveys title to Build Toronto; a land turnover gives Build Toronto effective control over the lands to manage, develop and market lands without transferring title. Transfers may be used when there are no City or ABC program interests in the lands and a turnover may be used when there is one or more City or ABC program interests.

Note 2: "TEDCO's lands" means TEDCO's development projects and land holdings, together with the development projects and land holdings of TEDCO's subsidiaries.

14. To immediately begin the process of unlocking the value of land holdings, the City's CCO develop a City-wide real estate strategy that incorporates long term plans for all City and ABC programs and be authorized to conduct any real estate audits necessary; and all stakeholders be directed to participate in the process as set out in section C of this report in order to optimize the use of City and ABC land holdings, and to transfer or turn over to Build Toronto any City or ABC lands with potential for private development.

15. City Council authorize the Deputy City Manager responsible for waterfront revitalization to review and determine the appropriate disposition of all TEDCO's lands within the waterfront planning area, with a view to expediting renewal of this large area, ensuring effective management of those lands that are likely to remain in industrial use, and ensuring that the use of other lands is optimized while awaiting renewal by Waterfront Toronto.
16. Those prior City Council authorities providing for the transfer of title of certain City-owned properties to TEDCO, as more particularly set out in Attachment 5, be rescinded.
17. Conditional upon a satisfactory review by the CFO of the financial and real estate issues and subject to the execution of an agreement with Build Toronto on terms and conditions satisfactory to the CFO and in a form satisfactory to the City Solicitor:
  - a. the properties that are the subject matter of the authorities rescinded by the adoption of Part 16, above, be transferred to Build Toronto;
  - b. all TEDCO's lands outside the waterfront planning area be transferred to Build Toronto for nominal consideration, with appropriate arrangements for supporting staff and other resources as deemed necessary; and
  - c. as a result of the review in Part 15, above, where the Deputy City Manager determines that lands should be transferred to Build Toronto, those lands be transferred to Build Toronto for nominal consideration, with appropriate arrangements for supporting staff and other resources as deemed necessary.
18. City staff and the interim Board of Directors of Build Toronto consider all of the project work to date completed by TEDCO in their work to develop and market the Properties referred to in Parts 16 and 17a, above.
19.
  - a. Authority be granted to enter into Turnover Agreement(s) with Build Toronto, on terms and conditions satisfactory to the City Manager (including, but not limited to, those terms set out in Attachment 2), in consultation with the City Solicitor, and including amending agreements from time to time, all in a form satisfactory to the City Solicitor;
  - b. conditional upon Build Toronto having entered into a Turnover Agreement, land which has been declared surplus with the intended manner of disposal to be by way of turnover to Build Toronto to manage, develop and market, be turned over to Build Toronto for such purposes; and
  - c. authority be granted to execute a Power-of-Attorney or other authority to empower signing officers of Build Toronto to sign documents on behalf of

the City relating to City-owned lands turned over to Build Toronto, without further review or approval by City staff.

20. While Build Toronto will be entirely free to deal with the inventory of lands transferred in title to it (subject only to the terms of any Transfer Agreement), the terms of any proposed transfer of title of City or ABC land to Build Toronto, and of any proposed sale/disposal (including leases of 21 years or more) by Build Toronto of land subject to a Turnover Agreement, be reported through Committee and Council for consideration and determination.
21. The City Solicitor be authorized to complete the Turnover, future Transfer, and other, Agreements on behalf of the City, including paying any necessary expenses, amending the closing and other dates, and amending and waiving terms and conditions, on such terms as she considers appropriate.

#### Funding

22. City Council allocate the amount of \$10 million to the non-program expenditure budget to be funded from the Land Acquisition Reserve Fund, to be disbursed to Build Toronto and Invest Toronto, on terms satisfactory to the CFO, for the purpose of setting up and commencing business development operations including development of a business plan that identifies sustainable revenue sources.

#### Amendments/Review - Existing By-laws and Decisions

23. City of Toronto Municipal Code, Chapter 213, Sale of Real Property, be amended as set out in the draft Bill in Attachment 4.
24. The City Manager be requested to review the financial needs of Build Toronto together with the existing Policy entitled "...Proceeds from Sale of Surplus City Owned Real Property" embodied in Clause No. 1 of Report No. 9 of the Policy and Finance Committee adopted as amended by Council on June 18, 19 and 20, 2002 and report back to City Council.

#### General Authorities

25. Authority be granted to enter into such additional or other agreements or documents and to do all things deemed appropriate as may, in the opinion of the City Manager or City Solicitor, be desirable to give effect hereto.
26. The appropriate City officials be authorized and directed to introduce in Council any Bills necessary to give effect to the foregoing.
27. City Council express its appreciation to Jeffrey D. Steiner, President and Chief Executive Officer of TEDCO, and all the staff at TEDCO, for their

accomplishments and exemplary performance.

**Background Information (Committee)**

New Model to Enhance Toronto's Economic Competitiveness

(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-15926.pdf>)

The Randolph Group - NetGain Partners Report

(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-15957.pdf>)

**Background Information (City Council)**

Supplementary report (October 27, 2008) from the City Manager (EX24.1a)

(<http://www.toronto.ca/legdocs/mmis/2008/cc/bgrd/backgroundfile-16575.pdf>)

**Communications (Committee)**

(October 3, 2008) e-mail from Carol Wilding, President and CEO, The Toronto Board of Trade (EX.New.EX24.1.1)

(October 5, 2008) e-mail from Dennis Findlay (EX.New.EX24.1.2)

(October 5, 2008) e-mail from Barb Shopland, President of the Toronto Food Business Incubator (EX.New.EX24.1.3)

**Communications (City Council)**

(October 14, 2008) letter from Leo DelZotto, President, Tridel, submitted by Mayor David Miller (CC.Main.EX24.1.4)

(October 21, 2008) letter from Terry Mundell, President, The Greater Toronto Hotel Association (CC.Main.EX24.1.5)

25.13 **Green Fleet Plan for TTC, Police, Fire and EMS**

EX24.2	ACTION	Adopted		Ward: All
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**October 29, 2008**

Speaker Bussin in the Chair.

*Vote:*

The Item was adopted, without amendment.

**City Council Decision**

City Council adopted the following motions:

1. City Council adopt the 2008-2011 Green Fleet Plans for Toronto Fire Services and Emergency Medical Services, in accordance with Attachment 1.