



Building & Investment Committee

931 Yonge Street
Toronto M4W 2H2

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The Building & Investment Committee of Toronto Community Housing Corporation met on Monday, November 15, 2010, in the Amenity Room, 3rd Floor, 1 Oak Street commencing at 9:35 a.m.

Committee Directors present:	Mr. Ron Struys, Chair Ms. Sheerin Sheikh, Vice Chair Councillor Paula Fletcher Mr. Greg Kalil	Regrets	Mr. David Mitchell Councillor Anthony Perruzza
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Additional Directors present:	Mr. Dan King Ms. Catherine Wilkinson
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Also present:	Mr. John Fox, A/Vice President, Development Ms. Marta Asturi, Assistant Corporate Secretary and Legal Counsel Mr. Tom Burr, Director, Regent Park Development Mr. Philip Jeung, Director, Smart Buildings and Energy Management Mr. Len Koroneos, Chief Financial Officer Mr. Hugh Lawson, Director, Strategic Planning and Research Ms. Catherine Murray, Legal Counsel Ms. Keiko Nakamura, Chief Executive Officer Mr. Frank Sutton, Director Construction Ms. Lizette Zuniga, Director, Development and Real Estate
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Mr. Ron Struys, the Chair, called the meeting to order and Mr. Kamba Ankunda served as recording secretary.

DECLARATION OF CONFLICT OF INTEREST

The Chair requested members of the Building & Investment Committee to indicate any agenda item in which they had a conflict of interest, together with the nature of the interest. None were declared.

CONFIRMATION OF AGENDA

The agenda was approved without amendment.

**MINUTES CONFIRMATION OF BUILDING & INVESTMENT COMMITTEE
MINUTES – SEPTEMBER 23, 2010**

Motion carried The Committee had before it the draft Building & Investment Committee minutes for the September 23, 2010 meeting.

ON MOTION DULY MADE by Mr. Greg Kalil, seconded by Ms. Sheerin Sheikh, the Building & Investment Committee adopted the above-captioned minutes and recommended they be forwarded to the Board of Directors for information.

**ITEM 1 THIRD QUARTER 2010 BUILDING &
INVESTMENT COMMITTEE PERFORMANCE
REPORT** BIC:2010-36

The Building & Investment Committee had before it the above-captioned report (BIC: 2010-36) from the Chief Executive Officer.

Ms. Keiko Nakamura informed the Committee that one of the key elements in the report was the increasing cost of utilities and vacancy loss in rental units. She noted that Toronto Community Housing has over 2500 persons on the internal waiting list that should be exhausted before external transfers can be offered vacancies. Discussions with the City have begun to change policies in this area.

The Committee sought to know the nature of the MLS order deficiencies and whether there are some carried forward from 2009. In response, Ms. Keiko Nakamura informed the Committee that an analysis could come forward. There are some items that are carried forward from 2009 that related to large capital works underway. Those that are feasible to repair will be expedited as quickly as possible.

The Committee discussed how to make the Market Rental Units marketable in order to improve the vacancy loss. The Committee recommended that staff should review the use of modern technology to ensure that the units are viewable by the public and interested individuals. On whether staff should consider outsourcing to enhance marketing of the units, Ms. Keiko Nakamura responded that this had earlier been done through "ViewIt" and contracted to other firms. Operations is still testing the effectiveness of the system.

The Committee also recommended that staff look at the possibilities of

converting the units to suit the interest of the buyers whether on external or internal waiting list in order to enhance marketing.

In response to the Committee's request for Vacancy Report on Market Rental Units, Ms. Keiko Nakamura noted that a report will be brought to the Committee highlighting the location of the units, the number of vacant units, the possible reasons for the poor sales of market rental units, the vacancy rate and a plan to overcome the issues. The Committee further recommended that the vacancy report coming forward to the committee should also address the new buildings in the portfolio as well as overall building performance.

Motion carried **ON MOTION DULY MADE** by Ms. Sheerin Sheikh, seconded by Mr. Greg Kalil, the Building & Investment Committee unanimously received the report for information and forwarded the report with performance measures that are below target to the Board of Directors.

ITEM 2 **2011 OPERATING PLAN (INTERIM)** BIC:2010-37

The Building & Investment Committee had before it the above-captioned report (BIC: 2010-37) from the Chief Executive Officer.

Ms. Keiko Nakamura informed the Committee that she had put forward a budget requirement to provide interim spending as we move to the new year pending the completion of the final Operating Plan. The plan cannot be finalized without confirmation of City of Toronto subsidies. The actions to be taken for 2011 include, among others, the sale of single family houses (approved by the City Council), implementation of HST for 2011, and the increasing cost of utilities (ie. water and Hydro).

She further informed the Committee that insurance will go up based on the claims for 200 Wellesley. Other likely costs not included will be the implementation of LeSage Report, staff increments and living cost increase for the next year to mention a few.

In response to the Committee's query on the budget for the waste charge subsidy, Ms. Keiko Nakamura identified that the waste budget is based on the assumption that the City will cover the cost as per the Operating Agreement. She also noted, in response to Committee's query on the implementation of the Disability and Accessibility Plan, that the Accessibility Coordinator was confident that the \$1.5M budget was enough to cover the implementation of the Disability and Accessibility Plan.

Ms. Keiko Nakamura further informed the Committee that the contributions towards the sinking fund will be placed in the 2012 budget and that there was no requirement for an early contribution.

Motion carried **ON MOTION DULY MADE** by Ms. Sheerin Sheikh, seconded by Ms. Councillor Paula Fletcher, the Building & Investment Committee adopted the report and unanimously recommended it be forwarded to the Board of Directors to:

- (1) approve the 2011 Operating Plan (interim) as detailed in the attached Appendix "A" to give the CEO spending authority for 2011, pending confirmation of funding level from the Service Manager (City of Toronto) and the further refinement of 2011 revenue/expenditures;
- (2) direct the CEO to report to the Board of Directors upon approval of subsidy levels and SHRRP capital grants by the Service Manager (City of Toronto) and any further budget refinements; and
- (3) authorize the appropriate Toronto Community Housing officials to take the necessary action to give effect to the recommendations.

ITEM 3 **2011 MORTGAGE REVEWALS REPORT** BIC:2010-27

The Building & Investment Committee had before it the above-captioned report (BIC: 2010-27) from the Chief Executive Officer.

Motion carried **ON MOTION DULY MADE** by Ms. Sheerin Sheikh, seconded by Mr. Greg Kalil, the Building & Investment Committee unanimously adopted the report and recommended it should be forwarded to the Board of Directors to:

- (1) authorize the renewal, through the Ministry of Municipal Affairs and Housing, of Toronto Community Housing Corporation's mortgage obligations maturing in 2011 as detailed in Appendix "A" by adopting the attached Resolution set forth in Appendix "1;"
- (2) authorize the renewal of mortgage/loan accounts with the current lenders, Canadian Mortgage and Housing Corporation and the City of Toronto, for accounts not covered by the Ministry of Municipal Affairs and Housing refinancing as detailed in Schedule "A" on terms and conditions satisfactory to the CEO; and
- (3) authorize the CEO and/or CFO of the Corporation to take the necessary action to give effect to Recommendations (1) and (2).

**ITEM 4 60 RICHMOND STREET EAST: CLOSING
REPORT**

BIC:2010-28

The Building & Investment Committee had before it the above-captioned report (BIC: 2010-28) from the Chief Executive Officer.

Mr. John Fox informed the Committee that 60 Richmond has been the recipient of four design awards and one sustainability award. It has 11 storeys with a residential gross floor area of 81,806 Sq ft and a commercial area of 2,852 Sq ft. He informed the Committee that there was a typo error on the top of page 3, the Board approved a budget of \$22 million (not \$20.6 million as stated in the report).

The Committee commended the closing report and sought to know whether Co-operative Building is in the shareholder agreement with the City and if the sites have been identified for replacement of units. Mr. John Fox informed the Committee that the limitation of sites for replacement has continued to be a challenge and that it is possible for a cooperative building to house replacement units.

The committee recommended that the \$25,000 1 Oak Street under budget should be invested in installing automatic door openers to common areas in the building.

Motion carried **ON MOTION DULY MADE** by Councillor Paula Fletcher, seconded by Ms. Sheerin Sheikh, the Building & Investment Committee unanimously received the report for information.

**ITEM 5 501 ADELAIDE STREET EAST: CLOSING
REPORT**

BIC:2010-29

The Building & Investment Committee had before it the above-captioned report (BIC: 2010-29) from the Chief Executive Officer.

The Committee requested for an explanation of why the costs for 60 Richmond Street East construction were higher than 501 Adelaide Street East yet even when there are only 9 parking spaces. In response, Mr. John Fox noted that there were no costs on site clearance, no energy performance requirements at the time, 501 Adelaide Street was a typical condominium with usual finishing, the architect who designed the structure came at a low cost but with impressive designs, there was usage of a different construction measure, and construction was done with a top construction manager.

The Committee recommended that the recently completed building at 501 Adelaide needs additional automatic doors to keep within TCH accessibility policy to ensure that all new buildings are barrier free.

The Committee requested for a report outlining the cost of installing automatic door openers after construction compared to the design stage in order to determine whether installation of automatic door openers cause an undue financial hardship.

Motion carried **ON MOTION DULY MADE** by Ms. Sheerin Sheikh, seconded by Mr. Greg Kalil, the Building & Investment Committee unanimously received the report for information.

ITEM 6	TORONTO COMMUNITY HOUSING GREEN BUILDINGS REPORT	BIC:2010-30
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The Building & Investment Committee had before it the above-captioned report (BIC: 2010-30) from the Chief Executive Officer.

Motion carried **ON MOTION DULY MADE** by Mr. Greg Kalil, seconded by Ms. Sheerin Sheikh, the Building & Investment Committee unanimously received the report for information.

MISCELLANEOUS

Mr. John Fox addressed the Committee and advised that this is likely to be his last meeting as the Acting Vice President of Development. He took time to thank the Committee for their support and input, as well as the development staff who have committed tremendous time and energy to the development projects. Mr. Fox reserved his final thanks for tenants. Referencing the positive impact tenants had had at Council meetings relating to Lawrence Heights, Mr. Fox noted that empowered and informed tenants empower the corporation.

The Committee commended Mr. John Fox for his tremendous effort made to the Committee and the Corporation in the last 18 months as the Acting Vice President of Development.

IN CAMERA PROCEEDINGS

Motion carried **ON MOTION DULY MADE** by Ms. Sheerin Sheikh, seconded by Councillor Paula Fletcher, the Building & Investment Committee resolved to meet *in camera* to consider items A, B, C, D, E, F, G, H, I and J.

PUBLIC PROCEEDINGS

Motion carried At 12:42 p.m., the Chair announced the resumption of the public proceedings and the public meeting reconvened at that time.

ON MOTION DULY MADE by Ms. Sheerin Sheikh, seconded by Mr. Greg Kalil, the Building & Investment Committee ratified the actions authorized during the *in camera* meeting.

ADJOURNMENT

The meeting of the Building & Investment Committee was adjourned at 12:42 p.m. and the Committee proceeded on a tour of 1 Oak Street, Toronto.

Secretary

Chair, Building & Investment Committee