



Building and Investment Committee

931 Yonge Street
Toronto M4W 2H2

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The Building and Investment Committee of Toronto Community Housing Corporation met on November 28, 2011, in the Main Floor Conference Room, 931 Yonge Street, commencing at 9:05 a.m.

Committee Directors present: Ms. Audrey Wubbenhorst, Chair
Zahir Bhaidani
Norman (Bud) Purves, Chair of the Board of Directors

Regrets: Councillor Norm Kelly

Additional Directors present: Ms. Catherine Wilkinson

Also present: Marta Asturi, Assistant Corporate Secretary and Legal Counsel
Heather Grey-Wolf, Housing Development Manager
Hugh Lawson, Director - Strategic Planning & Stakeholder Relations
Michelle Haney-Kileeg, General Manager
Mitzie Hunter, Chief Administrative Officer
Len Koroneos, Chief Executive Officer (Interim)
Deborah Simon, Chief Operating Officer
Frank Sutton, Director Construction
Bill Ward, Director Property Management
Howie Wong, Corporate Secretary and General Counsel
Lizette Zuniga, Director, Development and Real Estate

Ms. Audrey Wubbenhorst, the Chair, called the meeting to order and Ms. Mirela Bolentiru served as recording secretary.

DECLARATION OF CONFLICT OF INTEREST

The Chair requested members of the Building and 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

Motion carried **ON MOTION DULY MADE** by Mr. Norman (Bud) Purves, seconded by Mr. Zahir Bhaidani, the Building and Investment Committee unanimously approved the agenda.

**MINUTES CONFIRMATION OF BUILDING AND INVESTMENT COMMITTEE
MINUTES – SEPTEMBER 30, 2011**

Motion carried **ON MOTION DULY MADE** by Mr. Norman (Bud) Purves, seconded by Mr. Zahir Bhaidani, the Building and Investment Committee confirmed the above-captioned minutes and recommended that:

- the Building and Investment Committee defer revisiting the recommendations respecting the establishment of a Toronto Community Housing Development Advisory Committee (DAC) to a future meeting (page 4);
- page 7, Item 3: “Building and Investment Committee Terms of Reference” (BIC:2011-16) the last paragraph before the motion be replaced with the following paragraph:

“Mrs. Audrey Wubbenhorst discussed the Building and Investment Committee Terms of Reference with Mr. Christian Buhagiar, Chair of the Corporate Governance Committee. The Terms of Reference for all committees will be forwarded by the Corporate Governance Committee to the Board of Directors for approval at its December 13, 2011 meeting.”
- the above-captioned minutes be forwarded to the Board of Directors for information.

ITEM 1 Q3 2011 QUARTERLY PERFORMANCE REPORT BIC:2011-26

Motion carried The Building and Investment Committee had before it the above-captioned report (BIC:2011-26) from the Interim Chief Executive Officer.

Ms. Deborah Simon presented the Committee with a summary of the MLS deficiencies that occurred and were resolved within the third quarter of 2011, including the following highlights:

- page 18 shows a decrease of 7.5% in performance compared to Q1 and Q2 2011; the number of deficiencies increased by 10% in Q3 2011 compared to Q2 2011.
- all MLS orders were centralized, therefore Q3 2011 data reflects more accurately the MLS deficiencies than Q2 2011 and last year.

In response to questions raised by the Committee with respect to the difference between deficiencies and fees and the classification of deficiencies, Ms. Deborah Simon informed the Committee that:

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- deficiency is a situation when a building does not meet the MLS standards;
 - a fee is an amount that the Corporation has to pay to MLS in order to identify deficiencies and then to report back to MLS on the remedial actions;
 - management met with MLS staff and discussed the Corporation's deficiencies;
 - MLS wants to see more work from the Corporation in addressing all deficiencies, no matter their category: small or capital;
 - example of a small deficiency is a blowout in the wall that requires plastering; example of a capital deficiency is replacing balconies that do not meet MLS standards;
 - there is a difference between the capital deficiencies as they are defined according to MLS standards and the capital deficiencies included in the Corporation's Capital Plan;
 - staff is compiling data in EasyTrak to provide the Committee with the dollar amount for all MLS deficiencies.

In response to questions from the Committee, Mr. Bill Ward informed the Committee that 30% to 40% of the MLS deficiencies are capital and included in the Corporation's Capital Plan. The time line to complete the MLS orders is 30 days and trying to extend it to 60 days. There are no life safety issues identified. There is a new Executive Director of MLS and management will start discussions with the new MLS staff. The Committee agreed that the Corporation cannot afford wasting money on MLS fees. The money charged could be directed to capital repairs.

Ms. Deborah Simon informed the Committee that Mr. Len Koroneos will contact the City to discuss the MLS deficiencies.

Mr. Bill Ward informed the Committee that next week will be held a meeting with the legal department to determine the capital deficiencies that were not closed up.

Motion carried **ON MOTION DULY MADE** by Ms. Audrey Wubbenhorst, seconded by Mr. Norman (Bud) Purves, the Building and Investment Committee received the report and recommended that the report be forwarded, with performance measures that are below target, to the Board of Directors for information.

ITEM 2 **2012 MORTGAGE RENEWALS** BIC:2011-27

The Building and Investment Committee had before it the above-captioned report (BIC:2011-27) from the Interim Chief Executive Officer.

The Committee recommended that management contact other financial institutions in an attempt to obtain longer term mortgages at lower rates.

The Committee requested that once mortgages are re-negotiated, management will report back to the Committee on the terms of renewals.

Motion carried **ON MOTION DULY MADE** by Ms. Audrey Wubbenhorst, seconded by Mr. Zahir Bhaidani, the Building and Investment Committee adopted this report and recommended that the report be forwarded to the Board of Directors:

- (1) to authorize the refinancing, through MMAH, of TCHC's mortgage obligations maturing in 2012 by adopting the attached Resolution set forth in Appendix "1", and
- (2) that the CEO and/or CFO of the Corporation be authorized to take the necessary action, including negotiating and executing such documents as may be necessary, to give effect to Recommendation (1) above.

ITEM 3 **PROJECT COMPLETION REPORT –** **717**
BROADVIEW AVENUE BIC:2011-28

Motion carried The Building and Investment Committee had before it the above-captioned report (BIC:2011-28) from the Interim Chief Executive Officer.

Mr. Frank Sutton presented the Committee with an overview of the report, including the following highlights:

- it is a residential building for seniors and WoodGreen;
- there is a geothermal field installed in the parking lot to reduce heating costs;
- there is an energy recovery ventilation system in place;
- at its February 2010 meeting, the Board of Directors of the Corporation approved the transfer of the building to WoodGreen; there are restrictions to the transfer, so WoodGreen cannot sell,

sub-lease or mortgage the building and/or the land.

The Committee was supportive of the partnership with WoodGreen. WoodGreen is a community services organization, funded by all three levels of government, with various locations across the City. It provides a range of services including childcare, employment services, immigrant services, housing and homelessness services, neighbourhood services and seniors' wellness. The space offers programming to seniors including mental health support, active living programs, workshops and training, and Meals on Wheels.

Motion carried **ON MOTION DULY MADE** by Ms. Audrey Wubbenhorst, seconded by Mr. Norman (Bud) Purves, the Building and Investment Committee received this report for information.

ITEM 4	PROJECT COMPLETION REPORT – CARLTON STREET	92	BIC:2011-29
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Motion carried The Building and Investment Committee had before it the above-captioned report (BIC:2011-29) from the Interim Chief Executive Officer.

Mr. Frank Sutton presented the Committee with an overview of the report, including the following highlights:

- the project was completed in May 2010, 18 months since its inception;
- financial results are good;
- there is no geothermal field in place;
- there is a recovery system for hot water;
- the building consists of large units occupied by families;
- two thirds of the units are RGI and one third of the units are at the market price;
- the Corporation acquired the original building that was ready for demolition due to termite infestation.

In response to a question raised, Mr. Frank Sutton informed the Committee that the onus for remediating deficiencies stays with the construction manager, H&R Construction, which is not paid until the deficiencies are remediated.

Motion carried **ON MOTION DULY MADE** by Ms. Audrey Wubbenhorst, seconded by

Mr. Norman (Bud) Purves, the Building and Investment Committee received this report for information.

**ITEM 5 REGENT PARK – ONE OAK – PROJECT
 COMPLETION REPORT**

BIC:2011-30

The Building and Investment Committee had before it the above-captioned report (BIC:2011-30) from the Interim Chief Executive Officer.

Mr. Frank Sutton presented the Committee with a summary of the report, including the following highlights:

- it is a good looking building, occupied, well maintained and with good financial results;
- deficiencies are remediated in due time;
- the general contractor was Daniels Construction Corporation that built an excellent project, while interfacing well and respectfully with the tenants;
- management identified some areas where Daniels' performance may be improved such as: seeking timely authorization from the Corporation for change orders prior to work proceeding and a higher level of client service;
- management is looking to identify other development partners that, for example, brings its own management property company.

In response to a question raised, Ms. Lizette Zuniga informed the Committee that tenants were moved only once from the building when they were relocated; therefore, there was no duplication of moving costs that are \$5,000 for each unit.

Motion carried **ON MOTION DULY MADE** by Ms. Audrey Wubbenhorst, seconded by Mr. Zahir Bhaidani, the Building and Investment Committee received this report for information.

Motion carried **ON MOTION DULY MADE** by Ms. Audrey Wubbenhorst, seconded by Mr. Zahir Bhaidani, the Building and Investment Committee resolved to meet *in camera* to consider items A, B, C, D, E, and F.

PUBLIC PROCEEDINGS

Motion carried At 11:00 a.m. the Chair announced the resumption of the public proceedings and the public meeting reconvened at that time.

ON MOTION DULY MADE by Mr. Norman (Bud) Purves, seconded by Mr. Zahir Bhaidani, the Building and Investment Committee ratified the actions authorized during the *in camera* meeting.

ADJOURNMENT

ON MOTION DULY MADE by Ms. Audrey Wubbenhorst, seconded by Mr. Zahir Bhaidani, the meeting of the Building and Investment Committee was adjourned at 11:00 a.m.

Secretary

Chair, Building and Investment Committee