



Annual General Meeting Process for TCHC and its Subsidiaries

Item 5

April 20, 2022

Governance, Communications and Human Resources Committee

Report: GCHRC:2022-09

To: Governance, Communications and Human Resources Committee (“GCHRC”)

From: General Counsel & Corporate Secretary

Date: March 14, 2022

PURPOSE:

The purpose of this report is to review the process for the Annual General Meeting (“AGM”) for Toronto Community Housing (“TCHC”) and its subsidiaries.

RECOMMENDATIONS:

It is recommended that the GCHRC approve this report and forward to the Board of Directors (the “Board”) the following recommendations:

1. Authorize the President and Chief Executive Officer of designate to represent the sole shareholder, Toronto Community Housing Corporation, and conduct annual meetings of the shareholder via written resolution in the form attached as Appendix 1 for the following subsidiaries that are wholly-owned by TCHC:
 - (a) 2001064 Ontario Inc.;
 - (b) Access Housing Connections Inc.;
 - (c) Alexandra Park Development Corporation;
 - (d) Allenbury Gardens Development Corporation;
 - (e) Leslie Nyemark Development Corporation;

- (f) Railway Lands Development Corporation;
 - (g) Regent Park Development Corporation;
 - (h) Toronto Affordable Housing Fund; and
 - (i) Toronto Community Housing Enterprises Inc.; and
2. Authorize the President and Chief Executive Officer and the General Counsel and Corporate Secretary, and their respective designates, to take all actions and execute all necessary documents to implement the above recommendations.

REASONS FOR RECOMMENDATIONS:

In accordance with its Charter, the GCHRC fulfills its purpose, in part, by carrying out the following responsibilities:

1. Reviewing with Management the procedures of the Annual General Meeting, and reporting and making recommendations to the Board on such matters; and
2. Recommending to the Board in consultation with Committee Chairs the appointment of directors of any subsidiary or joint venture, and annually reviewing the governance structures of all subsidiaries and joint ventures, including the procedures for any Annual General Meetings in accordance with applicable subsidiary board policies, and reporting and making recommendations to the Board on such matters.

TCHC's AGM is conducted as part of the City of Toronto's (the "City") Council meetings. In order to satisfy the requirements for an AGM, the City Manager, the Deputy City Manager and the Chief Financial Officer bring a report to City Council, through its Executive Committee, addressing the matters required to be dealt with at an AGM, with the recommendation that the portion of the City Council meeting at which the report is considered be treated as TCHC's AGM.

The report requesting the AGM will likely be brought to the Executive Committee on July 12, 2022 and TCHC's AGM will likely be scheduled to take place the July 19 to 20, 2022 City Council meeting. The following items will be discussed at TCHC's AGM:

1. TCHC's 2021 Consolidated Audited Financial Statements;
2. Appointment of TCHC's auditor for the next fiscal year;
3. 2021 Annual Report; and
4. TCHC's Letter to the Shareholder.

TCHC has established the nine wholly-owned subsidiaries noted above in the Recommendations section.

To fulfill its obligation of holding an AGM pursuant to section 94 of the *Business Corporations Act* ("BCA"), the subsidiary board must first meet and approve the corporation's financial statements for the fiscal year ended December 31, 2021. Once financial statements are approved by the subsidiary board, an AGM can be convened. TCHC, through its Board of Directors, can conduct the AGM by written resolution if permitted by the subsidiaries' bylaws. According to section 104 of the *BCA*, a resolution in writing signed by all the shareholders entitled to vote on that resolution at a meeting of the shareholders is as valid as if it had been passed at a meeting of the shareholders.

The agenda for the subsidiaries' AGMs consists of the following (pursuant to section 96(5) of the *BCA*):

1. Receipt and presentation of annual financial statements and auditor's report;
2. Appointment of auditor; and
3. Election of directors.

IMPLICATIONS AND RISKS:

Under the *BCA*, corporations are required to hold an AGM. Failure to hold an AGM would result in non-compliance with the *BCA*.

SIGNATURE:

"Darragh Meagher"

Darragh Meagher
General Counsel & Corporate Secretary

ATTACHMENT:

1. Form of Signed Resolution in Lieu of Shareholders' Meeting

STAFF CONTACT:

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ATTACHMENT 1

Signed Resolution in Lieu of Shareholders' Meeting

[NAME OF CORPORATION] RESOLUTION OF THE SHAREHOLDER

BE IT RESOLVED THAT:

A. FINANCIAL STATEMENTS

The financial statements of the Corporation as at the fiscal year end of December 31, 2021 [together with the report of the auditor thereon] are hereby received.

B. [REMOVAL AND] ELECTION OF DIRECTORS

[The following directors are hereby removed as directors of the Corporation effective on the date this resolution is signed: [list directors]].

The following persons are hereby elected directors of the Corporation for the ensuing year or until their successors should be elected or appointed: [list directors]

C. SPECIAL RESOLUTION FIXING NUMBER OF DIRECTORS

Upon and subject to Articles of Incorporation providing for a minimum and maximum numbers of directors becoming effective:

1. the number of directors of the Corporation within the minimum and maximum numbers of directors provided for in the Articles of Incorporation is hereby determined to be _____; and
2. thereafter, the directors of the Corporation are empowered to determine from time to time the number of directors of the Corporation within the minimum and maximum numbers provided for in the Articles of Incorporation, as the same may be amended from time to time.

D. APPOINTMENT OF AUDITOR

[Name of Auditors] are hereby appointed the auditors of the Corporation to hold office until the close of the next annual meeting of the shareholder at such remuneration as may be fixed by the directors and the directors are hereby authorized to fix such remuneration.

The undersigned, being the sole shareholder of the Corporation, entitled to vote on the foregoing resolution, hereby, signs the said resolution this _____ day of _____, [year] _____.

TORONTO COMMUNITY HOUSING CORPORATION

By: _____

Name:

Title: President and Chief Executive
Officer