



Building Investment, Finance and Audit Committee

931 Yonge Street,
Toronto, M4W 2H2

Page 1 of 17

The Building Investment, Finance and Audit Committee (“BIFAC”) of the Toronto Community Housing Corporation (“TCHC”) held a virtual Public meeting on September 2, 2021, via WebEx, commencing at 10:06 a.m.

BIFAC Directors Present: Adele Imrie, Chair
Deputy Mayor Ana Bailão (10:06 a.m. – 10:20 a.m.)
Naram Mansour
Brian Smith

BIFAC Directors Absent: Nick Macrae
John Campbell

Management Present: Jag Sharma, President and Chief Executive Officer (“CEO”)
John Angkaw, Senior Director, Business Operations
Darragh Meagher, General Counsel & Corporate Secretary
Nagesh Dinavahi, Corporate Controller
Karim Jessani, Manager, Internal Audit
Luisa Andrews, Vice President, Information Technology Services
Allen Murray, Vice President, Facilities Management
Paula Knight, Vice President, Strategic Planning & Communications
Kelly Skeith, Acting Chief Development Officer
Jill Bada, General Manager, Seniors Housing Unit
Peter Zimmerman, Senior Development Director

A quorum being present, Ms. Imrie, serving as Chair, called the meeting to order, and Ms. Fung served as recording secretary.

ITEM 1 CHAIR'S REMARKS

The Chair welcomed everyone to the BIFAC meeting, noted the Acknowledgement of the Land and notified everyone that due to the need for social distancing to limit the spread of COVID-19, TCHC is holding this BIFAC meeting virtually.

ITEM 2A APPROVAL OF PUBLIC MEETING AGENDA

Motion carried **ON MOTION DULY MADE** by Mr. Naram, seconded by Deputy Mayor Bailão and carried, the BIFAC approved the Public meeting agenda for the BIFAC's September 2, 2021 meeting.

ITEM 2B CHAIR'S POLL RE: CONFLICT OF INTEREST

The Chair requested members of the BIFAC to indicate any agenda item in which they had a conflict of interest, together with the nature of the interest. **No conflicts were declared.**

ITEM 2C CONFIRMATION OF MINUTES OF THE PUBLIC BIFAC MEETING OF JULY 20, 2021

Motion carried **ON MOTION DULY MADE** by Deputy Mayor Bailão, seconded by Mr. Mansour and carried, the BIFAC confirmed the above-captioned minutes without amendments.

ITEM 2D INTERNAL AUDIT UPDATE: Q2 2021 BIFAC:2021-72

Motion carried **ON MOTION DULY MADE** by Deputy Mayor Bailão, seconded by Mr. Mansour and carried, the BIFAC received the Internal Audit Update: Q2 2021 report as outlined in Report:BIFAC:2021-72 for its information.

**STATUS UPDATE ON AUDIT
RECOMMENDATIONS FROM INTERNAL
ITEM 2E AUDIT REPORTS AS OF JUNE 30, 2021 BIFAC:2021-73**

Motion carried **ON MOTION DULY MADE** by Deputy Mayor Bailão, seconded by Mr. Mansour and carried, the BIFAC received the Status Update on Audit Recommendations from Internal Audit Reports as of June 30, 2021 as outlined in Report:BIFAC:2021-73 for its information.

ITEM 2F 2021 INTERNAL AUDIT WORK PLAN REVISIONS BIFAC:2021-74

The above-captioned report was circulated to BIFAC members prior to the meeting.

Mr. Jessani was available to answer questions from BIFAC members.

Highlights of the discussion include:

- Concerns were expressed regarding the delay of the budgetary process.
- BIFAC requested that the original schedule of the Budgeting and Monitoring Process Review to commence in Q3 2021 to be reinstated and the Learning and Organizational Development to be deferred to 2022.

Motion carried **ON MOTION DULY MADE** by Mr. Mansour, seconded by and Mr. Smith carried, the BIFAC approved the revisions to Internal Audit's 2021 Work Plan, as presented in Attachment 1 to Report

BIFAC:2021-74 subject to reinstating the original schedule of the Budgeting & Monitoring Process Review to commence in Q3 of 2021, deferring the Learning and Organizational Development to 2022.

ITEM 2G Q2 2021 HoMES PROJECT UPDATE BIFAC:2021-75

The above-captioned report was circulated to BIFAC members prior to the meeting.

Ms. Andrews was available to answer questions of BIFAC members. Highlights of the discussion include:

- While the technical portion of the solution was expected to be ready for the October timeframe, the training of users was deferred until January and February 2022.
- Final financial review with a detailed analysis of the budget impact of that extension will be provided at the next update.
- Management anticipated that the project will be completed with approximately \$1.1M remaining as contingency. Approximately \$900K of that contingency will be used for training in January / February 2022.

Motion carried **ON MOTION DULY MADE** by Mr. Smith, seconded by Mr. Mansour and carried, the BIFAC received the Q2 2021 HoMES Project Update as outlined in Report:BIFAC:2021-75 for its information.

ITEM 2H Q2 2021 INFORMATION TECHNOLOGY SERVICES DIVISIONAL UPDATE BIFAC:2021-76

Motion carried **ON MOTION DULY MADE** by Deputy Mayor Bailão, seconded by Mr. Mansour and carried, the BIFAC received the Q2 2021 Information Technology Services Divisional Update as outlined in Report:BIFAC:2021-76 for its information.

ITEM 2I	Q2 2021 PAC AWARDS AND REVENUE CONTRACTS	BIFAC:2021-77
----------------	---	----------------------

Motion carried **ON MOTION DULY MADE** by Deputy Mayor Bailão, seconded by Mr. Mansour and carried, the BIFAC received the Q2 2021 – PAC Awards and Revenue Contracts report as outlined in Report:BIFAC:2021-77 for its information.

ITEM 2J	Q2 2021TENANTS FIRST UDPATE	BIFAC:2021-78
----------------	------------------------------------	----------------------

Motion carried **ON MOTION DULY MADE** by Deputy Mayor Bailão, seconded by Mr. Mansour and carried, the BIFAC received the Q2 2021 Tenants First Update as outlined in Report:BIFAC:2021 -78 for its information.

ITEM 2K	Q2 2021 UPDATE ON MABELLEARTS LONG TERM LEASE AND OPERATING AGREEMENT FOR PARTS OF MABELLE PARK	BIFAC:2021-79
----------------	--	----------------------

Motion carried **ON MOTION DULY MADE** by Deputy Mayor Bailão, seconded by Mr. Mansour and carried, the BIFAC received the Q2 2021 Update on MABELLEarts Long Term Lease and Operating Agreement for Parts of Mabelle Park report Report:BIFAC:2021-79 for its information.

ITEM 2L	DECEMBER 2021 MORTGAGE RENEWAL	BIFAC:2021-80
----------------	---------------------------------------	----------------------

Motion carried **ON MOTION DULY MADE** by Mr. Smith, seconded by Deputy Mayor Bailão and carried, the BIFAC approved and forwarded to the Board for its approval the recommendations, as outlined in

Report:BIFAC:2021-80, to:

1. Approve the transaction in the amount of \$3,314,313.61 with a lender selected by the Ministry of Municipal Affairs and Housing, in connection with the mortgage due for renewal on December 1, 2021; and
2. Authorize the President and Chief Executive Officer or the Chief Financial Officer & Treasurer to take all necessary actions, including negotiation and execution of such documentation as may be required, in order to give effect to the above recommendation.

ITEM 3 BUSINESS ARISING FROM THE PUBLIC MEETING MINUTES AND ACTION ITEMS UPDATE

Motion carried **ON MOTION DULY MADE** by Mr. Mansour, seconded by Mr. Smith and carried, the BIFAC received the matters reported as Business Arising from the Public Meeting Minutes and Action Items Update as of July 20, 2021 for its information.

ITEM 4 APPOINTMENT OF CITIZEN MEMBER(S) TO INVESTMENT ADVISORY COMMITTEE BIFAC:2021-81

The above-captioned report was circulated to BIFAC members prior to the meeting.

Mr. Meagher was available to answer questions of the BIFAC. Highlights of the discussion include:

- Recruitment process was initiated to recruit new members for the Investment Advisory Committee.
- Notice of the vacant positions were posted at the TCHC web site, as well as at Mr. Macrae's (the IAC Chair) social media. Eight applications were received and two of these applicants were selected for an interview.

**Building Investment, Finance and Audit Committee
Public Minutes
September 2, 2021**

- The interview panel was comprised of: Mr. Macrae (IAC Chair), Mrs. Imrie (BIFAC Chair), and Ms. Lee (TCHC Chief Financial Officer).
- Upon completion of the interview process, it was determined that membership of IAC should be increased by one, which is permissible within the IAC charter. Both interviewed candidates demonstrated a high level of business, financial investment acumen, and have experience and providing advice and direction on investment mandates and strategy.
- The Committee was to identify qualifications that included a high level of business and financial acumen, investment experience preferably with Canadian and global markets, understanding of various investment classes and money market, fixed income equities, knowledge of fiduciary responsibilities of managing trusts (preferred), experience in pension funds, and so on.
- Names of the applicants that are being recommended were included on the confidential attachments of Report:BIFAC:2021-81.
- BIFAC has authority to appoint new members to the subcommittee. Board approval is not required.

Motion carried **ON MOTION DULY MADE** by Mr. Smith, seconded by Mr. Mansour and carried, the BIFAC unanimously approved the appointment of the following individuals to serve on the Investment Advisory Committee for a term of 2 years, renewable for an additional 2 years:

1. Jing Lu; and
2. Martha Tredgett.

**CHANGE ORDER: COSTS FOR
ADDITIONAL CONSULTING SERVICES
FOR REGENT PARK PHASE 2 SITE
SERVICING**

ITEM 5A

BIFAC:2021-64

The above-captioned report was circulated to BIFAC members prior to the meeting.

Mr. Skeith and Mr. Zimmerman were available to answer questions of the

BIFAC. Highlights of the discussion include:

- This change order covered additional engineering fees for Dylan Consulting Ltd. (“Dylan”) for all of the road work on the Phase 2 lands. Six roadways were involved in this space.
- The costs covered for
 - Assessment of damages to the Phase 2 roadways.
 - Observation and contract administration of top works.
 - Additional fees for construction delays.
 - Contingency.
- The total value of change orders issued to Dillon Consulting Ltd. to date is \$984,111 for a total current contract value of \$1,260,111. With approval of this request, the total cumulative value of change orders issued to Dillon will be \$1,108,388, equivalent to 401.6% of the original contract value, and the revised total contract amount will be \$1,384,388.
- The magnitude of the change in Dillon’s contract value is due to unpredictable changes in the project timeline and addition of scope.
- As per the contract with the City, TCHC is obligated to retain Dylan until the roads are assumed because they are the consulting engineer on the project.
- The process undertaken by the Development Team to review and scrutinize all the change orders was comprehensive.
- The contingency fee was included as it is difficult to understand the quantum of repair work that would be required over the course of a year.

Motion carried

ON MOTION DULY MADE by Mr. Smith, seconded by Mr. Mansour and carried, the BIFAC unanimously approved the following recommendations as outlined in Report BIFAC:2021-64, to:

1. Approve fee increases for Dillon Consulting Ltd. totaling \$124,276.68 (exclusive of taxes) for civil engineering and contract administration work in Phase 2 of the Regent Park revitalization for additional civil engineering services associated with roadway repairs and top-works (asphalt paving) of the Phase 2 roads in Regent Park;

2. Approve a contingency of \$50,000.00 for anticipated additional costs to carry the project through the assumption of Phase 2 roads by the City; and
3. Authorize the appropriate TCHC staff to take the necessary actions to give effect to the above recommendations.

ITEM 5B REGENT PARK PHASES 4-5 PRE-DEVELOPMENT SPENDING AUTHORITY BIFAC:2021-83

The above-captioned report was circulated to BIFAC members prior to the meeting.

Ms. Skeith and Mr. Zimmerman were available to answer questions of the BIFAC. Highlights of the discussion include:

- Since December the Development team has moved on to examining opportunities to increase the density on these lands, and to contemplate some of the new priorities that were not originally considered back in 2013 and 2014 when the phases 4, and 5 lands were zoned.
- Increased costs and transitional costs in phases 4 and 5 would be involved if TCHC goes through with rezoning that will delay the start of construction.
- In light of the changes to the project, engagement of tenants in the community will be maintained. Regular meetings were held throughout the year. Staff plan to create a working group as a sounding board to work through some of the issues. Staff will also be working with our counterparts at the City and CreateTO.
- There are four blocks in phases 4 and 5 (approximately 16 acres, about 50-60% of the lands) under this partnership. The partnership agreements which include cost sharing consideration for the work referred to in this report, are expected to be completed by end of 2021.

Motion carried **ON MOTION DULY MADE** by Mr. Mansour, seconded by Mr. Smith and carried, the BIFAC unanimously approved and forward to the Board of Directors for approval the following recommendations as outlined in Report BIFAC:2021-83, to:

1. Authorize additional spending authority of \$2,649,200 to complete Phases 4-5 master planning, rezoning, and operational costs as described in this report;
2. Authorize the Acting Chief Development Officer to execute an Interim Cost Sharing Agreement whereby TCHC will contribute 75% and Tridel will contribute 25% of the total costs on an as-incurred basis, in form satisfactory to the General Counsel and Corporate Secretary and the Acting Chief Development Officer; and
3. Authorize the appropriate staff to take the necessary actions, incur capital commitments, and execute any and all documents as may be necessary, including negotiation and execution of such documents as may be required to give effect to the above recommendations.

**ALEXANDRA PARK PHASE 2
REVITALIZATION: TRANSFER OF SITE 1
DWWLOPMENT BLOCK TO
PARTNERSHIP**

ITEM 5C

BIFAC:2021-84

The above-captioned report was circulated to BIFAC members prior to the meeting.

Ms. Skeith and Mr. Zimmerman were available to answer questions of the BIFAC. Highlights of the discussion include:

- TCHC is moving to the second phase of Alexander Park. Phase 1 was more or less complete. TCHC would transfer one of the market blocks in Phase 2 to Tridel, the development partner, by end of this year.
- TCHC will enter into reciprocal agreements with Tridel. These are shared facilities agreements that will ultimately be transferred to the future condo Corporation.
- The building that Tridel is building and the building TCHC is building comingled and share an underground parking lot and a number of other facilities. Integration of the buildings facilitated efficient use of land.

Motion **ON MOTION DULY MADE** by Mr. Smith, seconded by Mr.

carried

Mansour and carried, the BIFAC unanimously approved the following recommendations as outlined in Report BIFAC:2021-84, to:

1. Authorize the transfer of the Site 1 lands, substantially as shown on the plans prepared by CS&P Architects and SvN Architects + Planners, dated January 22, 2020 (Attachment 2), (the “Subject Lands”), from Toronto Community Housing to Dundas Alexandra Park Residences Inc.;
2. Authorize entering into reciprocal easements and a shared facilities agreement with the declarant or condominium corporation which acquires the Subject Lands to provide for the operation and management of the shared garage, loading and garbage areas, building facilities and shared outdoor areas;
3. Authorize any further retransfer of the Subject Lands required in order to correct the boundaries in accordance with any subsequent as-built stratified plan; and
4. Authorize the Chief Development Officer (or designate) to take such further actions to execute any and all agreements and documents as may be necessary to give effect to the above recommendations.

**CONTRACTOR AWARD: PORTABLE
TERMINAL AIR CONDITIONING UNIT
("PTAC") SYSTEM REPLACEMENT AND IN-
SUITE VENTILATION UPGRADE AT 145**

ITEM 6A MUTUAL STREET (RFP 21102-PP)

BIFAC:2021-85

The above-captioned report was circulated to BIFAC members prior to the meeting.

Mr. Murray was available to answer questions of the BIFAC. Highlights of the

**Building Investment, Finance and Audit Committee
Public Minutes
September 2, 2021**

discussion include:

- This proposed new system is highly energy efficient (reducing tenant utility bills), quieter, requires a far smaller penetration at the envelope (eliminating leaks and drafts), and will significantly improve tenant comfort.
- The tenants pay their own electricity bills at this building.

*Motion
carried*

ON MOTION DULY MADE by Mr. Smith, seconded by Mr. Mansour and carried, the BIFAC unanimously approved the following recommendations as outlined in Report BIFAC:2021-85, to:

1. Approve the award of the work to Martinway Contracting Ltd. for \$3,977,414,21 (exclusive of taxes) for PTAC replacement and in-suite ventilation upgrades at 145 Mutual Street based on the outcome of Request for Proposal (RFP) 21002-PP; and
2. Authorize the appropriate staff to take the necessary actions to give effect to the above recommendation.

**CONTRACTOR AWARD:
DECOMMISSIONING, ABATEMENT,
DEMOLITION AND SITE GRADING
SERVICES AT FIRGROVE CRESCENT (RFP
21084-PP)**

ITEM 6B

BIFAC:2021-86

The above-captioned report was circulated to BIFAC members prior to the meeting.

Mr. Murray was available to answer questions of the BIFAC. Highlights of the discussion include:

- The recommended scope of work includes decommissioning, abatement, demolition and site grading services at Firgrove Crescent (Blocks A and B) in order to facilitate the Firgrove-Grassways Revitalization.

It was anticipated that the remaining tenants in the other building will be fully relocated around the end of September.

**Building Investment, Finance and Audit Committee
Public Minutes
September 2, 2021**

- Completion of this work will provide an opportunity for the Development Team to move forward with their plan to replace the units.
- The RFP is required that 1.5% of the total bid be used to implement the community economic development plan which included employment opportunity for the tenants.

*Motion
carried*

ON MOTION DULY MADE by Mr. Mansour, seconded by Mr. Smith and carried, the BIFAC unanimously approved the following recommendations as outlined in Report BIFAC:2021-86, to:

1. Approve the award of the work to Budget Environmental Disposal Inc. for \$4,959,650.00 (exclusive of taxes) for decommissioning, abatement, demolition and site grading services at 5, 10 & 40 Turf Grassway, 4 & 17 Cane Grassway, 7 & 11 Blue Grassway, 1, 2 & 8 Dune Grassway, and 3 & 36 Marsh Grassway (Firgrove Crescent, Dev. 097) based on the outcome of Request for Proposal (“RFP”) 21084-PP; and
2. Authorize the appropriate staff to take the necessary actions to give effect to the above recommendation.

**CHANGE ORDER: ADDITIONAL SCOPE TO
RENOVATE TOWNHOUSE UNITS AT 275,
285 AND 295 SHUTER STREET (MOSS
PARK)**

ITEM 6C

BIFAC:2021-87

The above-captioned report was circulated to BIFAC members prior to the meeting.

Mr. Murray was available to answer questions of the BIFAC. Highlights of the discussion include:

- This was a \$4M project that was approved for replacement of sanitary, drainage and other plumbing including some interior work. The original intent was to have the tenants temporarily vacate their units on a one by one basis. It was later recommended that the tenants be completely

relocated so work could be done in completely vacant units.

- This change order was for additional scope of work that TCHC would be completing in the 41 units.
- This will be covered by the contingency funds.

*Motion
carried*

ON MOTION DULY MADE by Mr. Smith, seconded by Mr. Mansour and carried, the BIFAC unanimously approved the following recommendations as outlined in Report BIFAC:2021-87, to:

1. Approve the change order of the work up to \$1,031,270.54 (exclusive of taxes) to Martinway Contracting Ltd. for the extra cost to expand the interior renovation of 41 townhouse units at 275, 285 and 295 Shuter Street as follows:
 - a. \$941,270.54 for the extra cost to expand the interior renovation of 41 townhouse units; and
 - b. \$90,000 as an allowance to accommodate the potential increased cost of materials due to supply chain issues as a result of the COVID-19 pandemic; and
2. Authorize the appropriate staff to take the necessary actions to give effect to the above recommendation.

**CONTRACTOR AWARD: BALCONY
RESTORATION AND RAILING
REPLACEMENT AT 200 WELLESLEY
STREET EAST (RFPQ 21166)**

ITEM 6D

BIFAC:2021-88

The above-captioned report was circulated to BIFAC members prior to the meeting.

Mr. Murray was available to answer questions of the BIFAC. Highlights of the discussion include:

Building Investment, Finance and Audit Committee
Public Minutes
September 2, 2021

- The recommended scope of work includes full balcony suspended slab edge replacement, deteriorated concrete repair, waterproofing traffic coating applications, new rail guard and new bird net replacement, and structural repair of three canopies.
- This work will be inconvenient and noisy for the tenants. Facilities Management team will work with building staff and Capital Engagement team to ensure that we can work with and support our tenants as needed.
- Precaution will be taken to minimize disruption to the tenant of having their balcony closed off for safety reasons. Hearing protection will also be available for tenants should the need arises. A quiet room will be set up for tenants' use.

*Motion
carried*

ON MOTION DULY MADE by Mr. Smith, seconded by Mr. Smith and carried, the BIFAC unanimously approved the following recommendations as outlined in Report BIFAC:2021-88, to:

1. Approve the award of the work to Adco Building Restoration Ltd. for \$3,653,235.00 (exclusive of taxes) for balcony restoration and railing replacement services at 200 Wellesley Street East based on the outcome of Request for Quotations (RFPQ) 21166-PP as follows:
 - a. \$210,045.00 for phase one in 2021;
 - b. \$1,544,250.00 for phase two in 2022;
 - c. \$1,898,940.00 for phase three in 2023; and
2. Authorize the appropriate staff to take the necessary actions to give effect to the above recommendation.

**CONTRACTOR AWARD: ARCHITECTURAL
AND MECHANICAL UPGRADES AT 40
ITEM 6E ASQUITH AVENUE (RFQ 21154-PP) BIFAC:2021-89**

The above-captioned report was circulated to BIFAC members prior to the meeting.

Mr. Murray and was available to answer questions of the BIFAC. Highlights of the discussion include:

- The scope of work covered replacement of portable terminal air conditioning (“PTAC”) units, lighting upgrades, boiler replacement, new doors and windows, and repairs to the exterior as required.
- Tenants pay their own electricity in this building.

Motion carried **ON MOTION DULY MADE** by Mr. Mansour, seconded by Mr. Smith and carried, the BIFAC unanimously approved and forward to the Board for approval the following recommendations as outlined in Report BIFAC:2021-89:

1. Approve the award of the work to Trinity Services Ltd. for \$12,104,223.00 (exclusive of taxes) for architectural envelope and mechanical HVAC services at 40 Asquith Avenue based on the outcome of Request for Quotations (“RFQ”) 21154-PP; and
2. Authorize the appropriate staff to take the necessary actions to give effect to the above recommendation.

TERMINATION

ON MOTION DULY MADE by Mr. Smith, seconded by Mr. Mansour and carried, the BIFAC unanimously approved that the Building Investment, Finance and Audit Committee conclude the public portion of its meeting and return to closed session in order to consider:

1. Matters related to employee and labour relations, personal matters about identifiable individuals and Solicitor Client advice;
2. Confidential matters related to a proposed or pending transaction with a third party;

**Building Investment, Finance and Audit Committee
Public Minutes**

September 2, 2021

Page 17 of 17

3. Confidential matters related to proposed policies and processes; and
4. Financial information belonging to TCHC that has monetary or potential monetary value.

The public meeting terminated at 11:02 a.m.

Secretary

Chair, Building Investment,
Finance & Audit Committee