

4TH REPORT OF THE
CORPORATE SERVICES COMMITTEE

Meeting held on January 19, 2016, commencing at 12:07 PM, in the Council Chambers, Second Floor, London City Hall.

PRESENT: Deputy Mayor M. Cassidy (Chair) and Councillors J. Morgan, H.L. Usher and J. Zaifman and L. Rowe (Secretary).

ABSENT: Councillor V. Ridley.

ALSO PRESENT: Councillors J. Helmer, A. Hopkins, T. Park, M. Salih and P. Squire; A. Zuidema, A.L. Barbon, J.P. Barber, G. Belch, J. Braam, P. Foto, K. Graham, M. Hayward, S. Koshowski, J. Logan, J. Lucas, V. McAlea Major, D. Mounteer, M. Ribera, R. Sutton, T. Van Klink and B. Warner.

I. CALL TO ORDER

1. Disclosures of Pecuniary Interest

That it BE NOTED that no pecuniary interests were disclosed.

II. CONSENT ITEMS

2. Agreement with the Province of Ontario to Participate in the Ontario Certified Site Program with the Ministry of Economic Development, Trade and Employment for 2506 Bondar Road, Innovation Park, Phase IV

That, on the recommendation of the Director of Water and Waste Water, the proposed by-law attached as Appendix "A" to the staff report dated January 19, 2016 BE INTRODUCED at the Municipal Council meeting on January 26, 2016 to:

- a) approve an agreement with Her Majesty the Queen in Right of Ontario, as represented by the Minister of Economic Development, Trade and Employment, to promote 2506 Bondar Road, Innovation Park, Phase IV, as an "Investment Ready: Certified Site" that represents an ideal location for future investment and expansion projects; and
- b) authorize the Mayor and the City Clerk to execute the Agreement approved in a), above.

Motion Passed

YEAS: M. Cassidy, J. Morgan, H.L. Usher, J. Zaifman (4)

3. Future Tax Policy - Possible Directions

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the staff report dated January 19, 2016 regarding possible directions for future tax policy BE RECEIVED for information.

Voting Record:

Motion Passed

YEAS: M. Cassidy, J. Morgan, H.L. Usher, J. Zaifman (4)

Motion to Approve that the staff report BE RECEIVED and staff BE REQUESTED to report back on the following proposed actions with respect to future tax policy:

- "a) Civic Administration BE DIRECTED to report back to Corporate Services Committee, in advance of the report on 2016 tax policy, on the following:

- i) pre / post conversion analysis of assessment, tax rates and total taxes and taxes per unit for all buildings that have converted from multi-unit residential to condominiums (and vice versa) in the period 2005-2015, including figures for the number of conversions, age of the buildings at the time of conversion, number of units in each building, when the conversions occurred, assessed value, tax rates and total taxes.
 - ii) comparative equity analysis of different kinds of rental units (age of building, assessment, tax rates, taxes per unit, taxes per square foot, rent) for examples of each of the following:
 - A) single detached home converted to rental housing
 - B) affordable housing multi-unit residential with preferential tax bylaw
 - C) high rise buildings (multi-unit residential, condo and affordable housing preferential tax bylaw)
 - older (i.e. rent regulated) high-rise building (multi-unit residential and condo)
 - newer (i.e. not rent regulated) high-rise building (multi-unit residential and condo)
 - iii) analysis of the implementation of the tax policy direction established in 2011, and its impact on the following:
 - A) commercial properties, including discussion of the incidence of tax for rented and owned properties
 - B) industrial properties, including discussion of the incidence of tax for rented and owned properties
 - C) multi-unit residential properties, including discussion of the incidence of tax and the extent of any rent reductions required that have been required under the Residential Tenancies Act
- b) Civic Administration BE DIRECTED to consult and collaborate with the Canadian Mortgage and Housing Corporation and/or other local agencies, and BE AUTHORIZED to engage an external consultant to prepare an analysis of the rental housing market in London that would breakdown the regular CMHC rental housing report by how the rental properties are taxed (either as residential, multi-unit residential or via an affordable housing preferential bylaw); and
- c) Civic Administration BE DIRECTED to explore the potential of a Community Improvement Plan to encourage the creation of affordable housing in existing multi-unit residential buildings that would, similar to our current approach of taxing specific affordable housing multi-unit residential developments at a rate equivalent to the residential rate, provide for eligible multi-unit residential properties to be taxed at a rate somewhere between the residential rate and the multi-unit residential rate, depending on the proportion of affordable units in the building.”

Motion Failed

YEAS: M. Cassidy, H.L. Usher (2)

NAYS: J. Morgan, J. Zaifman (2)

Motion to Approve that:

- a) the Civic Administration BE DIRECTED to report back to Corporate Services Committee, in advance of the report on 2016 tax policy, on the following:
 - i) pre / post conversion analysis of assessment, tax rates and total taxes and taxes per unit for all buildings that have converted from multi-unit residential to condominiums (and vice versa) in the period 2005-2015, including figures for the number of conversions, age of the buildings at the time of conversion, number of units in each

building, when the conversions occurred, assessed value, tax rates and total taxes.

- ii) comparative equity analysis of different kinds of rental units (age of building, assessment, tax rates, taxes per unit, taxes per square foot, rent) for examples of each of the following:
 - A) single detached home converted to rental housing
 - B) affordable housing multi-unit residential with preferential tax bylaw
 - C) high rise buildings (multi-unit residential, condo and affordable housing preferential tax bylaw)
 - older (i.e. rent regulated) high-rise building (multi-unit residential and condo)
 - newer (i.e. not rent regulated) high-rise building (multi-unit residential and condo)
- iii) analysis of the implementation of the tax policy direction established in 2011, and its impact on the following:
 - A) commercial properties, including discussion of the incidence of tax for rented and owned properties
 - B) industrial properties, including discussion of the incidence of tax for rented and owned properties
 - C) multi-unit residential properties, including discussion of the incidence of tax and the extent of any rent reductions required that have been required under the Residential Tenancies Act
- b) Civic Administration BE DIRECTED to consult and collaborate with the Canadian Mortgage and Housing Corporation and/or other local agencies, and BE AUTHORIZED to engage an external consultant to prepare an analysis of the rental housing market in London that would breakdown the regular CMHC rental housing report by how the rental properties are taxed (either as residential, multi-unit residential or via an affordable housing preferential bylaw); and
- c) Civic Administration BE DIRECTED to explore the potential of a Community Improvement Plan to encourage the creation of affordable housing in existing multi-unit residential buildings that would, similar to our current approach of taxing specific affordable housing multi-unit residential developments at a rate equivalent to the residential rate, provide for eligible multi-unit residential properties to be taxed at a rate somewhere between the residential rate and the multi-unit residential rate, depending on the proportion of affordable units in the building.

Motion Failed

YEAS: J. Morgan, J. Zaifman (2)

NAYS: M. Cassidy, H.L. Usher (2)

4. Assessment Growth for 2016, Changes in Taxable Phase-in Values and Shifts in Taxation as a Result of Reassessment

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the staff report dated January 19, 2016 regarding assessment growth for 2016, changes in taxable phase-in values and shifts in taxation as a result of reassessment, BE RECEIVED for information.

Motion Passed

YEAS: M. Cassidy, J. Morgan, H.L. Usher, J. Zaifman (4)

III. SCHEDULED ITEMS

None.

IV. ITEMS FOR DIRECTION

5. Hydro One

That the Civic Administration BE REQUESTED to undertake a high level review, in liaison with London Hydro, as to the feasibility and desirability of investing in Hydro One; it being pointed out that delegations were received from Colleen Shaw, Darlene Faulds, Ange Thompson and Tina Stevens, representing Hydro One Not For Sale; and Roberta Cory, Co-Chair, London Chapter, Council of Canadians; as indicated on the attached delegation record.

Voting Record:

Motion Passed

YEAS: M. Cassidy, J. Morgan, H.L. Usher, J. Zaifman (4)

Motion to Approve that the requests for delegation status from the following individuals BE HEARD:

- a) Colleen Shaw, Darlene Faulds, Ange Thompson and Tina Stevens, representing Hydro One Not For Sale; and
- b) Roberta Cory, Co-Chair, London Chapter, Council of Canadians.

Motion Passed

YEAS: M. Cassidy, J. Morgan, H.L. Usher, J. Zaifman (4)

Motion to Approve that the delegations BE RECEIVED.

Motion Passed

YEAS: M. Cassidy, J. Morgan, H.L. Usher, J. Zaifman (4)

Motion to Approve that the Civic Administration BE REQUESTED to undertake a high level review, in liaison with London Hydro, as to the feasibility and desirability of investing in Hydro One.

Motion Passed

YEAS: M. Cassidy, J. Morgan, H.L. Usher, J. Zaifman (4)

6. Public Question Session/Period

That the Governance Working Group BE REQUESTED to review and recommend the necessary changes to procedural processes for including a public question session/period at Municipal Council meetings, including reviewing the best practices of those municipalities who currently provide for public question sessions/periods, for the consideration of the Municipal Council.

Motion Passed

YEAS: M. Cassidy, J. Morgan, H.L. Usher, J. Zaifman (4)

7. Confirmation of Appointment to the London Advisory Committee on Heritage

That Greg Thompson BE APPOINTED as a Voting Representative on the London Advisory Committee on Heritage, representing the Urban League of London, for the term ending February 28, 2019.

Motion Passed

YEAS: M. Cassidy, J. Morgan, H.L. Usher, J. Zaifman (4)

8. Request for Approval of an Expense on an Exception Basis

That the request by Councillor M. van Holst to provide \$27.09 from his annual expense allocation for 3 nylon basketball nets for Trafalgar Public School BE DENIED.

Motion Passed

YEAS: M. Cassidy, J. Morgan, H.L. Usher, J. Zaifman (4)

9. Diversity, Integration and Inclusion in London

That the Civic Administration BE DIRECTED to report back at a future meeting of the Corporate Services Committee regarding the creation of a staff position, within the approved budget, that would be responsible for assisting with the attraction and retention of qualified individuals to London who reflect the diversity of our community; providing advice and tools to the Municipal Council and the Civic Administration to assist with addressing integration, diversity and inclusion of all Londoners; and to assist with the establishment of strategies to create a City of London workforce that is more reflective of the diversity of the community.

Motion Passed

YEAS: M. Cassidy, J. Morgan, H.L. Usher, J. Zaifman (4)

10. Request for Designation of the International Food Festival as a Municipally Significant Event

That the International Food Festival, to be held June 24, 2016 to June 26, 2016, in Victoria Park, BE DESIGNATED as an event of municipal significance in the City of London.

Motion Passed

YEAS: M. Cassidy, J. Morgan, H.L. Usher, J. Zaifman (4)

11. Request for Designation of the London Rib Fest as a Municipally Significant Event

That the London Rib Fest, to be held July 28, 2016 to August 1, 2016, in Victoria Park, BE DESIGNATED as an event of municipal significance in the City of London.

Motion Passed

YEAS: M. Cassidy, J. Morgan, H.L. Usher, J. Zaifman (4)

V. DEFERRED MATTERS/ADDITIONAL BUSINESS

12. Corporate Services Committee Deferred Matters List

That the Corporate Services Committee Deferred Matters List BE APPROVED, subject to the deletion of Item No. 1.9 as this matter has been dealt with through the Community and Protective Services Committee.

Motion Passed

YEAS: M. Cassidy, J. Morgan, H.L. Usher, J. Zaifman (4)

13. ADDED - Provincial Dedicated Gas Tax Funds for Public Transportation Program

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the proposed by-law attached as Appendix "A" to the staff report dated January 19, 2016 BE INTRODUCED at the Municipal Council meeting to be held on January 26, 2016 to authorize the Mayor and the City Clerk to execute a Letter of Agreement between the Province of Ontario and the City of London with respect to the Dedicated Gas Tax Funds for the Public Transportation Program.

Motion Passed

YEAS: M. Cassidy, J. Morgan, H.L. Usher, J. Zaifman (4)

14. ADDED - Absence from Meeting

That the communication dated January 12, 2016, from Councillor V. Ridley, advising of her absence from the January 19, 2016 meeting of the Corporate Services Committee BE RECEIVED.

Motion Passed

YEAS: M. Cassidy, J. Morgan, H.L. Usher, J. Zaifman (4)

VI. CONFIDENTIAL

(See Confidential Appendix to the 4th Report of the Corporate Services Committee enclosed for Members only.)

The Corporate Services Committee convened in camera from 1:40 PM to 2:05 PM and from 3:16 PM to 4:09 PM after having passed motions to do so with respect to the following matters:

- C-1. A matter pertaining to litigation currently before the Ontario Superior Court of Justice, Court file No. 49075, affecting the municipality and advice that is subject to solicitor-client privilege, including communications necessary for that purpose.
- C-2. A matter pertaining to personal matters about identifiable individuals with respect to employment-related matters; advice that is subject to solicitor-client privilege, including communications necessary for that purpose; advice or recommendations of officers and employees of the Corporation, including communications necessary for that purpose; and for the purpose of providing instructions and directions to officers and employees of the Corporation.
- C-3. A matter pertaining to personal information about identifiable individuals with respect to employment-related matters, including communications necessary for that purpose; advice or recommendations of officers and employees of the Corporation, including communications necessary for that purpose; and for the purpose of providing instructions and directions to officers and employees of the Corporation.
- C-4. ADDED - A matter pertaining to instructions and directions to officers and employees of the Corporation pertaining to a proposed acquisition of land; advice that is subject to solicitor-client privilege, including communications necessary for that purpose; reports or advice or recommendations of officers and employees of the Corporation pertaining to a proposed acquisition of land; commercial and financial information supplied in confidence pertaining to the proposed acquisition the disclosure of which could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of the Corporation, result in similar information no longer being supplied to the Corporation where it is in the public interest that similar information continue to be so supplied, and result in undue loss or gain to any person, group, committee or financial

institution or agency; commercial, information relating to the proposed acquisition that belongs to the Corporation that has monetary value or potential monetary value; information concerning the proposed acquisition whose disclosure could reasonably be expected to prejudice the economic interests of the Corporation or its competitive position; information concerning the proposed acquisition whose disclosure could reasonably be expected to be injurious to the financial interests of the Corporation; and instructions to be applied to any negotiations carried on or to be carried on by or on behalf of the Corporation concerning the proposed acquisition.

VII. ADJOURNMENT

The meeting adjourned at 4:10 PM.

DELEGATION COMMENTS

15. Hydro One

- Colleen Shaw, Darlene Faulds, Ange Thompson and Tina Stevens, representing Hydro One Not For Sale – thanking the Committee for the opportunity of hearing their delegation; reminding the Members of the amount of opposition that has arisen and is continuing to arise with respect to the selling off of Hydro One; noting there is a list of 195 municipalities that are in opposition and that list is continuing to grow as other municipalities oppose the selloff in representation of the voice of their constituents; stating there will be a huge financial impact on municipalities as outlined in the attached submission; advising that when markets do regulate they rarely take on the competitive nature that is promised; the Ontario Energy Board (OEB) should also be called upon to do its job in reviewing its plan to sell Hydro One and municipalities should also take that stand with the OEB, review the selloff plan and oppose the privatization of Hydro One and vote with their constituents on the matter; stating that as of now there is definitely 83% of Ontarians in opposition to the selloff, noting that there will be revenues lost and an impact on municipalities due to rising taxes when the Hydro costs go up; drawing attention to the history of hydro rates in Ontario, why the selloff is being considered, the effect of the selloff on the Province's bottom line, Ontario's Budget Watchdog's concerns, rate impacts in other Provinces; and summarizing what all this means for Ontario, and London, should the Provincial Government continue to proceed with the selloff of Hydro One; emphasizing that it is not fiscally responsible to sell this asset; asking who would want to sell Hydro One knowing all of the business implications; and imploring that the City of London take a position in the best interests of our children and our grandchildren by adopting the following motion:

“WHEREAS Hydro One is a public asset, owned and paid for by generations of residents, ratepayers, and taxpayers in Ontario;

AND WHEREAS London is historically bound to the movement to create a public hydro system, spearheaded by prominent resident Sir Adam Beck;

AND WHEREAS a public utility's profits stay in the province and have contributed to our common wealth;

AND WHEREAS as a public service it has helped our province become the industrial heartland of Canada, contributing to generations of economic growth;

THEREFORE BE IT RESOLVED that the City of London states that it supports the continued operation of Hydro One as a publicly owned asset, and furthermore, that the sale of any Hydro One assets be limited solely to the sale to other public bodies, such as Ontario municipally-owned utilities.”

- Roberta Cory, Co-Chair, London Chapter, Council of Canadians – making the attached presentation.