

<b>TO:</b>	<b>CHAIR AND MEMBERS STRATEGIC PRIORITIES AND POLICY COMMITTEE MEETING ON JULY 25, 2016</b>
<b>FROM:</b>	<b>ART ZUIDEMA CITY MANAGER</b>
<b>SUBJECT:</b>	<b>LONDON &amp; MIDDLESEX HOUSING CORPORATION NUMBER OF DIRECTORS FOR THE CORPORATION</b>

<b>RECOMMENDATION</b>
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That on the recommendation of the City Manager, the attached by-law (Attachment "A") **BE INTRODUCED** at the Municipal Council meeting to be held July 26, 2016 to:

- a) to ratify and confirm the Special Resolution of the Shareholder of London & Middlesex Housing Corporation (LMHC) attached as Schedule "1" to the By-law to amend the size of the Board of LMHC to nine (9) members; and,
- b) to authorize the Mayor and the City Clerk to execute the Special Resolution of the Shareholder of London & Middlesex Housing Corporation attached as Schedule "1" to the by-law.

<b>PREVIOUS REPORTS PERTINENT TO THIS MATTER</b>
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May 16, 2016 Strategic Priorities and Policy Committee (SPPC) – Item #4  
November 9, 2015 Strategic Priorities and Policy Committee (SPPC) – Item #8  
April 13, 2015 Strategic Priorities and Policy Committee – Agenda Item #6  
May 11, 2015 Strategic Priorities and Policy Committee – Agenda Item #5  
December 8, 2014 Strategic Priorities and Policy Committee – Agenda Item 19  
November 24, 2014 Strategic Priorities and Policy Committee – Agenda Item 3  
May 5, 2014 Strategic Priorities and Policy Committee – Agenda Item #4

<b>BACKGROUND</b>
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**Purpose of this Report:**

This report provides for the introduction of a bylaw to approve a Special Resolution of the Shareholder of London & Middlesex Housing Corporation (LMHC) related to Council's formal approval to amend the of the size of the Board of Directors of the LMHC. Council previously determined that the Board of Directors would be nine (9), as confirmed through appointments made by Municipal Council on May 12, 2015 by Bill No. 205 / By-law No. A.-7260-169.

**Justification and Authority:**

London & Middlesex Housing Corporation (LMHC) is a municipal services corporation with share capital incorporated under the *Business Corporations Act, R.S.O. 1990, c.B.16*. LMHC is managed by a Board of Directors appointed by The City of London as the sole shareholder.

On May 5, 2014 SPPC received a report from the City Manager recommending the LMHC Board composition be amended to nine members and of May 20, 2015 Council approved the following recommendation:

That the following changes to the “Declaration of the Sole Shareholder” by the City of London to the London & Middlesex Housing Corporation (LMHC), including Appendix “A”- “Accountability Rules” BE ENDORSED IN PRINCIPLE; and the Civic Administration BE DIRECTED to bring forward the necessary by-law to implement the following proposed changes:

- i) amend the Board composition (Section 6.2(c)), as follows:
  - 1 City Council representative
  - 1 County Council-recommended representative
  - 7 Citizens-at-Large;
- ii) provide for staggered Board terms (Section 6.2(f)), which may require a one-time extension of a current appointment(s) in order to provide continuity, with the transition process to be implemented in consultation with the LMHC;
- iii) provide for the LMHC to advise the Municipal Council of desired competencies when seeking applicants for vacancies on the Board (Section 6.2(b)), and to have the ability to put forward the names of applicants they would like to have considered for those vacancies;”

On November 25, 2014, Municipal Council approved the above noted board structure but the associated by-law Bill No. 542 By-law No. A.-7202-386 did not first confirm the final composition of the Board. Council still acted within its authority as shareholder to appoint nine (9) members, however, the by-law did not formally amend the Board composition in accordance with the recommendation.

In order to formalize Council’s decision in revising the LMHC Board composition, it is recommended that Council formalize the composition through the by-law attached as Attachment “A” prior to filling the current LMHC Board vacancies.

This Special Resolution of the Shareholder will affirm the number of directors at nine (9) prior to Council’s filling of the LMHC Board vacancies.

<b>PREPARED BY:</b>	<b>RECOMMENDED BY:</b>
<b>DAVID G. MOUNTEER, SOLICITOR</b>	<b>ART ZUIDEMA CITY MANAGER</b>

**c. LMHC Board**

**ATTACHMENT “A”**

Bill No.  
2016

By-law No. A.-

A by-law to ratify and confirm the Special Resolution of the Shareholder of London & Middlesex Housing Corporation.

WHEREAS London & Middlesex Housing Corporation is a corporation incorporated under the *Business Corporations Act* R.S.O. 1990, c.B.16;

AND WHEREAS subsection 104(1)(b) of the *Business Corporations Act* provides that a resolution in writing dealing with all matters required by this Act to be dealt with at a meeting of shareholders, and signed by all the shareholders or their attorney authorized in writing entitled to vote at the meeting, satisfies all the requirements of this Act relating to that meeting of shareholders;

AND WHEREAS The Corporation of the City of London is the sole shareholder of London & Middlesex Housing Corporation;

AND WHEREAS Subsection 5(3) of the *Municipal Act, 2001* provides that a municipal power shall be exercised by by-law;

AND WHEREAS Subsection 9 of the *Municipal Act, 2001* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The Special Resolution of the Shareholder of London & Middlesex Housing Corporation, regarding the number and composition of the Board of Directors for the corporation attached as Schedule “1” is confirmed and ratified.
2. The Mayor and the City Clerk are authorized to execute the Special Resolution of the Shareholder confirmed and ratified under section 1 of this by-law.
3. This by-law comes into force on the day it is passed.

PASSED in Open Council on the 26th day of July, 2016.

Matt Brown  
Mayor

Catharine Saunders  
City Clerk

First reading - July 26, 2016  
Second reading – July 26, 2016  
Third reading - July 26, 2016

**SCHEDULE "1"**

**LONDON & MIDDLESEX HOUSING CORPORATION  
(the "Corporation")**

**WHEREAS** subsection 104(1)(b) of the *Business Corporations Act* (Ontario) (the "Act") provides that a resolution in writing dealing with all matters required by the Act to be dealt with at a meeting of shareholders, and signed by all the shareholders or their attorney authorized in writing entitled to vote at the meeting, satisfies all the requirements of the Act relating to that meeting of shareholders;

The following special resolution, signed by the sole shareholder of the Corporation entitled to vote thereon, is hereby passed pursuant to the provisions of the Act:

**COMPOSITION OF BOARD OF DIRECTORS**

WHEREAS the articles of the Corporation provide that the Corporation shall have a maximum of thirteen (13) directors;

**NOW THEREFORE BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:**

1. The composition of the Board of Directors of the Corporation be set at nine (9) members comprised of eight (8) citizen-at-large members, one (1) of which is to be recommended by the Council of the Corporation of the County of Middlesex, and one (1) member of Municipal Council of the Corporation of the City of London; and
2. The Board be structured in four (4) classes allowing for staggered three (3) plus one (1) year terms and consisting of:
  - Class 1: Two (2) citizen-at-large members;
  - Class 2: Two (2) citizen-at-large members;
  - Class 3: Three (3) citizen-at-large members); and
  - Class 4: One (1) Municipal Council member and one (1) County Council recommended member.

**DATED** this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

**The Corporation of the City of London**

By: \_\_\_\_\_

Name: Matt Brown

Title: Mayor

By: \_\_\_\_\_

Name: Catharine Saunders

Title: City Clerk