

TO:	CHAIR AND MEMBERS STRATEGIC PRIORITIES AND POLICY COMMITTEE MEETING ON APRIL 7, 2020
FROM:	LYNNE LIVINGSTONE CITY MANAGER
SUBJECT:	LONDON & MIDDLESEX COMMUNITY HOUSING INC. MEETING OF THE SHAREHOLDER RESOLUTIONS REGARDING INTERIM BOARD APPOINTMENTS

RECOMMENDATION

That, on the recommendation of the City Manager, with concurrence of the Managing Director, Housing, Social Services and Dearness Home the following actions be taken with respect to London & Middlesex Community Housing Inc.:

- a) the attached “Terms of Reference Interim Board of Directors London & Middlesex Community Housing Inc.” (Appendix “A”), BE ADOPTED:
- b) the attached proposed by-law (Appendix “B”) being “A by-law to ratify and confirm the Special Resolution to the Shareholder of London & Middlesex Community Housing Inc. to amend the Board composition to provide for an Interim Board of Directors”, BE INTRODUCED at the Municipal Council Meeting to be held on April 21, 2020; and,
- c) the attached proposed by-law (Appendix “C”) BE INTRODUCED at the Municipal Council meeting to be held on April 21, 2020 to ratify and confirm the Resolutions of the Shareholder of London & Middlesex Community Housing Inc.

PREVIOUS REPORTS PERTINENT TO THIS MATTER

- March 26, 2018 – Strategic Priorities and Policy Committee – Agenda Item #4.2
- June 25, 2018 – Strategic Priorities and Policy Committee – Agenda Item #3.3
- March 4, 2019 – Strategic Priorities and Policy Committee – Agenda Item #2.2
- April 8, 2019 – Strategic Priorities and Policy Committee – Agenda Items #4.3 and #4.4
- June 24, 2019 – Strategic Priorities and Policy Committee – Agenda Item # 3.2
- August 26, 2019 – Strategic Priorities and Policy Committee – Agenda Item #2.2
- September 16, 2019 – Strategic Priorities and Policy Committee – Agenda Item #4.1
- March 31, 2020 – Strategic Priorities and Policy Committee – Agenda Item #2.1

BACKGROUND

At its meeting held March 31, 2020, the Strategic Priorities and Policy Committee adopted the following recommendation:

“That on the recommendation of the Managing Director, Housing, Social Services and Dearness Home and concurrently the Board, London and Middlesex Community Housing (LMCH), the following actions be taken with respect to the governance requirements of the LMCH:

- a) the staff report dated March 31, 2020 entitled “Governance Requirements and Recommendations – London and Middlesex Community Housing”, BE RECEIVED;

- b) the Managing Director, Housing and Social Services and Dearness Home BE DIRECTED to bring forward for consideration to the Municipal Council Meeting to be held on April 7, 2020, a recommended slate of Board Members of the LMCH; and,
- c) the City Clerk BE DIRECTED to make the necessary arrangements to hold a meeting of the Shareholders of the LMCH at a Special Strategic Priorities and Policy Committee meeting on April 7, 2020, following the Municipal Council Meeting held that date, to consider and approve the Municipal Council's recommended slate of Board Members of the LMCH."

Board Composition History

At its meeting of June 25, 2019, the Municipal Council passed a By-law to ratify and confirm the Special Resolution to the Shareholder of London & Middlesex Community Housing Inc. in response to the Municipal Council direction to bring forward the necessary by-law to amend the composition of the Board to increase the number of Directors from nine (9) to eleven (11) that would include one (1) additional member of Municipal Council and one (1) additional citizen-at-large.

At its meeting of August 27, 2019, the Municipal Council, in response to a report on the review of service delivery for housing, directed the Civic Administration to "determine next steps and actions based on the analysis and potential courses of action identified in the KPMG report dated August 12, 2019, with respect to the review of service delivery for housing" and "to examine the development of affordable housing, consistent with the City's Service Manager legislated responsibility and report back on a recommended course of action".

At its meeting of September 17, 2020, the Municipal Council, passed the following resolution:

"That on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer and Managing Director, Housing, Social Services and Dearness Home, the following actions be taken with respect to the City of London Housing Service Review:

- a) the staff report dated September 16, 2019, and the subsequent updated report, BE RECEIVED;
- b) Option 3 identified in the reports, noted in a) above, BE APPROVED;
- c) the Civic Administration BE DIRECTED to take all necessary steps to implement the above-noted Option 3;
- d) the Civic Administration BE DIRECTED to report quarterly to Municipal Council with a status and progress update on the implementation of Option 3;
- e) the City Clerk BE DIRECTED to make the necessary arrangements to bring forward the appropriate by-laws to implement actions identified in Option 3; and
- f) the Civic Administration BE DIRECTED to report back to Corporate Services Committee on the feasibility of using the same approach taken for affordable housing to reduce the effective tax rate for London Middlesex Community Housing (LMCH) buildings to be equivalent to the residential tax rate, including any amendments that may be necessary to the Municipal Housing Facilities By-law to do so;

it being noted that the Strategic Priorities and Policy Committee received communications dated September 12, 2019 from D. Astolfi and J. Atkinson, and received verbal delegations and the attached submissions from the Housing Development Corporation and the London & Middlesex Community Housing. (4.1/18/SPPC) (2019-S11)"

In response to this above-noted direction, the Municipal Council at its meeting of September 17, 2019 enacted By-law No. A.-7892-266 being “A by-law to discharge the current Board members of the London & Middlesex Community Housing” and enacted By-law No. A.-7891-265, being “A by-law to appoint an interim director of the London & Middlesex Community Housing”.

Discussion

As noted above, the Strategic Priorities and Policy Committee is recommending to the Municipal Council that the Managing Director, Housing, Social Services and Dearness Home be directed to bring forward for consideration to this meeting a recommended slate of Board Members of the LMCH to serve for an interim period until such time as the Board determines and recommends to the Shareholder when and if a revised composition in needed.

In response to this direction, the Managing Director, Housing, Social Services and Dearness Home is recommending that the “Terms of Reference Interim Board of Directors London & Middlesex Community Housing Inc.”, attached as Appendix “A” to this report, be adopted.

Also in response to this direction, attached as Appendix “B” to this report is a by-law to amend the current Board composition to provide for the appointment of an Interim Board of Directors comprised of a minimum of three (3) members of the City of London’s Civic Administration having expertise and experience in various service perspectives, including Finance and Administration, Property Services and Facilities Management, Human and Community Services, Planning and Development and Governance. It is noted that the City’s Manager, Housing Services will provide support to the Board with respect to the ongoing actions of the organization. It is recommended that the Interim Board remain in place until such time as the Board determines and recommends to the Shareholder, when and if a revised composition is needed. It is therefore recommended that the following members of the Civic Administration be appointed to the Interim Board of Directors: Rosanna Wilcox, Director, Service, Innovation and Performance; John Millson, Senior Financial Business Administrator; Gregg Barrett, Director, City Planning and City Planner; Paul Yeoman, Director, Development Services; and Aynsley Anderson, Solicitor II. It is noted that Dave Purdy, Manager, Housing Services will provide support to the Board.

RECOMMENDED BY:	CONCURRED WITH:
LYNNE LIVINGSTONE CITY MANAGER	SANDRA DATAR BERE MANAGING DIRECTOR, HOUSING, SOCIAL SERVICES AND DEARNESS HOME

APPENDIX “A”

TERMS OF REFERENCE INTERIM BOARD OF DIRECTORS LONDON & MIDDLESEX COMMUNITY HOUSING INC.

AUTHORITY & RESPONSIBILITY

Board Members as a collective and as individuals are responsible for the oversight and management responsibilities of London & Middlesex Community Housing Inc. (LMCH) as defined by the Shareholder Agreement.

REQUIREMENTS

Board Members, as individuals and as a collective, in discharging their duties/responsibilities will act in an open and honest manner and in the best interest of the Corporation, exercising care, due diligence and professionalism.

GENERAL DUTIES

The duties of Board Members (as individuals and as a Board) include:

- Overseeing the establishment, implementation and review of Strategic Plans setting out LMCH’s values, mission, vision and strategic objectives;
- Board governance with LMCH remaining compliant and dynamic in terms of how it functions, its structure and supporting processes;
- As an Employer, overseeing the management and direction of all labour and employee matters, including the establishment, implementation and review of work place policy, related policy programs and processes;
- Overseeing the establishment, implementation and review from time to time financial plans, multi-year and annual budgets, including the reporting and monitoring of same, evidencing fiscal accountability, sustainability and fiduciary compliance;
- Overseeing the establishment, implementation and review from time to time of Tenants related policies, policy programs and processes, including the reporting and monitoring of same, ensuring Tenants are provided with a healthy, safe, supportive and sustainable environment and LMCH assets are used for the intended purpose;
- Overseeing the establishment, implementation and review of a corporate risk management program, including related policies, policy programs and processes;
- Overseeing the establish, implementation and review of a corporate communication strategy, including related policies, policy programs and processes;
- Overseeing the establishment, implementation and review of a corporate technology strategy, including related policies, policy programs and processes supporting informed relationship and decision-making;
- Overseeing the development and approval of annual reports and the communication publication of same;
- Overseeing the development and building of community partnerships supporting housing stability and preventing homelessness; and,
- Determining and recommending to the Shareholder when and if a revised Board composition is needed.

EVALUATION

The Board shall complete, on an annual basis, an evaluation of the performance of the Board and its Members, as part of the Board Evaluation Process (Board Evaluation Policy).

REVIEW DATE

The Board, on an annual basis, shall complete a review of its performance consistent with the Board Evaluation Policy, with such review being completed by the Governance Committee. The review and any changes resulting from same are subject to the approval of the Board.

DOCUMENT CONTROL

The Board Member – Role Description shall be consistent and reflective of the Shareholder Declaration/Service Agreement and LMCH By-law No. 2. The latter documents are to be consulted for greater detail/clarification.

APPENDIX “B”

Bill No.
2020

A by-law to ratify and confirm the Special Resolution to the Shareholder of London & Middlesex Community Housing Inc. to amend the Board composition to provide for an Interim Board of Directors

WHEREAS London & Middlesex Community Housing Inc. is incorporated under the *Business Corporations Act* R.S.O. 1990, c.B.16 (the “BCA”);

AND WHEREAS Subsection 104(1)(b) of the BCA provides that a resolution in writing dealing with all matters required by the BCA 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 BCA relating to that meeting of shareholders;

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

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;

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

AND WHEREAS the Municipal Council deems it appropriate to amend the composition of the Board to provide for the appointment an Interim Board of Directors of the London & Middlesex Community Housing Inc.;

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 Community Housing Inc. regarding the number and composition of the Interim Board of Directors for the corporation attached as Schedule “1” is confirmed and ratified.
2. The Mayor and 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 22nd of April, 2020.

PASSED in Open Council on the 21st day of April, 2020.

Ed Holder
Mayor

Catharine Saunders
City Clerk

First reading – April 21, 2020
Second reading – April 21, 2020
Third reading – April 21, 2020

SCHEDULE "1"

**LONDON & MIDDLESEX COMMUNITY HOUSING INC.
(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 Act:

COMPOSITION OF BOARD OF DIRECTORS

WHEREAS the articles of the Corporation provide that the Corporation shall have a minimum of three (3) directors;

NOW THEREFORE BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. The composition of the Interim Board of Directors of the Corporation be set at a minimum of three (3) members of the City of London's Civic Administration having expertise and experience in various service perspectives, including Finance and Administration, Property Services and Facilities Management, Human and Community Services, Planning and Development and Governance; and

2. The term of the Interim Board will expire at such time as the Board determines and recommends to the Shareholder when and if revised composition is needed.

DATED this _____ day of _____, 2020.

The Corporation of the City of London

By: _____

Name: Ed Holder

Title: Mayor

By: _____

Name: Catharine Saunders

Title: City Clerk

APPENDIX “C”

Bill No.
2020

By-law No. A.-

A by-law to ratify and confirm the Resolutions of the Shareholder of London & Middlesex Community Housing Inc.

WHEREAS London & Middlesex Community Housing Inc. is incorporated under the *Business Corporations Act* R.S.O. 1990, c.B.16 (the “BCA”);

AND WHEREAS subsection 104(1)(b) of the BCA provides that a resolution in writing dealing with all matters required by the BCA 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 BCA relating to that meeting of shareholders;

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

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;

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

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

1. The Resolutions of the Shareholder of London & Middlesex Community Housing Inc. attached as Schedule “1” are ratified and confirmed.
2. The Mayor and the City Clerk are authorized to execute the Resolutions of the Shareholder ratified and confirmed under section 1 of this by-law.
3. This by-law comes into force and effect on the 22nd of April, 2020.

PASSED in Open Council on the 21st of April, 2020

Ed Holder
Mayor

Catharine Saunders
City Clerk

SCHEDULE "1"

LONDON & MIDDLESEX COMMUNITY HOUSING INC. (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 resolutions, signed by the sole shareholder of the Corporation entitled to vote thereon, are hereby passed pursuant to the provisions of the Act:

ELECTION OF DIRECTORS

WHEREAS pursuant to the Declaration of the Sole Shareholder, the interim board of directors of the Corporation shall consist a minimum of three (3) members of the City of London's Civic Administration having expertise and experience in various service perspectives, including Finance and Administration, Property Services and Facilities Management, Human and Community Services, Planning and Development and Governance;

AND WHEREAS the terms of the directors that are members of the second class expire at such time as the Board determines and recommends to the Shareholder when and if revised composition is needed.

NOW THEREFORE BE IT RESOLVED THAT:

1. Each of the following persons, being directors that are members pursuant to paragraph 6.2 of the Declaration of the Sole Shareholder, is hereby **elected** as a director of the Corporation to hold office for a term with the expiry at such time as the Board determines and recommends to the Shareholder when and if revised composition is needed:.

Rosanna Wilcox, Director, Service, Innovation and Performance
John Millson, Senior Financial Business Administrator
Gregg Barrett, Director, City Planning and City Planner
Paul Yeoman, Director, Development Services
Aynsley Anderson, Solicitor II

By: _____
Name: Ed Holder
Title: Mayor

By: _____
Name: Catharine Saunders
Title: City Clerk