

## Public Meeting Minutes

### Board of Directors

Date: May 2, 2016

Time: 9:00 a.m. – 11:30 a.m.

Location: Build Toronto, 200 King Street W., Suite 200 – Main Boardroom

#### Director Attendance:

	9:01 to 9:46 a.m. Public Session	9:46 to 11:27 a.m. In Camera Session	11:27 to 11:28 a.m. Public Session
Councillor David Shiner, Chair	✓	✓	✓
Michael Bernstein	✓	✓	✓
Nancy Cohen	✓	✓	✓
Dennis Fotinos	✓	✓	✓
Wayne Fraser	✓	✓	✓
Deputy Mayor Denzil Minnan-Wong	✓	✓	✓
Peter Sharpe	✓	✓	✓
Walied Soliman	✓ (teleconference)	✓ (teleconference)	✓ (teleconference)
Councillor Michael Thompson	✓	✓	✓
Moshe Wertheim	✓	✓	✓
Audrey Wubbenhorst	✓	✓	✓

✓ Directors were present for some or all of the time indicated

Also present (at the invitation of the Board):

Ina Chan, Assistant Auditor General, City of Toronto  
 Niroshani Movchovitch, Audit Manager, City of Toronto  
 Beverly Romeo-Beehler, Auditor General, City of Toronto  
 Josie Scioli, Chief Corporate Officer, City of Toronto – teleconference  
 William Bryck, President & Chief Executive Officer (CEO)  
 David Fiume, Senior Vice President (SVP) & Chief Financial Officer (CFO)  
 Don Logie, Senior Vice President, Development & Investments  
 Janice Paterson, Executive Assistant & Recording Staff  
 Steven Trumper, Senior Vice President, Legal & Administration

The Chairman of the Board confirmed that a quorum was present and called the meeting to order at 9:01 a.m.

No conflicts were declared.

1. Approval of the Previous Board of Directors Public Meeting Minutes of February 10 and Special Meeting of March 29, 2016

The Board of Directors had before it the public minutes of the February 10 and Special Meeting of March 29, 2016 Board of Directors meetings.

**On motion by David Shiner, seconded by Wayne Fraser, the Board of Directors approved the public minutes of February 10 and March 29, 2016.**

2. CEO Report and Update (public session)

The Board of Directors received, for information, a verbal report and update from the President & CEO.

The President & CEO provided an update on a request from Eva's Initiatives for a guarantee by Build Toronto of a loan facility to be obtained by Eva's from a commercial bank to complete its 60 Brant St. project. The guarantee had previously been approved by the Board at its February 10, 2016 meeting, and the CEO updated the Board on developments since the original approval.

There was substantial discussion on the guarantee issue, and it was concluded that the Board remains behind its offer to guarantee the loan to Eva's, provided that Eva's delivers up-to-date information on the costs of its project and its fund-raising efforts, and provided that the final terms of the loan guarantee were approved by Management.

The President & CEO also gave an update on the following matters:

- 260 Eighth Street
- Tippett
- Bicknell and Rockcliffe
- Markham
- Etobicoke Civic Centre
- Yonge & Eglinton – full report at next REIDC meeting
- Pinewood – IO loan
- City-Wide Real Estate Review (CWRER)

3. Auditor General (AG)'s Report Update

The Board of Directors received, for information, the report entitled "Auditor General (AG)'s Report Update" from the SVP & CFO dated April 20, 2016 which included the AG's report to the Board of Directors, "Operational Review of Build Toronto Inc. – Results of Follow-up of Previous Audit Recommendations" dated April 6, 2016.

A verbal report was provided by the Auditor General. She stated that Build Toronto Management is doing a good job in implementing the AG's recommendations. Nine

recommendations have been implemented; the next eight recommendations are to be implemented in Q42016; the next six related to the CWREER, and the AG did expect that these recommendations would be acted upon when the CWREER is completed; and the last two take time to implement.

The next steps will be 1) in June, there will be a consolidated report to City Council on all agencies and; 2) for the Board, to ensure that the recommendations are being implemented and that the implementation process continues.

*The attendees from the Auditor General's office exited the meeting at 9:37am*

4. Proposed 2016 Declaration of Dividend

The Board of Directors received the report entitled "Proposed 2016 Declaration of Dividend" from the SVP & CFO dated April 21, 2016 which included a confidential attachment "Build Toronto 2015 Dividend Recommendation" which was presented to the Board.

A discussion ensued whereby the Board satisfied itself that the Company had the current financial ability to pay the proposed dividend, as well as to finance its cash flow needs for the remainder of 2016 after payment of the dividend.

The Board's attention was brought to the CFO's Statutory Certificate provided on the cover of the report.

**On motion by Michael Thompson, seconded by Peter Sharpe, the Board of Directors declared the payment of a dividend of \$25,000,000 to its sole shareholder the City of Toronto to be delivered in conjunction with the presentation of the Financial Statements to the City.**

In Camera Motion

**On motion by Dennis Fotinos, and seconded by Wayne Fraser, the Board of Directors resolved to adopt the recommendations from its public session and close part of the meeting to the public to give consideration to confidential matters according to By-law No. 1 of the Corporation and the Company's Shareholder Direction at 9:46 a.m.**

*During the in camera session, the Board of Directors discussed the following matters:*

5. Approval of the Previous Board of Directors In Camera Meeting Minutes of February 10 and Special Meeting of March 29, 2016
6. Review of Action Items
7. CEO Report and Update (in camera session)

*An additional motion was added regarding the dividend which was discussed during the in camera agenda item #7 CEO Report & Update:*

**On motion by Moshe Wertheim, seconded by Nancy Cohen the Board of Directors recommended that the CEO advise the Deputy City Manager and CFO that (i) Build Toronto cannot commit to the same dividend for 2016 as was paid for 2015 until such time as there is more certainty as to projected 2017 cash flow and; (ii) that Management bring a projected three-year cash flow projection to FARMC at the September meeting.**

8. Chair Report of the REIDC Meeting of March 29, 2016
  - A. Draft Minutes of March 29, 2016 REIDC Meeting
  
9. Chair Report of the FARMC Meeting of April 20, 2016
  - A. Draft Minutes of April 20, 2016 FARMC Meeting
  - B. Oversight of Financial Reporting
  
10. Chair Report of the HRCGC Meeting of April 20, 2016
  - A. Draft Minutes of April 20, 2016 HRCGC Meeting
  - B. Approval of 2015 Compensation Disclosure and Analysis (CD&A)
  
11. Other Business.

*The motion for agenda item #9B was addressed in the public session of the meeting:*

**On motion by Dennis Fotinos, seconded by Wayne Fraser, the Board of Directors:**  
**(i) Approved the audited 2015 annual Financial Statements;**  
**(ii) Received for information the Management Compliance Declaration for December 31, 2015 Financial Statements.**

#### Adjournment

**On motion by Nancy Cohen and seconded by Moshe Wertheim, the Board of Directors resolved to adopt the recommendations from its closed session and direct that these matters remain confidential in accordance with By-law No. 1 of the Corporation and the Company's Shareholder Direction. The meeting was adjourned at 11:28 a.m.**

"David Shiner"

Board Chair

"Steven Trumper"

Senior Vice President, Legal & Administration