



REPORT FOR ACTION

Toronto Community Housing Corporation – Results of 2021 Follow-up of Previous Audit Recommendations

Date: June 23, 2021

To: Board of Directors of Toronto Community Housing Corporation

From: Auditor General

Wards: All

SUMMARY

The Auditor General regularly reviews the implementation status of recommendations made through her audit and investigation reports. The results of the review are reported to City Council through the Audit Committee.

This report provides the status of the implementation of the 23 audit recommendations included in the 2019 report entitled "Moving Forward Together: Opportunities to Address Broader City Priorities in TCHC Revitalizations".

This is our first follow-up review of the recommendations contained in that report.

During our review, we verified management's assertions that Toronto Community Housing Corporation (TCHC) together with the City has fully implemented 11 recommendations. One recommendation was determined to be no longer relevant. These recommendations are listed in Attachment 1 and Attachment 2, respectively.

Subsequent to the completion of our follow-up work, management advised that three more recommendations (recommendations #2, #6 and #9) have been fully implemented. We have not yet verified management's assertions. There are eight remaining recommendations where implementation is in progress. These recommendations, together with management comments, are included in Attachment 3 and will be included in a subsequent follow-up review.

The results of this follow-up review will be included in our consolidated report on the status of outstanding recommendations to be presented at the November 2, 2021 City Audit Committee meeting.

We express our appreciation for the co-operation and assistance we received from TCHC and City management and staff in implementing the Auditor General's new recommendation tracking system and for providing regular updates on the status of recommendations.

RECOMMENDATIONS

The Auditor General recommends that:

1. The Board of Directors of Toronto Community Housing Corporation receive this report for information.

FINANCIAL IMPACT

The recommendation in this report has no financial impact.

DECISION HISTORY

The results of the Auditor General's audit of TCHC's redevelopment and revitalization activities were presented to the TCHC Board of Directors on April 29, 2019, to the City's Audit Committee on May 3, 2019, and to City Council at its meeting of May 14, 2019.

The audit report is available at:

<http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2019.AU2.1>

The follow-up of outstanding recommendations is required by Government Auditing Standards. The process is important as it helps to ensure that management has taken appropriate actions to implement the recommendations from previous audit reports. The follow-up review is part of the Auditor General's annual work plan. The Auditor General reports to the Board of Directors and the City's Audit Committee each year on the implementation status of outstanding recommendations.

The Auditor General's follow-up of outstanding recommendations does not constitute a performance audit conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS). However, we believe that we have performed sufficient work to validate management's assertions on the implementation of recommendations.

COMMENTS

The Auditor General's follow-up work was impacted by the COVID-19 pandemic. In 2020, we deferred our follow-up work that was in progress to enable City divisions, agencies and corporations to focus on the delivery of essential services.

During this time, our Office implemented a new audit management technology solution. The new system allows management to provide updates on the implementation status of outstanding recommendations at any time throughout the year. With the new system in place, we can continuously track and report on management's assessment of implementation progress and their target completion date.

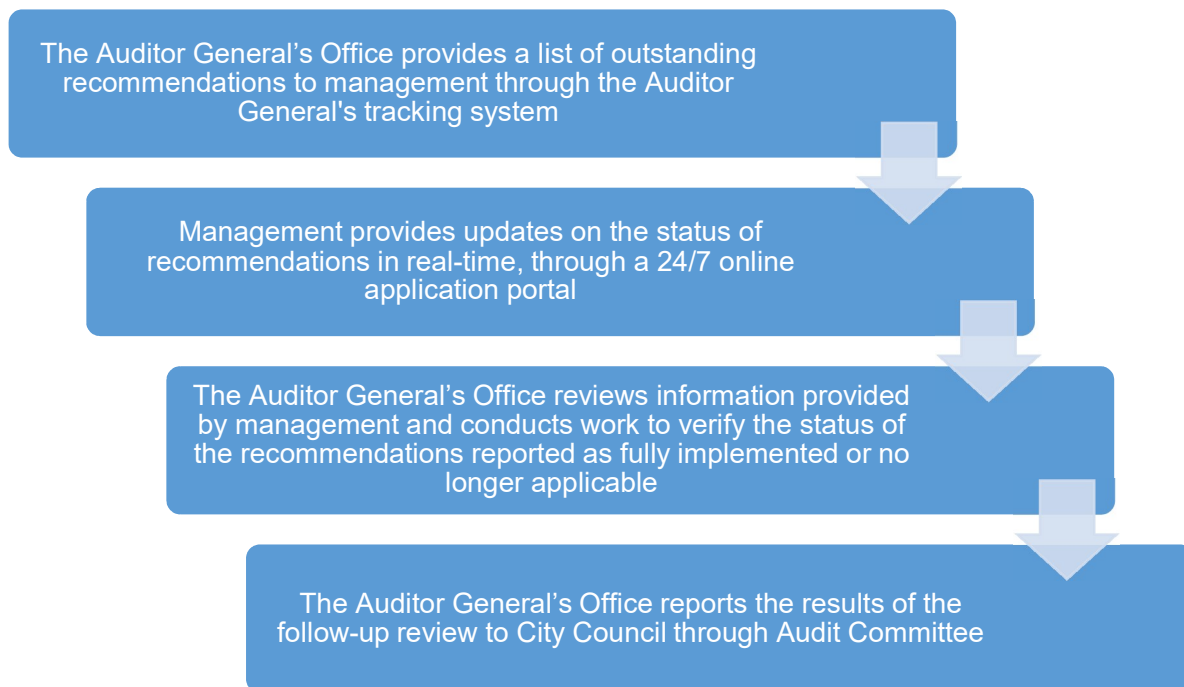
Our follow-up process, as summarized in Figure 1, requires management to review the outstanding audit recommendations and provide information on their implementation status.

Where management is continuing to take action to address recommendations and has reported the recommendation as not yet fully implemented, we do not conduct further work.

For recommendations management has reported as fully implemented or no longer applicable, management is required to explain why the recommendation is considered fully implemented or no longer applicable and provide sufficient and relevant supporting documentation. The Auditor General's Office conducts work to verify the status of these recommendations.

The Auditor General's Office is unable to validate management's assertions that recommendations are fully implemented if agencies and corporations do not provide sufficient evidence of actions taken.

Figure 1: Key Steps in the Recommendation Follow-Up Process



City divisions, agencies and corporations have been requested to update the recommendation tracking system with the current implementation status of outstanding recommendations on an ongoing basis.

Of the 23 recommendations included in the 2019 report entitled "Moving Forward Together: Opportunities to Address Broader City Priorities in TCHC Revitalizations", we verified that 11 recommendations were fully implemented, and one recommendation

was no longer relevant. Three recommendations were reported as fully implemented after we completed our follow-up review; these recommendations will be verified in a subsequent follow-up review. Management continues to take action to address the eight remaining audit recommendations.

At its meeting on July 16, 17 and 18, 2019, as part of the Tenants First Implementation Plan, Council approved in principle the transfer of TCHC's real estate development functions to CreateTO and/or the City in alignment with the City-wide real estate model. We believe that the intent and spirit of the related recommendations from our audit report should still be considered in the planning and administration of any TCHC redevelopment projects regardless of whether they are moved forward by TCHC or transitioned to CreateTO.

Noteworthy 2021 Follow-Up Review Results

In our April 2019 audit report, we highlighted that the City and TCHC need to strategically align their priorities and desired outcomes with an adequate funding support plan to more fully leverage revitalization opportunities. This will not only ensure that existing social housing is replaced, but can also more effectively address other city-building priorities, such as increasing the supply of affordable housing.

Recommendation 1

The Auditor General recommended that City Council request the City Manager, in consultation with the Chief Executive Officer, Toronto Community Housing Corporation, to make recommendations to City Council regarding city-building objectives that will be addressed through TCHC revitalizations, and the related funding requirements to achieve those objectives, prior to proceeding with future revitalizations and/or phases that have yet to obtain planning approvals and Shareholder consent.

In May 2019, City Council requested that the Executive Director, Housing Secretariat, in consultation with CreateTO, report to the Planning and Housing Committee on any options for city-building objectives that may be included in revitalizations that have yet to obtain planning approvals.¹

In July 2019, City Council adopted a new approval framework for TCHC Revitalization Projects. The Staff Report indicated that by implementing the new approval framework, "redevelopment and revitalization projects will be carried through a stage gate process to ensure appropriate level of consultation, oversight and consistency in decision-making, while ensuring that City objectives, including affordable housing are achieved."²

Since that time, the Housing Secretariat has reported back to City Council on the progress or approval of TCHC revitalization projects. These reports indicate that from October 2019 to December 2020, TCHC has included an additional 337 affordable rental units in three revitalization projects: Don Summerville (100 units), Firgrove-

¹ <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.AU2.1>

² <https://www.toronto.ca/legdocs/mmis/2019/ph/bgrd/backgroundfile-135556.pdf>

Grassways (107 units) and Lawrence Heights Phases 2 & 3 (130 units). These affordable housing units are over and above what was originally planned for these developments at the time of our audit.

High-Priority Open Recommendations

Recommendation 12

During our 2019 audit, we found that City Council was informed almost three years after TCHC's Board, that there was a \$107.7 million funding shortfall for Phase 3 of the Regent Park revitalization and that capital funding from the City was needed. We noted that funding needs for planned revitalization projects should be promptly and transparently communicated so that the City can appropriately plan, prioritize, and allocate funding to meet capital needs across the City and its agencies and corporations within its debt targets.

The Auditor General recommended that City Council request the City's Chief Financial Officer to ensure the City's 10-Year Capital Plan includes Toronto Community Housing Corporation's building capital repair and revitalization projects and identify shortfalls to be included in the overall City unfunded projects list.

In November 2019, City Council adopted a permanent funding model for TCHC. The Social Development, Finance & Administration Division advised us that, in recommending the funding model, funding of TCHC revitalizations was contemplated; but, because the revitalizations were not considered part of TCHC's core mandate, funding for the revitalizations was not incorporated into the permanent funding model.

While TCHC provided the City's Financial Planning Division with information on the capital funding required for its (1) building capital repair, (2) in-flight revitalizations and (3) pending revitalization projects during the 2021 budget process, the City's 10-year Capital Plan only addresses funding required for TCHC's building capital repair and in-flight revitalizations. The City's 2021-2030 Capital Plan, presented to City Council for consideration in February 2021, did not include approximately \$470 million³ (in unfunded capital requirements) that TCHC needs to complete the pending revitalization projects at Firgrove, Lawrence Heights Phases 2 and 3, and Regent Park Phases 4 and 5.

CONTACT

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³ Based on TCHC estimates as at October 2020

SIGNATURE

Beverly Romeo-Beehler

Beverly Romeo-Beehler
Auditor General

ATTACHMENTS

Attachment 1: TCHC - Fully Implemented Audit Recommendations (verified by the Auditor General)

Attachment 2: TCHC - No Longer Relevant Audit Recommendation (verified by the Auditor General)

Attachment 3: TCHC - Not Fully Implemented Audit Recommendations

TORONTO COMMUNITY HOUSING CORPORATION
FULLY IMPLEMENTED AUDIT RECOMMENDATIONS
(Verified by the Auditor General)

Report Title: Moving Forward Together: Opportunities to Address Broader City Priorities in TCHC Revitalizations
Report Date: 03/28/2019

No.	Recommendation
1	City Council request the City Manager, in consultation with the Chief Executive Officer, Toronto Community Housing Corporation (TCHC), to make recommendations to City Council regarding city-building objectives that will be addressed through TCHC revitalizations, and the related funding requirements to achieve those objectives, prior to proceeding with future revitalizations and/or phases that have yet to obtain planning approvals and Shareholder consent.
5	City Council request the Executive Director, Social Development, Finance & Administration, in consultation with the Chief Executive Officer, Toronto Community Housing Corporation (TCHC), to ensure that TCHC's long-term development capital and operating needs for revitalizations are considered as part of developing a long-term permanent funding model.
11	City Council request the Toronto Community Housing Corporation Board to report annually to City Council through the City Manager and the City's Chief Financial Officer on the long-term building repair and development capital plans, including funding sources and any unfunded amounts the City needs to include in its Capital Plan.
13	The Board request the Chief Executive Officer, Toronto Community Housing Corporation, to ensure that all likely capital and operating costs and cost avoidances, be reasonably estimated and reported all together when recommending the business case and anchor business plans (including amendments if there are significant changes) for new revitalizations. Where costs cannot be estimated, but the budget may be impacted, then at minimum, such costs should be discussed qualitatively.
14	The Board request the Chief Executive Officer, Toronto Community Housing Corporation, to implement regular status reporting for each revitalization project. At minimum, the frequency and extent of such reporting should be based on thresholds developed for the following elements: a. total cost; b. spending to date; c. total committed funding; d. total unfunded requirements; and e. timeline projections.
16	The Board request the Chief Executive Officer, Toronto Community Housing Corporation, to ensure that the significant negotiated terms, and the financial impacts, are fully described and compared when recommending a development partner for future projects.
17	The Board request the Chief Executive Officer, Toronto Community Housing Corporation (TCHC), to: a. ensure the financial terms of both initial and final offers are analyzed and evaluated on a discounted cash flow basis to reflect the timing of cash flows and TCHC's cost of capital; and b. ensure key assumptions and underlying estimates are documented and retained.
19	The Board request the Chief Executive Officer, Toronto Community Housing Corporation, to use certified appraisals to determine the fair market value of the land prior to marketing revitalization opportunities to potential proponents.
20	The Board request the Chief Executive Officer, Toronto Community Housing Corporation, to ensure that terms of reference for market analyses and/or appraisals is documented and retained.
22	The Board request the Chief Executive Officer, Toronto Community Housing Corporation, to retain sufficient and appropriate documentation in order to adequately support development related decisions.
23	City Council request the City Manager to forward this report to other major agencies and corporations for their review and consideration of the relevance of the recommendations to their respective organizations.

TORONTO COMMUNITY HOUSING CORPORATION

**NO LONGER RELEVANT AUDIT RECOMMENDATION
 (Verified by the Auditor General)**

Report Title: Moving Forward Together: Opportunities to Address Broader City Priorities in TCHC Revitalizations
Report Date: 03/28/2019

No.	Recommendation	Management Comments as of June 23, 2021
7	<p>The Board request the Chief Executive Officer, Toronto Community Housing Corporation, to periodically review and benchmark its risk tolerance for development transactions with other relevant organizations including the City and CreateTO; and, recommend criteria for evaluating risk / return trade-off to ensure that future real estate transactions align with the City's risk appetite.</p>	<p>This recommendation is no longer applicable given the new Council approved Revitalization Approvals Framework outlined in Item PH7.4. This new Revitalizations Framework includes a process which provides Council with critical information regarding the nature and scale of proposed revitalization projects, earlier in the process to enhance Council's oversight and support informed decision-making.</p> <p>Additionally, through the new Framework, TCHC works closely with CreateTO, the Housing Secretariat and other City divisions that are part of an interdivisional table to plan for revitalizations. Major issues and significant opportunities identified through consultation with the interdivisional table are included in the proposed Initial Development Proposal report for each proposed revitalization for Council consideration.</p> <p>The determination over risk/reward and city-wide benchmarking is made by City Council prior to projects being approved to proceed with procurement for a development partner.</p> <p>Since implementation of this new Revitalization Approvals Framework in 2019, revitalizations proposals from developers arising from the site procurement process are no longer evaluated solely by the TCHC Board of Directors.</p> <p>TCHC, CreateTO and the Housing Secretariat will collectively review submissions to ensure a full range of city-building objectives are achieved and that the City's risks are appropriately managed.</p>

TORONTO COMMUNITY HOUSING CORPORATION

NOT FULLY IMPLEMENTED AUDIT RECOMMENDATIONS

Report Title: Moving Forward Together: Opportunities to Address Broader City Priorities in TCHC Revitalizations
Report Date: 03/28/2019

No.	Recommendation	Management Comments as of June 23, 2021
2	<p>City Council request the City Manager, in consultation with the Director, Affordable Housing Office, and the General Manager, Shelter, Support & Housing Administration Division, as part of the City's strategy for addressing housing affordability, to:</p> <p>a. evaluate efficient and cost-effective ways to increase the supply of affordable housing units with adequate consideration of broader social factors and public policy objectives;</p> <p>b. make recommendations to City Council, in consultation with the Chief Executive Officer, Toronto Community Housing Corporation (TCHC), on whether more affordable housing units should be required in future TCHC revitalizations based on a site-by-site evaluation of financial and social implications.</p>	<p>Note: Management updated the status of the recommendation to report that it has been fully implemented after the Auditor General's Office had already completed the current follow-up review. Management's assertion will be verified in a subsequent follow-up.</p> <p>a. Complete and will be ongoing for all future City-led or funded projects - Each project will be assessed on an ongoing basis with consideration of social and public policy objectives, including how such projects contribute to the City's HousingTO 2020-2030 Action Plan objectives aimed at: a) delivering 40,000 new affordable rental homes by 2030; and b) increasing a range of housing options in all wards across the city.</p> <p>b. Complete – With the implementation of the New Approvals Framework for TCHC Revitalization, a site by site evaluation process for the integration of more affordable housing units is now imbedded in the City's planning and approvals process. This process looks at each revitalization opportunity from a City building built form, social and financial perspective in consultation with TCHC. The Housing Secretariat will continue to report to Council on the outcomes of that work on a site by site basis either through an Initial Development Proposal or through an Interim Update (if requested by Council). As an example, there will be a report back to Planning and Housing Committee in Q4 2021 for the next phase of Lawrence Heights.</p> <p>Firgrove-Grassway project https://www.toronto.ca/legdocs/mmis/2020/ph/bqrd/backgroundfile-145691.pdf</p> <p>Lawrence Heights Phases 2 and 3 http://app.toronto.ca/tmmis/viewAgendaItemDetails.do?function=getMinutesItemPreview&agendaItemId=106638</p> <p>Don Summerville https://www.toronto.ca/legdocs/mmis/2019/cc/bqrd/backgroundfile-135993.pdf</p>
3	<p>City Council request the Chief Planner and Executive Director, City Planning, to:</p> <p>a. review the Official Plan Policy 3.2.1.9(b) for appropriateness and practicality, and make recommendations to Council on any necessary amendments; and</p> <p>b. ensure that the Official Plan Policy 3.2.1.9(b) (or any subsequent amendment)</p>	<p>City Planning is currently advancing work on a citywide Official Plan and Zoning Amendment for inclusionary zoning, based on provincial amendments to the Planning Act and the Growth Plan.</p> <p>Additionally, there have been amendments to the Planning Act regarding the introduction of a Community Benefits Charge to be implemented by municipalities through the completion of a Community Benefits Strategy and By-law. That work is being initiated. The outcome of work on inclusionary zoning and a</p>

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	<p>is applied consistently on all future large site development applications. Where applicants seek amendments from this policy, City Planning should clearly explain the rationale and analysis for the amendments, and provide alternatives for achieving new affordable housing in its reports.</p>	<p>community benefits charge is expected to result in a review of Policy 3.2.1.9 (Timeframe Q3, 2021).</p> <p>There were no final reports on development applications that were implementing the large site policy over the past year (i.e. through Zoning By-law Amendments). Staff continue to consistently advance Policy 3.2.1.9 for large sites through both planning studies and site-specific applications.</p>
4	<p>City Council request the City Manager, in consultation with the Chief Executive Officer, Toronto Community Housing Corporation and other relevant stakeholders, to evaluate the impacts of requiring that new affordable housing be provided by developers in any real estate development transactions. Such evaluation should consider the financial implications and/or trade-offs to the City as a whole, as well as potential incentives and strategies that can make providing affordable housing more attractive to potential developers.</p>	<p>In progress and will be ongoing for all future revitalization projects – The City and TCHC are evaluating the impacts of the use of various incentives and strategies to encourage developers to include affordable housing in future developments.</p> <p>The City and TCHC staff have established and implemented a process to evaluate cost impacts of adding net new affordable rental housing for in-flight and future revitalization projects. This includes:</p> <ul style="list-style-type: none"> • Financial implications and/or trade-offs for the City • Identifying tools to reduce cost impacts including potential higher density; Open Door program incentives; and Canada Mortgage and Housing Corporation funding and/or financial programs
6	<p>City Council request the City Manager to ask the Boards of CreateTO and Toronto Community Housing Corporation to ensure these organizations increase collaboration and consultation with a view to improving the function of each organization independently in the short-term. Such work should commence as soon as possible.</p>	<p>Note: Management updated the status of the recommendation to report that it has been fully implemented after the Auditor General's Office had already completed the current follow-up review. Management's assertion will be verified in a subsequent follow-up.</p> <p>Complete. A collaborative table was created to provide input and review on all future TCHC RFPs including the Lawrence Heights RFP in the short term. In addition, TCHC, CreateTO and the Housing Secretariat hold regular meetings related to the development of TCHC properties to further city building initiatives.</p> <ul style="list-style-type: none"> • As part of the New Approvals Framework adopted on July 16, 2019 (2019.PH7.4), CreateTO is now involved in the initial planning and procurement phases of new revitalization projects. <ol style="list-style-type: none"> 1. CreateTO will participate in the identification and prioritization of possible sites for revitalizations. This work will be undertaken once the transfer of TCHC development functions to CreateTO is complete. 2. CreateTO is engaged in the identification of city-building opportunities, due diligence and initial project design to establish the potential scope and feasibility of revitalization. 3. Initial Development Proposals for TCHC revitalization projects are presented to the joint CreateTO and City-led Strategic Program Management Committee, which is responsible for senior level program coordination, collaboration and input respecting real estate needs of Divisions, Agencies and Corporations (DAC). The

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		<p>forum is leveraged by CreateTO to identify other City-building opportunities and City infrastructure that can be included in revitalization initial development proposals. Initial Development Proposals for several TCHC revitalization have already been brought to SPMC, including Don Summerville, Firgrove, Lawrence Height Phase 2 and 3.</p> <p>4. CreateTO is engaged in the definition of business terms that are used for TCHC's procurement of development partners. In addition, CreateTO will participate in the evaluation of bids along with City staff and TCHC.</p> <ul style="list-style-type: none"> At its July 16, 2019 meeting, Council also adopted in principle the transfer of TCHC development function to CreateTO (2019.EX7.1). As part of the due diligence to prepare for the transfer (still pending), staff from CreateTO, TCHC, and the City have been engaged and collaborating on in flight revitalization projects (Lawrence Height Phase 2 and 3). CreateTO and TCHC are also collaborating with the Housing Secretariat on potential in-fill opportunities on TCHC lands. As part of this collaboration CreateTO is bringing a City-wide lens to the planning for these projects: city building opportunities with DACs and wider geographic lens with knowledge of other City properties in the vicinity that can be leveraged to achieve enhanced outcomes. This work is currently ongoing and staff from TCHC and CreateTO are meeting regularly to advance the work.
8	<p>The Board request the Chief Executive Officer, Toronto Community Housing Corporation (TCHC), in consultation with the City Manager, to formalize TCHC's Development Strategy and report to City Council through the City Manager to seek input and endorsement thereof. The Strategy should:</p> <p>a. include clear revitalization program objectives and performance measures for future developments;</p> <p>b. include short-, medium-, and long-term goals that are outcome-oriented; and</p> <p>c. support overall city-building priorities, where possible.</p>	<p>As part of Tenant's First and the Development function transfer to CreateTO, the portfolio strategy will be developed by CreateTO to ensure it fits in with the City's broader real estate strategy. This work will not begin until a final decision is made by City Council regarding the development function transfer.</p>
9	<p>City Council request the City Manager, in consultation with the Chief Executive Officer, Toronto Community Housing Corporation, to bring forth recommendations to clarify the Shareholder Direction to Toronto Community Housing Corporation with respect to the City's approval and ongoing oversight of revitalizations, specifically:</p>	<p>Note: Management updated the status of the recommendation to report that it has been fully implemented after the Auditor General's Office had already completed the current follow-up review. Management's assertion will be verified in a subsequent follow-up.</p> <p>Complete. An updated Shareholder Direction to TCHC was approved by Council on July 14-16, 2021. The Shareholder Direction specifies that TCHC facilitates the development of its</p>

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	<p>a. the timing and scope of approvals, including objectives and priorities for the revitalization; and</p> <p>b. the level of detailed reporting required annually on project progress, capital budget variances, updated forecasts and adherence with the Council-approved strategic direction and principles, including barriers and challenges.</p>	<p>lands and buildings utilizing a process led by the City and CreateTO as Directed by Council, and that approval of Council is required before facilitating any new development. The required approvals and reporting for new developments involving TCHC will be consistent with the New Approvals Framework adopted on July 16, 2019 (2019.PH7.4).</p>
10	<p>City Council request the City Manager, in consultation with the Chief Executive Officer, Toronto Community Housing Corporation, to report the outcomes (short, medium, and long-term) achieved at the completion of each phase of revitalization projects in order to demonstrate the overall financial and non-financial stakeholder impacts. Such reports be completed as soon as practicable following the completion of each phase of a project.</p>	<p>This reporting will begin at the final closeout of Phase 1 Alexandra Park by the end of 2022.</p>
12	<p>City Council request the City's Chief Financial Officer to ensure the City's 10-Year Capital Plan includes Toronto Community Housing Corporation's building capital repair and revitalization projects and identify shortfalls to be included in the overall city unfunded projects list. In addition, the City needs to identify any associated debt that needs to be included in the City's debt service targets.</p>	<p>The City has directed significant added capital funding towards the TCHC since the 2020 budget process (\$1.6 billion in added 10-Year capital last year and an added \$160 million this year). These funds were directed to the critical need to address the growing backlog of state of good repair needs within existing TCHC facilities. Steps and exploration of funding opportunities continue to be taken for revitalization projects. Finance will continue to work with TCHC to ensure 10-year capital shortfalls are included in the overall City unfunded projects list.</p> <p>As part of the annual budgeting process, TCHC has provided the 10-year revitalization projects capital plan to the City. However, the funding requirements were not included in the City's 10-year capital plan.</p>
15	<p>The Board request the Chief Executive Officer, Toronto Community Housing Corporation (TCHC), to:</p> <p>a. implement negotiation protocols for soliciting and evaluating clarifications and improvements to terms in development partner proposals in order to ensure TCHC is obtaining proponents' best and final offers during the final round of negotiations; and</p> <p>b. ensure protocols describe the documentation that needs to be prepared and retained.</p>	<p>This recommendation is in progress given the Development function transfer to CreateTO, who will now be overseeing the procurement process for a Developer Partner. The framework of what types of partnerships CreateTO will seek under the new model is yet to be determined and TCHC may not be involved in the negotiations process.</p> <p>Prior to the last TCHC-led RFP, the negotiation protocol was aligned with the recommendation to obtain proponents' best and final offer during the final round of negotiations.</p>
18	<p>The Board request the Chief Executive Officer, Toronto Community Housing Corporation (TCHC), to ensure that TCHC's final profit share reflects any necessary adjustments for construction costs of the retail space purchased by the development partner.</p>	<p>The recommendation is in progress, but will not be reflected until the final distribution of profit share in 2023 to show that the costs for retail spaces purchased by the developer partners have been adjusted.</p>
21	<p>The Board request the Chief Executive Officer, Toronto Community Housing</p>	<p>TCHC's focus has been on COVID-19 and resources have been allocated to such, along with resources allocated to the</p>

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	<p>Corporation, to enhance the Procurement Policy to address the specific processes and procedures relevant to real estate transactions. Such policy enhancements should be implemented as soon as possible.</p>	<p>CreateTO transfer. Until Tenant's First and the Development Function transfer has been resolved, this recommendation cannot be fully implemented as it is unclear who will have oversight of procurement for real estate related matters moving forward.</p> <p>In the interim, the TCHC procurement team is working to update its procurement policy, procedures and protocols which is expected to be completed by the end of 2021 or early 2022.</p>