

2010 BUDGET BRIEFING NOTE

Toronto Environment Office: Program Delivery & Reserve Funding

Issue/Background:

This briefing note responds to a request at the February 25th meeting of the Budget Committee for details on the Toronto Environment Office (TEO) funding and the future funding strategy once the reserve funding is depleted. The briefing note also provides the budget allocations between TEO's core office and other programs.

Context:

Two key Council decisions provide direction to the Toronto Environment Office:

On December 11, 2007, City Council adopted the objectives and a five-year (2008 – 2012) \$20.2 million funding plan, proposed by the Toronto Environment Office, for policy and program implementation for some of the key initiatives arising from City Council's *Climate Change, Clean Air and Sustainable Energy Action Plan*. The key initiatives are: Live Green Toronto; the Eco-Roof Program; Climate Change Adaptation; and Local Neighbourhood Air Quality research. The report can be found at: <http://www.toronto.ca/legdocs/mmis/2007/bu/bgrd/backgroundfile-8712.pdf>

On August 5-6, 2009, City Council also endorsed the objectives and program design for the *Home Energy Assistance Toronto (HEAT)* program, which is a four-year, \$9 million program designed to leverage the Federal and Provincial Governments' EcoEnergy program and encourage homeowners to make deeper and more significant energy efficiency upgrades. The report can be found at: <http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-21556.pdf>

Financial Details:

In 2010, \$8.515 million or 67% of the 2010 Recommended Operating Budget for TEO will be funded from the Home Energy Assistance Toronto Reserve Fund (XR1719) and Strategic Infrastructure Partnership Reserve Fund (XR1714). \$3.372 million or 26% will be funded from property taxes with the remaining \$0.871 million or 7% representing donations, corporate sponsorship of Live Green Toronto Program and grants from Metrolinx, the Ontario Power Authority and Natural Resources Canada.

(\$000)

Funding Sources	Rec'd Budget		Plan			
	2010		2011		2012	
	Gross	Net	Gross	Net	Gross	Net
Home Energy Assistance Toronto RF	2,400	0	3,000	0	3,500	0
Strategic Infrastructure Partnership RF	6,115		3,185		2,925	0
Tax Funding	3,372	3,372	3,498	3,498	3,561	3,561
Grants & Corporate Sponsorships	871	0	2,155	0	2,255	0
Total	12,758	3,372	11,838	3,498	12,241	3,561

According to the five-year plan, TEO's reserve fund draws are \$6.185 million in 2011 and \$6.425 million in 2012. This funding will be used primarily for the Home Energy Assistance Toronto Program and the Live Green Toronto Initiative. As identified in the staff reports to City Council, which led to the establishment of these two programs, these are one time, programs which are scheduled to be completed by the end of 2012.

Currently, there is no plan to seek additional Reserve Fund resources or an increase to the TEO's Base Budget at the end of 2012 when these programs come to an end.

As shown in the table below, TEO's core office expenditures account for \$3.372 million with the balance of \$9.386 million allocated to Home Energy Assistance Toronto and Climate Change Action Plan which includes the Live Green Toronto Program, the Local Air Quality Study, the Eco-Roof Program and Climate Change Adaptation work.

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Expenditures by Activity	Rec'd Budget		Plan			
	2010		2011		2012	
	Gross	Net	Gross	Net	Gross	Net
Home Energy Assistance Toronto	2,400	0	3,000	0	3,500	0
Climate Change Action Plan	6,986	0	5,340	0	5,180	0
Core Office - Administration	3,372	3,372	3,498	3,498	3,561	3,561
Total	12,758	3,372	11,838	3,498	12,241	3,561

Other reports guiding TEO's programs include:

- The *Live Green Toronto Community Investment Program and Capital Projects Fund* which outlines the criteria for this community investment fund. The report was adopted by City Council on May 26-27, 2008.
- *Live Green Toronto: Update Report*, updating the progress with this initiative, was adopted by City Council at its meeting of November 30 – December 1, 2009.
- The *Eco-Roof Incentive Program* which outlines the criteria for this community investment fund and which was adopted by City Council at its meeting of December 1-3, 2008.
- *Update and Revisions to the Toronto Green Standard: Performance Measures for Sustainable Development* further directing the Eco-Roof Incentive Program and green building standards was adopted by City Council at its meeting of October 26 -27, 2009.

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