



## REPORT FOR ACTION

### Grants Recommendations

**Date:** May 7, 2020  
**To:** Toronto Atmospheric Fund Board of Directors  
**From:** Antoine Belaieff, Chair, Grants & Programs Committee

#### SUMMARY

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Eight grant applications were reviewed by staff and members of the Grants & Programs Committee and six were identified as worthy of consideration for TAF funding. In addition to their alignment with TAF's granting criteria and priorities, staff was asked to assess the extent to which the current COVID-19 pandemic is likely to help and/or hinder the achievement of project outcomes and wider economic recovery. With consideration to TAF's financial situation, the Chair of the Grants & Programs Committee recommends approval of three grant requests with a combined value of \$410,890, declining two grant requests totalling \$119,500, and deferring consideration of three grant requests totalling \$358,524.

#### RECOMMENDATIONS

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The Chair of the Grants & Programs Committee recommends that the Toronto Atmospheric Fund Board of Directors:

1. Approve the following grant requests to be funded jointly from the Ontario and City of Toronto endowments except where otherwise indicated:
  - a. \$195,890 over 24 months to Durham Region Transit to develop a scaling-up strategy to electrify its bus fleet, and to finalize recommendations for the construction of Ontario's first dedicated zero-emission mass transit charging depot (*funded from the Ontario endowment only*). Approval to be subject to the following conditions:
    - Develop an impact assessment report to identify project activities and timelines that have been affected by COVID-19, and propose strategies to overcome these challenges;
    - Seek federal funding for the activities contemplated in the grant proposal and subsequent implementation of electric bus fleets;
    - Develop an agreement in principle to offset TAF grant funds, up to the full value of the TAF grant, should relevant funding be successfully secured.
  - b. \$175,000 over 24 months to Pembina Institute to convene stakeholders, produce research, and engage the federal government to ensure that strong regulations are included in the Clean Fuel Standard so that it delivers on its potential to reduce emissions and grow the clean economy. Approval to be subject to the following conditions:
    - Develop an impact assessment report to identify project activities and timelines that have been affected by COVID-19, and propose strategies to overcome

these challenges, particularly as they relate to convening partners and stakeholders;

- With the support of a Developmental Evaluation coach, prepare a Developmental Evaluation plan for approval by TAF staff, use the plan to assess progress against objectives on an ongoing basis, and report against the plan in interim reports.
- c. \$40,000 to Passive House Canada over eight months to develop a concept plan for a Zero Emissions Buildings Exchange in the GTHA, which will seek to rapidly increase building industry capacity to meet growing demand for energy efficiency retrofits and near net-zero new construction practices. Approval to be subject to the following conditions:
- Develop an impact assessment report to identify project activities and timelines that have been affected by COVID-19, and propose strategies to overcome these challenges, particularly as they relate to convening partners and stakeholders;
  - Present the business plan to at least three potential funders to support the next phases of implementing the Centre of Excellence.
2. Refer the following funding requests to the Grants and Programs Committee for review and a recommendation to the Board for its meeting scheduled on November 6, 2020:
- a. \$121,700 over 24 months to QUEST Canada to develop and disseminate a toolkit to support Electric Vehicle (EV) charging in existing multi-unit residential buildings, consisting of practical guidance for stakeholders to overcome challenges of installing EV chargers.
- b. \$114,824 over 12 months to Sustainable Buildings Canada to create a software tool that will enable municipal staff to implement and enforce energy performance requirements within their municipal green development standards.
- c. \$122,000 over one year to Clean Air Partnership to support the adoption of new building code requirements for EV charging infrastructure by leading a costing study of installing "EV Ready" requirements in new multi-unit residential buildings.
3. Decline the following grant requests:
- a. \$100,000 over two years to Ontario Clean Air Alliance to lead a public communications and aware-raising campaign with the goal of phasing out natural gas-powered electricity generation by 2030 in Ontario. This recommendation is due to concerns about the efficacy of the proposed strategy, and the lack of coordination with other stakeholders leading complementary initiatives in the GTHA.
- b. \$19,500 over six months to Toronto and Region Conservation Authority to assess the socio-economic impacts of zero emissions vehicle (ZEV) adoption, which will inform strategies and actions in the Region of Peel ZEV Strategy. This recommendation is due to concerns about the efficacy of the proposed communications activities, and the limited scope of knowledge transfer activities to scale-up the potential impact and mobilize lessons from this project.

## FINANCIAL IMPACT

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If the recommended allocations are approved, \$230,890 would come out of TAF's 2020 grants program budget and \$180,000 would come out of the 2021 grants program budget.

<b>Grants Program Budget</b>	<b>2020</b>
Total available funding	\$1,774,159
Grant allocations committed to date	\$1,165,264
Funding currently available	\$608,895
Recommended allocations from the February 2020 grant intake round	<u>\$230,890</u>
Remaining balance if recommended allocations are approved	<b>\$378,005</b>

If the recommended allocations are approved, \$85,800 would come out of the City of Toronto endowment in 2020 and \$145,090 would come out of the Province of Ontario endowment in 2020 based on the current funding ratios.

<b>Grantseeker / Project</b>	<b>Total value</b>	<b>2020 Toronto Endowment Allocation</b>	<b>2020 Ontario Endowment Allocation</b>
Durham Region Transit / Scaling-up to Zero Emissions Transit in the Region of Durham	\$195,890 over 2 years	\$0	\$100,890
Pembina Institute / Coalition for Clean Fuels and a Clean Fuel Standard	\$175,000 over 2 years	\$59,400	\$30,600
Passive House Canada / Zero Emissions Buildings Exchange Concept Development	\$40,000 over 8 months	\$26,400	\$13,600
<b>Total</b>		<b>\$85,800</b>	<b>\$145,090</b>

There are no funding recommendations for internal project allocations for consideration at this time.

<b>Internal Program Budget</b>	<b>2020</b>
Total available funding	\$1,262,858
Internal program allocations committed to date	\$1,014,712
Recommended allocations from the February 2020 grant intake round	<u>\$0</u>
Remaining balance	<b>\$248,146</b>

## IMPACTS OF COVID-19 ON THE TAF GRANTS PROGRAM

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The health and economic crisis caused by the COVID-19 outbreak has dramatically changed the landscape in which the TAF grants program is operating. There are new challenges and

needs in the sector, but also emerging opportunities to advance and accelerate TAF's objectives to decarbonize the GTHA economy.

In this context, TAF grantmaking can be used not only to advance TAF's strategic priorities, but also to support community needs, leverage stimulus investment arising in the post-COVID recovery period, and accelerate the transition towards a green economy. Staff have identified the following strategic grant cultivation opportunities which are well-positioned either to support the overall economic recovery, leverage recent cultural shifts to effect low-carbon outcomes, or sustain low-carbon solutions that are particularly vulnerable to erosion during this period:

- Ensuring that trips do not shift from public transit to light duty vehicles as a result of reduced supply and vehicle capacity and concerns with respect to physical distancing.
- Promoting the long-term adoption of teleworking practices by building on the momentum for remote working and emissions reductions caused by fewer peak-hour commuters and reduced real estate footprint.
- Accelerating the electrification of urban freight in response to the anticipated increase in online shopping. These grants should be cultivated with consideration to the urban freight work that TAF is already supporting.
- Championing the use of government stimulus investment towards the green economy transition, and preventing those funds from being spent on carbon-intensive industries and activities.
- Supporting GTHA municipalities in planning climate actions so that they are positioned and prepared to leverage stimulus funds for 'shovel ready' climate-friendly projects (i.e. converting GHG-emitting district energy systems into low carbon systems).

The May 15 grants intake will be cancelled, and August 28 will be the final grants intake deadline for 2020. This decision was made with consideration to TAF's cash flow situation, the funds remaining in the 2020 grants and programs budget, and the desire to provide our partners with enough time to formulate their own approaches and responses to emerging opportunities. This will be announced and publicized to our constituencies.

## **BACKGROUND**

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The following provides a summary of the grants recommended by the Chair of the Grants & Programs Committee for Board approval.

### **Durham Region Transit | Scaling-up to Zero Emissions Transit in the Region of Durham**

**\$195,890 over 2 years**

Applicant's address: 605 Rossland Rd E, Whitby, ON L1N 6A3

Location of proposed activities: Durham Region

The objective of this project is to support Durham Region Transit (DRT) in securing the necessary capacity, data, and analytics required for planning the effective transition of their bus fleet to zero-emission technologies and to design a dedicated bus depot for zero-emission buses. To achieve this outcome, DRT will gather information while piloting eight electric propulsion buses and four charging technologies out of their depot facilities in Oshawa. Through these trials, DRT will gather information about life cycle capital and operating costs for electric buses, operational performance, infrastructure requirements and

costs, and GHG impacts. The grant will also support various knowledge transfer activities designed to achieve the goals of scaling this pilot into larger actions, both within Durham and across Canada. The approach will include the preparation and dissemination of a detailed report, circulation of communications materials to increase public understanding of low-carbon transit, and presentations to stakeholders leading zero-emission transit initiatives..

**Pembina Institute | Coalition for Clean Fuels and a Clean Fuel Standard  
\$175,000 over 2 years**

Applicant's address: 600-920 Yonge Street, Toronto, ON M4W 3C7

Location of proposed activities: Toronto

This project will enable Pembina Institute to continue their efforts to coordinate stakeholder advocacy efforts to ensure that Canada publishes strong final regulations for the liquids portion of the Clean Fuel Standard (CFS) in 2021, and implements these regulations by 2022. This work will also help to ensure that regulations for the gaseous and solid portions of the CFS are published by 2022 and implemented by 2023, setting a new paradigm for fuel regulation across Canada. Pembina Institute will achieve this through the following activities:

- Pembina will produce science-based research, and present this work to the federal government and key stakeholders to inform the ongoing development of the regulations.
- Pembina will continue to convene the Clean Fuel Standard Advocates (CFSA) to provide leadership on policy solutions and to coordinate engagement strategies with decision-makers and other stakeholders.
- Ongoing government relations with officials, office-holders, political staff and other stakeholders will ensure that all parties fully understand the importance of the CFS.

**Passive House Canada | Zero Emissions Buildings Exchange Concept Development |  
\$40,000 over eight months**

Applicant's address: 290 Wright Ave. Toronto, ON M6R 1L9

Location of proposed activities: GTHA

The purpose of this project is to develop a concept plan for a Zero Emissions Buildings (ZEB) Exchange, which will become a hub for a variety of building industry capacity building opportunities, research, and policy advocacy. The concept plan will be developed through engagement with diverse industry members to identify and solidify program partners, priorities, existing facilities or activity nodes, potential revenue and funding sources, a governance structure, staff resources and connections with national and international resources. The ZEB Exchange will coordinate services currently offered by its partners and deliver services not currently provided, including technical skills to design and construct low emissions buildings, support for innovation in project delivery, component development and new approaches to retrofits. The project team will synthesize the concepts and priorities identified by key stakeholders to produce an integrated plan for the first three years of the ZEB Exchange.

## **CONTACT**

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**SIGNATURE**

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Antoine Belaieff  
Chair, Grants & Programs Committee