

Clause embodied in Report No. 8 of the Policy and Finance Committee, as adopted by the Council of the City of Toronto at its meeting held on May 30, 31 and June 1, 2001.

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**Execution of the 2002-2006 Host Community Agreement
with the International Council for
Local Environment Initiatives**

(City Council on May 30, 31 and June 1, 2001, amended this Clause by adding thereto the following:

“It is further recommended that the organizers of the International Council for Local Environment Initiatives (ICLEI) be requested to submit a report to the Policy and Finance Committee, in January of every year, on its accomplishments for the previous year and its initiatives for the current year.”)

The Policy and Finance Committee recommends the adoption of the following report (May 3, 2001) from the Chief Administrative Officer:

Purpose:

In August and October 2000, City Council requested that the Chief Administrative Officer negotiate a new five-year community host agreement between the City of Toronto and the International Council for Local Environmental Initiatives (ICLEI) (2002 to 2006) and that the Chief Administrative Officer report back to Council on the terms this new agreement.

Council approval is required to execute the host community agreement between the City of Toronto and the International Council for Local Environmental Initiatives (ICLEI)/ICLEI Canada for the period from January 1, 2002 to December 31, 2006.

Financial Implications and Impact Statement:

The previous host community agreement called for City of Toronto support to ICLEI at an annual level of approximately \$474,000.00 in kind and in cash. In keeping with the previous agreement, the City of Toronto will continue to support the International Council for Local Environmental Initiatives at a level of up to a maximum of \$500,000.00 per annum, starting in 2002 to 2006, for a total contribution of \$2.5 million over the five year term of the agreement.

The Chief Financial Officer and Treasurer has reviewed this report and has ensured that the total \$ 2.5 million commitment is well within the City’s debt and financial obligation limit.

The annual budgetary impact is approximately \$500,000.00 annually for the duration of the new agreement.

Recommendations:

It is recommended that:

- (1) Council authorize the execution of the proposed host community agreement generally in accordance with the terms and conditions outlined in this report and as finalized to the satisfaction of the Chief Administrative Officer and the City Solicitor;
- (2) the Chief Administrative Officer inform City Council annually about the joint City-ICLEI work plan;
- (3) in 2001, the Treasurer establish an ICLEI account in the non-program corporate accounts to finance 2001 ICLEI related expenditures through the realignment of existing budgets;
- (4) City Council approve funding for ICLEI in the non-program corporate account in the amount not exceeding \$500,000.00 starting in 2002; and
- (5) the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

Background:

At its meetings on August 10, 2000, and October 3, 2000, Toronto City Council asked the Chief Administrative Officer to negotiate a new host agreement with the International Council for Local Environmental Initiatives (ICLEI) for a five year period from January 1, 2002, to December 31, 2006. Council recommended that:

- (i) the appropriate City staff be authorized to negotiate a five-year extension of the host agreement between the International Council for Local Environmental Initiatives and the City of Toronto, and the Chief Administrative Officer be requested to submit a report to the October 3, 2000, meeting of Council, through the appropriate Committee, on the terms of the Agreement;
- (ii) the Chief Administrative Officer be authorized to conclude the negotiations for an extension of the host agreement between the International Council for Local Environmental Initiatives (ICLEI) and the City of Toronto for a further 5 years from January 1, 2002 to December 31, 2006, and to inform Council about the results and financial implications of the negotiations upon completion; and
- (iii) the Chief Administrative Officer be requested to consider the host agreement within the scope of the office consolidation initiative.

This report advises Council of the results of these negotiations and the financial implications of the new host agreement with ICLEI. This report has been prepared in consultation with the City's Legal Services, Corporate Services and Finance. It is also based on the negotiations with the International Council for Local Environmental Initiatives (ICLEI) for a new host community

agreement. ICLEI Canada is the incorporated legal entity and will be the party to the agreement with the City.

Overview of ICLEI:

ICLEI is an international organization which emerged as an outcome of the 1992 United Nations "Earth Summit". ICLEI has a membership of over 350 cities, towns, counties, and their associations world-wide and more than 90 staff. In addition to its world headquarters in Toronto, ICLEI maintains regional offices in Australia, Brazil, Germany, Japan, the United States and Zimbabwe. ICLEI's mission is to build and serve a worldwide movement of local governments to achieve tangible improvements in global environmental and sustainable development. Appendix A provides further background information on the International Council for Local Environmental Initiatives (ICLEI).

In 1991, the former Municipality of Metropolitan Toronto and the City of Toronto entered into a host agreement with the International Council for Local Environmental Initiatives. At that time, the former Municipality of Metropolitan Toronto and the City of Toronto won a 15-city international competition to host the ICLEI World Secretariat. The original host agreement was established for the period of 1991-1993. Under the first agreement, Metropolitan Toronto and the City of Toronto committed to provide ICLEI with seconded staff, office space, furniture and equipment at a maximum cost of \$618,000.00 each. Subsequently, the former two cities renewed the original agreement for another three years (1993-1996). Metropolitan Toronto reduced its commitment under the second agreement to a maximum of \$525,000.00 over the three-year term.

In 1996, the former City of Toronto approved the renewal of the host agreement for another five years until December 31, 2001. Under the current host agreement, the City of Toronto is committed to the following financial and in-kind contributions to ICLEI: four staff, 6,037.24 sq. ft. of office space, usage of phone lines and photocopy equipment. The past host agreement does not assign a specific monetary value to the City of Toronto's level of support.

Under the current host community agreement (1996-2001), the City's financial support for ICLEI is budgeted for by different City departments. In order to consolidate the City's financial support to this international organization, it is recommended that the Treasurer establish an ICLEI account in the non-program corporate accounts to finance 2001 ICLEI related expenditures through the realignments of existing budgets. It is recommended that City Council approve funding up to a maximum of \$ 500,000.00 annually to be set aside in this ICLEI account to support the City's contributions to ICLEI for the duration of the proposed new community host agreement.

Comments:

In keeping with the previous agreement, the 2002-2006 host community agreement continues the City's support to ICLEI for office space, equipment and resources to cover salary/ benefits costs up to a maximum of \$500,000.00. The Chief Administrative Officer, in consultation with the Commissioner of Corporate Services, will arrange in-kind or leased office space for ICLEI

taking into account the City's needs to allocate downtown office space to core City functions as a priority.

The City of Toronto will provide ICLEI with a sum of \$ 250,000.00 per annum to support ICLEI staff salaries and benefits. If ICLEI decides to second a City employee, the City will reduce its payment to ICLEI by the salary and benefits costs of the seconded employee.

In order to ensure that the City's contribution returns benefits to the City, ICLEI will assist the City with work projects focused on sustainability, waste management, climate control, air quality, water management and other environmental initiatives. ICLEI will support the City in analyzing, evaluating and improving the City's environmental practices, strategies and indicators. ICLEI will facilitate linkages between the City of Toronto and ICLEI's international network for purposes of information exchange, knowledge-sharing and comparison of environmental practices. The annual joint City-ICLEI work plan will be based on the City's annual work priorities in environmental management and sustainable development, as identified in the goals, objectives and work plans of the respective City departments. ICLEI will provide this assistance in recognition of the City's financial contribution.

ICLEI will hold one organizational meeting per year in the City of Toronto including an ICLEI Executive Meeting, a Board Meeting, a Management Committee Meeting and a Global Senior Management Meeting.

ICLEI and City staff will prepare an annual work plan identifying joint work projects to be undertaken in each year including measurable goals and objectives. The Chief Administrative Officer will approve the work plan, which will then become part of the host community agreement. ICLEI and City staff will also hold an annual joint consultation meeting with the Chief Administrative Officer to review the achievements of goals and objectives identified in the yearly work plan and to examine further opportunities for shared work projects.

ICLEI or the City of Toronto can terminate the host community agreement prior to the end of term by providing two years notice to the other party.

Conclusion:

This report provides City Council with an overview of the terms and conditions of the proposed new host community agreement between the City of Toronto and the International Council for Local Environmental Initiatives (ICLEI). These terms and conditions are the result of the negotiations between the two organizations over the last few months. The report seeks Council approval to finalize the terms and conditions of the host community agreement and to execute the proposed host community agreement.

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Appendix A:

Mission and Goals:

The International Council for Local Environmental Initiatives (ICLEI), founded in 1990, is an international environmental organization of local governments. Its mission is to build and serve local governments worldwide in improving the environment and in achieving sustainable development.

During the 2001- 2006 time period, ICLEI will work on six key goals:

- Goal 1: to establish an active municipal membership that promotes sustainable development;
- Goal 2: to initiate and implement projects designed to address priority environmental and sustainable development issues;
- Goal 3: to educate municipal members about sustainable development issues;
- Goal 4: to advocate for ICLEI members vis-à-vis national and international organizations on environmental matters;
- Goal 5: to establish strategic alliances with international organizations that support the local environmental agenda; and
- Goal 6: to evaluate and report on issues of global environmental and sustainable development

Membership:

ICLEI has a membership of more than 350 cities, towns, counties and their associations worldwide. ICLEI has fifty members on the North-American continent; the following Canadian cities have a membership with ICLEI: Burlington, Caledon, Calgary, Edmonton, Federation of Canadian Municipalities, Halton Hills, Hamilton-Wentworth, Kitchener, Mississauga, North Vancouver City, Ottawa, Peterborough, Regina, Sudbury, Toronto and Vancouver. ICLEI's World Secretariat has been located in Toronto since 1991. ICLEI has regional offices in the US (Berkeley), the Latin America and Caribbean region (Rio de Janeiro), Africa (Harare), Australia and New Zealand (Melbourne), the Asia-Pacific region (Tokyo) and Europe (Freiburg).

ICLEI maintains a formal association with the International Union of Local Authorities (IULA) and has official consultative status with the United Nations.

Governance structure:

The organization is governed by the ICLEI Council where each local government has a representative. Every two years, the ICLEI Council elects 21 representatives to form the ICLEI Executive Committee. The Executive Committee oversees the implementation of the Strategic

Plan and the ICLEI operations. The City of Toronto is represented on the ICLEI Executive Committee by Councillor Mario Silva.

Figure 1 shows the current composition of the ICLEI Executive Committee (2000 to 2002):

Kaarin Taipale, Chair Head of Department Architect, Senior Advisor Helsinki, Finland	Mr. Atwasi Opong-Fosu President, African Union of Local Authorities Harare, Zimbabwe
Mr. Harvey Ruvin, Vice-Chair Clerk of the Courts and County Commission Miami-Dade County, USA,	Mr. Eduardo da Costa Paes Secretary for the Environment Rio de Janeiro, Brazil
Ms Grethe BJORLO Politician Larsgard, Norway	Mr. David Ristrom District Councillor Melbourne, Australia
Ms Margit Conrad Mayor Saarbrucken, Germany	Mr. Carlaile de Jesus Pedrosa Mayor Betim, Brazil
His Exc. Eng. Omar Abdullah Kadi Secretary General Organization of Islamic Capitals and Cities, Saudi Arabia	Mr. James Knight Executive Director Federation of Canadian Municipalities
Mr. Jeremy Harris Mayor Honolulu, USA	Dr. Mauricio Lobo Environmental Secretary Sao Joao de Meriti, Brazil
Mr. Kang, Hong-bin Vice Mayor for Administrative Affairs Seoul, Korea	Mr. Amos Masondo Executive Mayor Greater Johannesburg Metropolitan Council Johannesburg, South Africa
Mr. Takehisa Matsubara Mayor Nagoya, Japan	Mr. Mario Silva Councillor Toronto, Canada
Dr. Jatin Modi National President, All India Institute For Local Self Government West Mumbai, India	Mr. Stefan Sofianski Mayor Sofia, Bulgaria
Mr. Ali Mufit Gurtana Mayor Istanbul Metropolitan Municipality Turkey	Ms. Beate Weber Mayor Heidelberg, Germany
Ms Alice Muwanguzi Councillor Kampala, Uganda	

The ICLEI Council meets every third year on the occasion of its triennial world congress. The Executive Committee meets once a year.

Programs:

ICLEI operates a series of different campaigns and projects to address specific sustainable development issues: these campaigns include for example the Local Agenda 21 Campaign, the Cities for Climate Protection Campaign and the Water Campaign.

The Local Agenda 21 Campaign, initiated in 1991, seeks to generate tangible environmental improvements in local municipalities through participatory consultative planning processes.

The Cities for Climate Protection Campaign, established in 1993, is a global campaign to reduce the emissions that cause global warming and air pollution. Over 400 local governments are participating in this campaign.

The Water Campaign, launched in June 2000, seeks to achieve improvements in the sustainable use of fresh water resources by protecting and enhancing watersheds, reducing water pollution, improving the availability and efficiency of water and environmental sanitation and public health.

Benefits:

ICLEI provides its members and host cities with the following benefits: (a) Research and project management expertise on environmental issues, (b) Service on environmental task forces and working groups, (c) Linkages to an international professional network focused on environmental issues and promotion of a city's environmental profile internationally.

The following is a list of illustrative examples which show how ICLEI has generated these benefits for the City of Toronto. (Please note that this list is not all inclusive in nature.)

Research and Project Management:

(1) Active participation of the City of Toronto in:

- (i) Green Fleets Project;
- (ii) Urban CO2 Reduction Project;
- (iii) Great Lakes Energy Collaborative;
- (iv) Sustainable Santiago Project (Canadian technology transfer project);
- (v) US Cities for Climate Protection Campaign;
- (vi) Water Campaign; and
- (vii) Cities21 Project (monitoring improvements in environmental conditions).

(2) Technical assistance with :

- (i) Case study on the City of Toronto submitted to the United Nations, UN Framework on Climate Change;
- (ii) City of Toronto Greenhouse Gas Inventory and Monitoring Model;

- (iii) Metro Environmental Management Systems (EMS) Pilot Project;
- (iv) Study on the energy efficiency opportunities in the new City of Toronto (Phase I and II); and
- (v) Study on the Keele Valley Landfill Gas to Energy Project.

Service on environmental task forces:

- (i) Board of Directors of the Toronto Atmospheric Fund;
- (ii) Board of Directors of the Toronto District Heating Corporation;
- (iii) Toronto's Environmental Task Force;
- (iv) Metro Blue Ribbon Committee; and
- (v) Toronto Anti-Smog Committee.

International professional network and promotion of the city's environmental profile:

- (i) facilitated City and Metro's participation at the Fourth Local Government Leaders' Summit on Climate Change;
- (ii) facilitated the participation of three Toronto representatives as speakers at the ICLEI World Congress (2000);
- (iii) facilitated the participation of the Toronto Mayor in a special UN workshop on NGO Inputs into the United Nations Framework Convention on Climate Change;
- (iv) Organization of the Green Fleets Forum;
- (v) supported Metro/ Toronto bid to the United Nations to host the new UN Climate Secretariat;
- (vi) supported Metro's successful bid for the UN Best Practices Award; and
- (vii) facilitated the participation of the Toronto Mayor at the First Meeting of the UN Conference of the Parties to the Framework Convention on Climate Change.

For further information: www.iclei.org

The following persons appeared before the Policy and Finance Committee in connection with the foregoing matter:

- Ms. Judy Walker, International Director, Membership and Information Services, ICLEI World Secretariat; and
- Mr. Peter Finestone, PhD., Chief Operating Officer, ICLEI World Secretariat.

The following Members of Council also appeared before the Policy and Finance Committee in connection with the foregoing matter:

- Councillor Douglas Holyday, Etobicoke Centre;
- Councillor Mario Silva, Davenport; and
- Councillor Sherene Shaw, Scarborough-Agincourt.