

Authority: Executive Committee Item 25.1, adopted as amended,  
by City of Toronto Council on November 27, 28 and 29, 2012

## **CITY OF TORONTO**

### **BY-LAW No. 226-2013**

#### **To assume the powers for the investment of certain Toronto Atmospheric Fund funds, to rescind certain authority of the Toronto Atmospheric Fund respecting the Clean Air Partnership and to delegate certain governance powers to the Clean Air Partnership.**

Whereas the Toronto Atmospheric Fund (TAF) was continued under the Toronto Atmospheric Fund Act, 2005 (the TAF Act) and the City was empowered to delegate certain powers related to the governance, grant-making and investment powers of TAF to the TAF Board; and

Whereas the Clean Air Partnership (CAP) (formerly the Toronto Atmospheric Fund Foundation) was continued under the TAF Act and the City was empowered to delegate certain powers related to the governance and carrying out of CAP's objects to either the TAF Board or the CAP Board; and

Whereas under the TAF Act, the City of Toronto Act, 2006 (COTA) and Section 2 of O. Reg. 589/06 under the COTA, the City is empowered to assume one or more powers of local boards, which include TAF and CAP for certain purposes;

The Council of the City of Toronto enacts:

1. The City is assuming the powers for the investment of TAF funds not immediately required for TAF's objects, which includes any attendant liabilities and TAF Board by-laws and resolutions related to the assumed powers.
2. The City is rescinding the delegation of certain powers to TAF and reinstating the authority of the City Treasurer to manage the investment of the TAF funds not immediately required for TAF's objects, pertaining to the investment of fixed income marketable securities and cash reserves.
3. The assumption of powers by the City under section 1 of this by-law and the rescission of certain TAF powers under section 2 of this by-law are authorized under Subsections 8(4), 8(7) and 13(1) of the TAF Act, Sections 145 and 146 of the COTA and Section 2 of O. Reg. 589/06 under the COTA.
4. Authority is delegated to the City Manager, Deputy City Manager and Chief Financial Officer to approve revisions to TAF's investment objectives and principles from time to time, as permitted under Subsection 8(3) of the TAF Act.
5. Authority is granted for the Deputy City Manager and Chief Financial Officer, the City Treasurer and the TAF board to implement the transition from the current (2010) to the new diversified asset mix and management responsibility for TAF funds effective as early as reasonably possible while minimizing penalties or losses, but no later than two (2) years from the date of the enactment of this by-law, thereby allowing any existing

investments made under the 2010 TAF investment objectives to be deemed authorized and valid during the transition.

6. To reinforce the independence of CAP as a not-for-profit charitable organization that functions independently from the City, the City is amending the delegation of certain governance provisions under Subsection 18(2) of the TAF Act, as follows:
  - a. The limited authority delegated to TAF to determine certain CAP governance matters, including the appointment of directors to the board of CAP, is rescinded.
  - b. Authority is delegated to CAP to exercise the powers to determine all of the governance matters set out in Subsection 18(1) of the TAF Act, subject to the CAP board having and maintaining good governance practices in place including:
    - i. holding open meetings;
    - ii. publishing annual audited financial statements;
    - iii. having a governance committee of the board;
    - iv. establishing a nominations process to the board;
    - v. maintaining the size of the board at no less than 3 directors; and
    - vi. having a policy that makes employees of the City and its agencies and corporations ineligible for appointment to the board of CAP.
7. The delegation of powers by the City and the rescission of certain TAF powers under section 6 of this by-law are authorized under Sections 18, 20 and 22 of the TAF Act, Sections 145 and 146 of the COTA and Section 2 of O. Reg. 589/06 under the COTA.
8. This by-law is effective upon the date of enactment set out below.

Enacted and passed on February 21, 2013.

Frances Nunziata,  
Speaker

Ulli S. Watkiss,  
City Clerk

(Seal of the City)