



Attachment 2: Terms of Reference for TAF's Ad Hoc Endowment Expansion Working Group

BACKGROUND

Following Toronto Atmospheric Fund's strategic planning process and discussions with the Board of Directors, City colleagues and other stakeholders, TAF advanced a proposal to enhance the endowment on the occasion of its 25th anniversary. In its 2016 Budget, the Government of Ontario committed \$17 million to increase TAF's endowment and thus capacity to advance urban climate solutions in the Greater Toronto & Hamilton area (GTHA), leveraging Toronto's visionary investment and Toronto Atmospheric Fund's track-record and expertise. The Ontario Government has delegated provincial leadership on this file to the Ministry of Municipal Affairs & Housing, specifically to establish an agreement with TAF. Implementation requires discussion and negotiation of terms with the Province and formal TAF Board and Council approval.

At its meeting of February 11, the Board of Directors of the Toronto Atmospheric Fund:

1. Requested the City Manager's office to work with the Chief Executive Officer, Toronto Atmospheric Fund (TAF), under the authority of the Relationship Framework, to explore mechanisms to facilitate non-City of Toronto contributions to augment TAF's endowment and the expansion of Toronto Atmospheric Fund's mandate, including any necessary amendments to the Toronto Atmospheric Fund Act, Toronto Atmospheric Fund's Relationship Framework with the City of Toronto or the establishment of other governance instruments or agreements, while maintaining the purpose of the original endowment and accountabilities to the City of Toronto.
2. Requested City Manager's Office and the Chief Executive Officer, Toronto Atmospheric Fund to continue discussion with Provincial Government for the purpose of Part 1 above and report to the Board of the Directors of the Toronto Atmospheric Fund.
3. Struck an Ad Hoc Endowment Expansion Working Group comprised of the Toronto Atmospheric Fund Board Chair, Vice-Chair, Treasurer and at least one other Board member, to consider new opportunities and make recommendations to the Toronto Atmospheric Fund Board concerning advancement of these opportunities, in consultation with the City Manager.

The City Manager's Office has been involved in the deliberations and will continue to work with TAF. This is led by the Director of Corporate Intergovernmental and Agency Relations, who has convened staff from City Legal and Corporate Finance to assist with the process.

OBJECTIVES AND ACTIVITIES FOR THE WORKING GROUP:

1. Guide development of an agreement with the province, in consultation with the City Manager's Office:
 - a. Help establish core principles for consideration by Board, City and Province, including to maintain the mandate and accountability of Toronto's endowment to TAF
 - b. Guide and assist TAF staff in formulating specific terms & conditions that reflect the principles in 1.a. above, including for governance structure, accountability requirements, investment strategy, communications, etc.
 - c. Evaluate and respond, with staff support, to proposals and expectations from both the City of Toronto and the Province.
2. Undertake stakeholder engagement:
 - a. Connect with key stakeholders to understand expectations, concerns and options
 - b. Convey the purpose of the Working Group and the process to reach an agreement to enhance TAF's endowment and capacity.
3. Advance agreement (s) for Board and Council approval:
 - a. Assist TAF and City staff in formulating reports and recommendations for Board consideration and approval, including requests for Council approvals
 - b. Make recommendations to the TAF Board.

MEMBERSHIP

Four members drawn from TAF's Board of Directors:

- Sandra Odendahl, Chair
- Councillor Mike Layton, Vice-Chair
- Rob Roberti, Treasurer
- Councillor Justin Di Ciano

PROCESS

- Meetings will be convened based on the need for review and comment in accordance with open meeting protocol. At least two days' notice will be given of each meeting. Meetings will be after 5pm if possible.
- TAF staff will support the Working Group, including scheduling and posting notice of meetings, circulating agenda materials, providing analysis and options, and taking minutes.
- The Chair may invite relevant experts/advisors, in addition to CMO, to participate; this would include TAF and City solicitors.
- The Chair will report to the Board on behalf of the Working Group.