



REPORT FOR ACTION

Proposed Strategic Directions (2019-2022)

Date: February 7, 2019

To: Toronto Atmospheric Board of Directors

From: Chief Executive Officer

SUMMARY

An update of the current Strategic Directions (2015-2020) is proposed in response to several significant factors including TAF's regional expansion, implications associated with designing climate solutions that create broad public benefits (the TransformTO approach) and new insights about TAF's role in helping proven climate solutions reach full-scale adoption. These refreshed Strategic Directions reflect guidance from a working group of external advisors, interviews with key stakeholders, and TAF staff input.

RECOMMENDATIONS

The Chief Executive Officer recommends that the Board of Directors:

1. Approve TAF's Proposed Strategic Directions (2019-2022) in Attachment #2.
2. Thank the Strategic Directions Advisory Working Group for their insights and assistance in developing the proposed Strategic Directions.

FINANCIAL IMPACT

None.

DECISION HISTORY

At its meeting on December 5, 2014, the Board adopted the 2015-2020 Strategic Directions titled "Charting the Voyage to a Low-Carbon City" (<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.TA1.3>).

At its meeting on December 15, 2010, the Board adopted the Strategic Plan for 2011-2014, titled “Unleashing the Power of Efficiency” (<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.TA1.3>).

COMMENTS

TAF's overarching strategic directions and goals are set periodically with the support of an ad hoc group of advisors, including representatives from TAF's Board and standing Committees. Typically timed to coincide with a terms of Toronto City Council, they provide core guidance for TAF's investments, relationships and operations, and are reflected in TAF's annual business plans.

In late 2018, a working group was convened to review TAF's [Strategic Directions for 2015-2020](#) in light of new factors affecting our work and make recommendations for updates or revisions for consideration by the TAF Board of Directors. The working group gathered for two facilitated half day sessions to offer strategic input and feedback to constructively challenge TAF and provide fresh insights and ideas. A report on the process and outcomes of the review, including a list of participants and documentation of activities, is included in Attachment #1.

Proposed TAF Strategic Directions 2019-2022 are included in Attachment #2. To focus the Strategic Directions, outcomes envisioned by 2030 are indicated, as well as specific targets/results that TAF aims to directly achieve by 2022. These vision statements and targets reflect opportunities and goals identified in the TransformTO 2050 modelling study (2017) and the Regional Greenhouse Gas Inventory (2018) and are intended to support achievement of 80 percent reduction in greenhouse gas emissions from GTHA cities by 2050.

Notable differences from the current Strategic Directions include:

- Focusing the majority of TAF's efforts – investment, grants and programs – on two high-impact opportunities: reducing the greenhouse gas intensity of large buildings and accelerating the electrification of transportation. These are the next coal phase-outs.
- Shifting TAF's approach from hands-on incubation and demonstration of new climate solutions towards commercialization and accelerating large-scale deployment of proven solutions.
- Deepening TAF's role in policy reform in order to create effective drivers and market conditions for large-scale deployment of climate solutions.
- Regionalizing TAF's work, building on the first two years of experience in the Greater Toronto and Hamilton Area (GTHA).

Implementation of these proposed Strategic Directions will have implications for TAF's operations including:

1. **Prioritizing the TowerWise Program** to leverage TAF's experience, expertise and influence gained through this internally managed program which both demonstrated energy conservation solutions in high-rise residential towers and set the stage for establishment of regulatory frameworks to ensure high energy performance

standards in new buildings (i.e. Toronto Green Standard). Ensuring sufficient resources are available to support the TowerWise program – including large building retrofit demonstration; heat pump demonstrations; co-benefits assessment and support; support of robust policy setting and deployment related to existing and new buildings. Ensure the buildings work at TAF is sufficiently resourced. Focus effort on scaling proven solutions in the Region. Implement a TowerWise program review in 2019 to draw out key lessons and understand how to leverage these to support scale-up efforts. Get a line of sight to program closure by the end of 2022 in order to create space for a new emerging “coal phase out” initiative.

2. **Developing a new internal program focused on ‘electrification’.** Initially this will focus on electrification of transportation, but ultimately we need to find pathways for electrification of both transportation and heating in the GTHA. We’ll start with understanding the ecosystem and potential collaborations and partnerships, analysis of opportunities for modernization of utility regulation in Ontario, and link this work to other community activity and benefits.
3. **Maintaining responsiveness.** Recognizing that flexibility and focus are not mutually exclusive, retain open space within TAF’s project portfolio to allow TAF to respond to emerging opportunities and challenges. Adapt our own work in response to input from the community about their needs and interests
4. **Raising TAF’s profile and building relationships.** Increase TAF’s reputation as a well-known and trusted advisor, advocate and voice in support of the multiple benefits of adopting high-impact low-carbon actions in cities. Safeguard and grow our strong relationships with finance sector, building sector, community groups, cities, utilities and government agencies; our credibility; our unique vantage point between municipal and community sectors; our diverse skills sets and tools; our enthusiastic and highly skilled volunteers.
5. **Leveraging TAF’s innovation skills.** Maintain and fully utilize TAF’s key assets including our endowment, our learning culture, and our responsiveness. Establish robust monitoring and evaluation and KPIs, including co-benefits metrics in the areas of public health, local economy, and social equity. Continually monitor program outcomes and policy designs, gather lessons, adjust course, and report internally and externally. Share learnings with key stakeholders, decision-makers and policy and program designers. Position TAF as a thought-leader and convenor in the climate and co-benefits area. Promote consistent evaluation methods of GHG reductions and co-benefits assessment in the GTHA. Recognizing that flexibility and focus are not mutually exclusive, retain open space within TAF’s project portfolio to allow us to respond to emerging opportunities and challenges. Adapt our own work in response to input from the community about their needs and interests.
6. **Talent retention and organizational health.** TAF’s excellence is supported by its strong governance and the skills and commitment of its staff team, so attention needs to be paid to ensure that the best talent is attracted and retained, that transfer of knowledge from senior to junior staff is prioritized, and that sufficient professional development opportunities are available for the TAF team. We will continue work initiated in 2018 to update HR strategy to ensure we are doing everything to attract

and retain the best and brightest and complete upgrades of internal management policies and procedures as recommended in our management review in 2017.

7. **Adequate resourcing.** TAF's ability to accelerate its urgent mandate is limited by human resources capacity, so increasing our resources, ideally through expanding the endowment, continues to be a priority. Pursuing federal funding to double the endowment through the Low Carbon Cities Canada initiative, major project-specific funding, positioning TAF as a fund/program implementation vehicle, and other approaches will be explored.

CONTACT

Mary Pickering, Vice President, Programs and Partnerships, mpickering@taf.ca

SIGNATURE

Julia Langer
Chief Executive Officer

ATTACHMENTS

1. Process & Outcomes Report
2. TAF Strategic Directions 2019-2022