

Appointments to the Toronto Atmospheric Fund Board of Directors

Date: April 12, 2019

To: Toronto Atmospheric Board of Directors

From: Chief Executive Officer

SUMMARY

To bring the Board membership to 11 members, as is specified in the TAF Relationship Framework with the City of Toronto, it is recommended that the composition be amended to eight citizen members and three Councillors.

Since Toronto Atmospheric Fund (TAF) now supports and invests in initiatives that reduce greenhouse gas emissions throughout the Greater Toronto and Hamilton area (GTHA) leveraging endowments from the City of Toronto and Province of Ontario, TAF would benefit from Board-level expertise and perspectives from individuals who live outside the City of Toronto. Appointment of at least one public member who is a non-resident of Toronto and resides in the GTHA is recommended.

RECOMMENDATIONS

The Chief Executive Officer recommends that the Toronto Atmospheric Fund's Board of Directors:

1. Request, via the City Manager, that City Council increase the composition of the Toronto Atmospheric Fund's Board of Directors by adding one public member
2. Request, via the City Manager, that:
 - a. The Staff Nominating Panel recommend at least one public member who is a non-resident of Toronto and resides in the Greater Toronto and Hamilton Area (GTHA) for appointment to the TAF Board of Directors;
 - b. City Council waive the Toronto residency criteria for at least one public member of the TAF Board of Directors in order to appoint a non-resident to the Board.

FINANCIAL IMPACT

None.

DECISION HISTORY

At its meeting on December 4, 5 and 13, 2018, a City Council decision reduced the Toronto Atmospheric Fund Board of Directors by two (2) Council Members (<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.CC1.1>). Three (3) Council Members were appointed to TAF's Board, bringing the total number of current board members to ten (10).

In December 2016, the Toronto Atmospheric Fund Board of Directors Requested the City Manager to submit the Toronto Atmospheric Fund Board request to City Council to re-establish the Board of Directors of the Toronto Atmospheric Fund composition as 11 members, of which seven (7) are citizens and four (4) are Councillors, one (1) of which is the Mayor's designate appointed by the Mayor.

(<https://www.toronto.ca/legdocs/mmis/2016/ta/bgrd/backgroundfile-98809.pdf>)

In May 2015, staggered terms were introduced to the TAF Board for the first time. Three (3) citizen members were appointed for two-year terms, and four (4) were appointed for four-year terms ending on November 30, 2018, and until successors are appointed. (<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.CC6.3>).

In April 2011, a Council decision modified the Board composition of a range of City agencies, adding the Mayor or Mayor's designate appointed by the Mayor in addition to the usual number of Councillors.

(<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.EX4.7>) TAF's Board then increased to twelve members with the appointment of five Councillors in November 2012 (<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.ST8.1>), then again in December 2014

(<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.ST1.1>), and December 2016

(<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.ST11.1>)

COMMENTS

Issue Background

TAF is governed by a Board of Directors appointed by City Council.

The [TAF Act](#) Section 2.2, states that: City Council shall establish policies, as in its sole discretion it considers advisable, governing the structure, composition, appointment, removal, meetings and procedures of the Fund's Board of Directors, including rules respecting quorum, vacancies and other matters necessary for the board to function.

The TAF Relationship Framework with the City of Toronto (May 2013) provides more specificity in Article 7: Governance and Control.

Section 7.2 Composition of the Board

"The board consist of a minimum of 11 members, at least three (3) of whom shall be Members of Council, appointed by City Council, and one of whom shall be the Mayor or a designate appointed by the Mayor. Council has the authority to alter the composition of the Board.

Section 7.5 Qualifications of Citizen Members stipulate specific competencies and capacities for TAF Board members in addition to the qualifications set out in the City's Public Appointments Policy:

Citizen appointments to the TAF Board should collectively have a range of competencies and qualifications, that include: financial management and investment expertise, including experience in portfolio management and strategic investment; understanding of strategic energy efficiency and green energy market opportunities; experience managing public charities, public or private foundations, community trusts, or other government grant programs; marketing expertise, such as knowledge of demographic trends that affect consumer choice, in order to advise in community program design and delivery; legal expertise, in order to advise on legal problems and issues related to TAF's activities, when they arise; experience and knowledge of environmental affairs from an academic or non-governmental perspective, especially in the areas of air quality and climate change.

The selection process will seek to ensure that a range of people representing all segments of society, including people of different gender, ethnicity, age and race are encouraged to apply and are considered fairly.

Under the [Public Appointments Policy](#)

2.1 Eligibility Requirements:

All citizens who apply for appointment as a member of a board, including agencies and corporations of the City, pension bodies and external bodies, must satisfy eligibility requirements in order to be selected for an appointment.

Persons selected for an appointment to boards must be:

- (a) residents of Toronto; and
- (b) at least 18 years of age (the age of majority in Ontario).

1.5 Selection Strategy

City Council recognizes that the needs of the City and its agencies and corporations are best met when candidates are matched to the boards' individual requirements. Council shall approve qualifications relevant to the responsibilities of the individual board and, as set out in Section 3.1, make appointments that ensure the board members collectively cover the range of skills and experience required to effectively further the board's mandate.

City Council also recognizes that the City is best served by boards that collectively reflect the geographic distribution and diversity of the community that they serve (see Section 8.9). Proactive strategies in achieving this result shall be followed (see Section 5.7).

1.6 Variations from this Policy

Because this Policy reflects the basic principles and requirements of City Council, any variation from this Policy should only be implemented in unusual circumstances and such variation must be approved by City Council.

8.9 Selection Objectives

The nominating panel's recommendations will strive to achieve a balance of:

- (a) qualified applicants covering the range of qualifications specified for the board;
- (b) experienced and new members;
- (c) geographic representation; and
- (d) representation of the diversity and demographics of the community including age, gender, sexual orientation, Aboriginal status, race and disability.

The nominating panel shall recommend to City Council one person to fill each vacant position, one person to be appointed chair of the board if this is a requirement of the board structure.

Proposed Approach and Rationale

On December 4, 2018 Council adopted [Recalibrating City Council's Governance System for 26 members](#), changing the composition of the Board to include three Members of Council, one being the Mayor's designate (from five Members of Council, one being the Mayor's designate). Historically, TAF's Board has been composed of 11 members, as reflected in the Relationship Framework requirement for "a minimum of 11 members". To follow best practice of having an odd-number of Board members, the complement of citizen members should be increased to eight.

At its meeting on September 29, 2016, the Toronto Atmospheric Fund Board of Directors recommended the Toronto Atmospheric Fund enter into the Transfer Payment Agreement (TPA) negotiated with the Government of Ontario and the City of Toronto for an endowment fund of \$17 million, and Council approved the TPA at its meeting of October 4-6, 2016. The agreement extended TAF's mandate-related activities through the Greater Toronto and Hamilton Area (GTHA). The TPA requires that between 42.5 percent and 50 percent of the Grants & Programs Committee membership have demonstrated expertise in developing and/or implementing strategies or projects with

achieve regional GHG emissions in the GTHA. To achieve this goal, membership can be drawn from throughout the region, not just City of Toronto residents.

While changes to TAF's Board structure or recruitment criteria are not required in the TPA, TAF's obligation to implement and deliver our mandate throughout the GTHA would benefit from Board-level expertise and perspectives from those who live outside the City of Toronto. This is consistent with the Public Appointments Policy that "City Council also recognizes that the City is best served by boards that collectively reflect the geographic distribution and diversity of the community that they serve."

Representation from all 30 GTHA municipal entities on TAF's board is neither feasible nor the objective; rather it is to ensure that the Board benefits from individual expertise about the needs of the region in the context of TAF's mandate. TAF staff, Board and Committee members can take the responsibility for recruitment of candidates from outside Toronto, leveraging the networks established through our work throughout the region.

Any such candidates would need to meet all the other criteria established by Council and the expertise requirements prioritized based on vacancies. All such candidates would be subject to the same appointments process used for other TAF Board members including application through the on-line portal, screening by City Appointments staff, interviews by the relevant panel, and recommendation by the Civic Appointments Committee. While infrequent, there are precedents where Section 1.6 Variations of the Public Appointments Policy has been used to appoint individuals who are not Toronto residents to Boards.

CONTACT

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SIGNATURE

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