

# City of Toronto Environmental, Social & Governance (ESG) Performance Report





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1

# Chief Financial Officer and Treasurer Message

# 1 Chief Financial Officer and Treasurer Message

The City of Toronto's Environmental, Social and Governance (ESG) Performance is a vital part of building a sustainable and resilient future for the City. It is our responsibility as financial stewards to provide information on how we focus on both the opportunities and risks in our pursuit of the City's strategic and corporate priorities, sustainable finance and positive socioeconomic outcomes. I want to thank everyone who has contributed to the sustainability of the City's ESG Performance.

ESG risk factors are gaining importance both domestically and internationally and cannot be ignored. A majority of international and domestic companies are increasingly being rated on their impact and performance on ESG factors. Henceforth, both private and public organizations will be defined by how they handle ESG-related risks. Toronto is one of the world's most diverse cities and Canada's leading economic engine. With strong governance, the City proactively leads with a sense of purpose and makes positive impacts across key ESG priorities through commitment, innovation, and transparency.

As we present this second edition, ESG reporting enables us to present topics of interest to a wide range of stakeholders to inform decision-making. The City continues to enhance disclosure in line with industry best practices and demonstrate our leadership on how we deliver services that protect our environment, consider equity and social needs and prioritize our social responsibility.

With continued support from our partners and investors, the City of Toronto will continue to respond to the COVID-19 pandemic, maintain the critical City services that Toronto residents and businesses rely on, invest in our recovery, embrace innovation and lead the transformation to ensure we nurture a prosperous, inclusive and liveable city, with a high quality of life for its residents now and in the future.



Sincerely,

A handwritten signature in blue ink, appearing to read 'Heather Taylor'.

Heather Taylor  
Chief Financial Officer and  
Treasurer  
City of Toronto



# 2

## About this Report



## 2.a Reporting Scope and Period

This Environmental, Social and Governance (ESG) Report (“Report”) contains information about the City of Toronto (excluding agency and corporation subsidiaries). It provides an overview of our strategic priorities, key performance indicators and highlights during 2020 on ESG factors relevant to the City of Toronto, as well as other Canadian municipalities.

This report complements information on the results of our operations and financial condition in our 2020 Annual Report. Information on the City’s governance system<sup>1</sup> is available at [www.toronto.ca](http://www.toronto.ca).

This document reports on data and activities for 2020 unless otherwise noted. We have provided data for 2020 and the two preceding years where possible, to show our performance trend over a three-year period.

## 2.b Reporting frameworks

The structure and content of this report is developed using the following regulations, standards, methodologies and frameworks as a reference based on their relevance and usability:

- Sustainability Accounting Standards Board standards (SASB<sup>2</sup>),
- MSCI ESG Government Ratings Methodology<sup>3</sup>,
- Global Reporting Initiative (GRI<sup>4</sup>),
- International Integrated Reporting Council (IIRC<sup>5</sup>) Integrated Reporting Framework and,
- United Nations Sustainable Development Goals (SDGs<sup>6</sup>).

We will continue to monitor the development of international ESG reporting standards, along with the expectations of the City’s stakeholders regarding these standards.

## 2.c Stakeholders, Oversight, Review and Assurance

This Report is published for all City of Toronto stakeholders. Our stakeholders include but are not limited to, current and prospective residents, investors, employees, suppliers, other levels of governments, peer municipalities, regulators and community organizations. We are providing relevant disclosure to our stakeholders regarding our ESG performance as accountability is one of our core beliefs.

Accountability for our ESG strategy is part of the mandate of the City Council. The City’s Senior Leadership Team manages enterprise risk, including ESG risk factors, with support from Internal Audit. The City’s Enterprise Risk Assurance Committee oversees the risk management structures and processes. Limited assurance engagement by an independent verifier for a select number of the City’s performance indicators is currently being considered.

## 2.d Currency

All amounts in this document are in Canadian dollars unless otherwise noted.

## 2.e Endnotes

The endnotes on page 59, referenced throughout this Report, provide more details on topics covered in this report.

# 3

## About the City of Toronto



### 3.a Land Acknowledgement For Toronto

The City of Toronto acknowledges that we are on the traditional territory of many nations including the Mississaugas of the Credit, the Anishnabeg, the Chippewa, the Haudenosaunee and the Wendat peoples and is now home to many diverse First Nations, Inuit and Métis

peoples. The City also acknowledges that Toronto is covered by Treaty 13 signed with the Mississaugas of the Credit, and the Williams Treaty signed with multiple Mississaugas and Chippewa bands.



### 3.b Our City

Toronto is Canada’s leading economic engine and one of the world’s most diverse and livable cities. As the fourth largest city in North America, Toronto is home to more than 3 million residents whose diversity and experiences strengthen our great city.

The economy of Toronto is the largest contributor to the Canadian and Ontario economy, at 9% and 23% of the national and provincial annual real gross domestic product (GDP) in 2020 respectively.

Toronto is an international leader in technology, finance, film, music, culture, and innovation. We are consistently placed at the top of international rankings due in part to investments

championed by residents and businesses, in turn led by the Toronto City Council, and carried out through the work of the Toronto Public Service.

Provincial regulations and legislation define the City’s relationship with the Ontario government. The most significant legislation is the City of Toronto Act, 2006<sup>7</sup>, which gives the City powers to provide services to its residents, manage finances, and establish accountability officers for the City.

LEVELS OF GOVERNMENT		
FEDERAL Government of Canada	PROVINCIAL Government of Ontario	MUNICIPAL City of Toronto
<b>Constitution of Canada</b>	<b>POWERS DEFINED BY Constitution Act, 1867</b>	<b>City of Toronto Act, 2006</b>
<ul style="list-style-type: none"> <li>• National defence and Canadian Armed Forces</li> <li>• Postal service</li> <li>• Banking</li> <li>• Employment</li> <li>• Immigration and citizenship</li> <li>• Census</li> <li>• Foreign affairs and international trade</li> <li>• Agriculture and more</li> </ul>	<ul style="list-style-type: none"> <li>• Health</li> <li>• Education</li> <li>• Driver and vehicle licensing</li> <li>• Energy</li> <li>• Human rights</li> <li>• Natural resources</li> <li>• Environment</li> <li>• Social services and more</li> </ul>	<ul style="list-style-type: none"> <li>• Water treatment and sewers</li> <li>• Parks and recreation centres</li> <li>• Libraries</li> <li>• Garbage collection</li> <li>• Public transit</li> <li>• Land use planning</li> <li>• Police and fire services</li> <li>• Paramedics</li> <li>• Homeless shelters</li> <li>• Childcare and more</li> </ul>

### 3.c Our Services – Making a Difference

The City of Toronto’s vast services keep our neighbourhoods safe and vibrant, encourage business growth and investments, and make Toronto welcoming for visitors from around the world.

Garbage collection, public libraries, road repair, TTC, recreation programs, childcare, water

testing, police, and fire and emergency medical response are all municipal services the City provides. Many of the City’s 150+ services are provided 24 hours a day, seven days a week.

Our approach to delivering services is professional, innovative, and people-focused. We care about making a difference in people’s lives.

## 3.d Our Vision and Priorities

### Vision

#### **Toronto is a caring and friendly city.**

We have opportunities to sustain and enrich our lives and reach our highest potential. Our diversity is valued and celebrated and our communities are a source of pride. We are actively involved in the social, cultural, and political life of the city.

#### **Toronto is a clean, green, and sustainable city.**

We integrate environmental stewardship into our daily activities. We maintain and improve the health of the environment for present and future generations.

#### **Toronto is a dynamic city.**

As the nation's leading economic engine, we are a centre of innovation and growth with a strong international presence. Our dynamic city is well-positioned to succeed in the world economy.

#### **Toronto invests in quality of life.**

We invest in quality of life – socially, economically, culturally, and environmentally – to make Toronto a desirable place to live, prosper and visit.

### Priorities

#### **Our Corporate Priorities**

Will improve the performance of our organization.



##### **Financial Sustainability**

We will work and partner to ensure value and affordability for taxpayers, adequately fund municipal services and infrastructure, make needed investments in the city, and improve our financial health. We will make informed financial decisions and effectively manage resources for Toronto's future.



##### **A well-run City**

We will improve the lives of residents, businesses, and visitors by providing simple, reliable and connected services that anticipate changing customer needs. We will build trust and confidence in local government through a committed, engaged and diverse workforce.



##### **Stop the spread of COVID-19**

We will support residents through various programs and initiatives in response to the pandemic to help people get outside but safely distanced, receive emergency care, and keep people connected. We will campaign to secure emergency financial support from other levels of government to help preserve City services and ensure comprehensive frontline response to the pandemic.

#### **Our Strategic Priorities**

Will improve quality of life for Torontonians.



##### **Maintain and create housing that's affordable**

We are committed to a city where families and individuals live in safe, stable and affordable housing with respect and dignity.



##### **Keep Toronto Moving**

We are committed to a city with safe, affordable and accessible transportation choices for people and goods.



##### **Invest in people and neighbourhoods**

We are committed to a city that protects and improves quality of life for all including safety, health, and social and economic well-being and inclusion.



##### **Tackle climate change and build resilience**

We are committed to fighting climate change and preparing our City government, our ecosystems, and our communities, especially the most vulnerable communities, for a changing climate.

### 3.e 2020 Financial Performance

(in \$ Millions)	2020	2019	2018
Own Source Revenue*	\$8,250	\$8,735	\$8,335
Annual Surplus	\$1,622	\$1,632	\$1,434
Total Assets**	\$51,146	\$47,336	\$44,558
Total Long-Term Debt	\$7,654	\$7,104	\$6,502
Total Reserve and Reserve Funds	\$3,263	\$2,241	\$2,276

Revenue declined by 5.6% in 2020 as a result of the COVID-19 impact.

\* "Own Source Revenue" is defined as Property taxes, User Charges, and Municipal Land Transfer Tax.

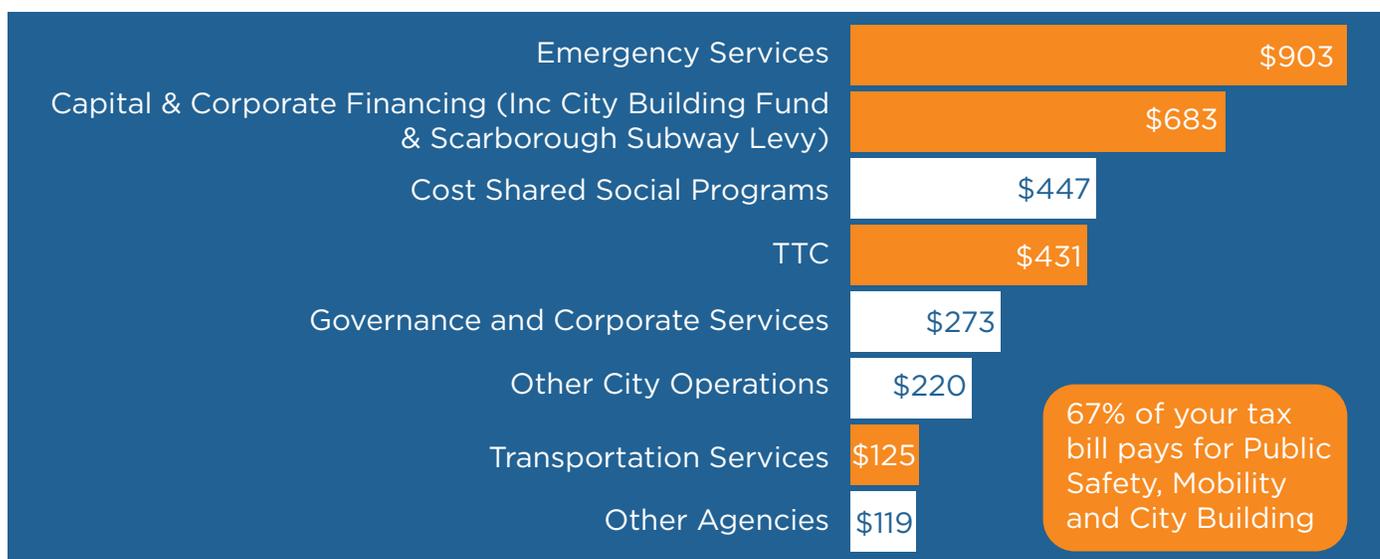
\*\* Includes Financial and Non-Financial Assets

### 3.f Economic Value Distributed

When translated into an average tax bill of \$3,201 for the average value of a home assessed at \$698,801, the chart below shows how 2021

property taxes will be spent based on the approved 0.7% residential property tax rate increase and additional 1.5% of City Building Fund.

*How Your Tax Dollar Works for You in 2021 and 10-year Capital Budget and Plan<sup>8</sup> \$44.7B*



#### How the Money is Invested (\$44.7 Billion)



### 3.g Our Environmental, Social and Governance (ESG) Approach

The City takes an integrated ESG approach, with responsible practices embedded across the City to build a sustainable and resilient foundation for the delivery of quality services and value over the long term. ESG factors can influence, and be influenced by, our decisions and activities. If not appropriately addressed, ESG factors can deteriorate into material risk. At the same time, ESG factors can also be opportunities that can be leveraged into material positive changes. Our integration approaches and processes focus on both opportunities and risks across our activities, such as investment management, debt issuance, infrastructure investment, financial planning, procurement, and internal operations.

The City is committed to ISO 37120 data and outcomes. World Council on City Data (WCCD) is implementing ISO 37120 in over 100 cities across 35 countries. ISO 37120 is a group of 252 key performance indicators for sustainable

cities across 19 ESG themes, e.g. Education, energy, climate change, housing. ISO data is globally standardized, regularly reported and independently/third party verified. WCCD, with the support from the Ministry of Infrastructure and Communities, is working on The Data for Canadian Cities Pilot Project which will become a "one stop shop" for governments across multiple mandates and will drive long-term impact across Canada. The City was one of the first 15 Canadian cities to be ISO certified. The City was ISO certified at the highest level (Platinum) for the year 2014-2017 and planning to bring the certification up to date for 2018-2021 and going forward. The City is committed to be data- and outcome- driven city. The ISO data will also help the City to track progress on the climate and resilience agenda, and to embrace United Nations' Sustainable Development Goals and The Making Cities Resilient by 2030 agenda.

#### 3.g.i Integrated ESG approach to our Investment Portfolio

The City is committed to integrating Environmental, Social, and Governance (ESG) factors throughout the entire organization, including investment activities. Responsible investing means integration of ESG factors in investment decision-making and developing processes to monitor the ESG performance of the investments.

The City's investment activities are governed by Ontario Regulation 610/06<sup>9</sup>, Financial Activities, under the City of Toronto Act, 2006 and Council-approved Investment Policy. The Toronto Investment Board<sup>10</sup> ("Board") was established by Council in 2017. It is responsible for the stewardship, management, and control of the City's investments that are not immediately required for liquidity purposes (approx. \$6.0 billion at the end of 2020). The Board is comprised of the City's Chief Financial Officer & Treasurer and six other independent industry experts in investment and risk oversight, as well as best practices for responsible investment. The Board provides valuable governance, guidance, and direction regarding the City's investments.

The City's Investment Policy<sup>11</sup> incorporates ESG in its investment beliefs, policies, and procedures. The City of Toronto believes that well-managed companies are those that demonstrate strong governance, high ethical and environmental standards, and respect for their employees, human rights, and the communities in which they do business. These actions contribute to long-term financial performance. The City is committed to incorporating all of the United Nations 17 Sustainable Development Goals when making investment decisions. As such, all of the City's external investment managers are signatories to the United Nations Principles for Responsible Investment (UN PRI).

The City has reviewed how each external investment manager integrates ESG factors into their investment decision making process as well as their strategies in active stewardship. With the awareness of the links between ESG performance and investment returns, our external investment managers integrate ESG factors into their investment process. While they consider the ESG factors with care, in general, they do not exclude any particular investment or industry based on ESG factors alone.

The City wants to ensure that its external investment managers have engagement strategies to effectively communicate their views on material ESG issues as an investor. Engagements are undertaken to influence ESG practices and/or improve ESG disclosure. The City has investments in both equities and fixed income. Our equity investment managers use proxy voting as a key engagement tool to convey the message to the boards and management. As an essential capital source, fixed income investment managers can also exert meaningful influence over issuers. Our fixed income investment managers usually consider using

engagement first before choosing alternative strategies such as divestment. Divestment leaves investors with no stake and no potential to help drive responsible corporate practices. By engaging with issuers, fixed-income investors encourage behaviour designed to improve sustainable long-term investment returns while maximizing positive ESG outcomes.

The City is in the early stages of developing a reporting process to begin tracking and monitoring the ESG performance of its long-term investment portfolio for future ESG reports.

### 3.g.ii Sustainable Debt Issuance Program

Toronto’s overall approach to Sustainable Finance includes 1) alignment with the City’s Corporate Strategic Plan<sup>12</sup>; 2) alignment of

project useful life with debt term; and 3) generating measurable impact.

#### Toronto’s Approach to Sustainable Finance



**1** Alignment to the City’s Strategic Plan



**2** Alignment of Useful Life, Debt Term, and Lookback Period



**3** Generates measurable impact

Building on the strength of the City’s long-standing conventional bond issuances, sustainable financing has become a growing part of the City of Toronto’s debt issuance program in recent years.



## Toronto's Debt Issuance Program



The objective of the City's sustainable debt issuance program is to align with the City's strategic priorities and enhance ESG outcomes in Toronto. Some examples are sustainable clean transportation, energy, and environment; social and affordable housing; access to essential services, socioeconomic advancement, and empowerment.

### How Toronto's Debt Issuance Program aligns with the Corporate Strategic Plan

Capital Projects –Corporate Strategic Plan	Debenture Type		
	Green	Social	Conventional
 <b>Maintain and create housing that's affordable</b> <ul style="list-style-type: none"> <li>Capital projects that reduce GHG emissions e.g. energy retrofits</li> </ul>	✓	✓	✓
 <b>Keep Toronto Moving</b> <ul style="list-style-type: none"> <li>Capital projects that reduce GHG emissions e.g. subway</li> </ul>	✓	✓	✓
 <b>Invest in people and neighbourhoods</b> <ul style="list-style-type: none"> <li>Capital projects that reduce GHG emissions e.g. green roofs</li> </ul>	✓	✓	✓
 <b>Tackle climate change and build resilience</b>	✓		✓
 <b>Maintain a well-run City</b>	✓	✓	✓

Since 2018, the City has issued \$630 million of Green Bonds (\$300 million in 2018, \$200 million 2019, and \$130 million in 2020). In 2020, the City of Toronto was the first Canadian government to issue a Social Bond (\$100

million). The City of Toronto continues to be a pioneer in advancing ESG objectives within the Canadian government sector. For details of the City's Green Bond and Social Bonds, please refer to sections 5(h) and 6(d) of this report.

### 3.h Our Material ESG Factors

Identifying material ESG factors that are likely to affect the City's value creation process is important. Managing these factors has an important bearing on the long-term competitiveness and sustainability of the city's economy, and in turn, the attractiveness of Toronto as an investment destination. ESG factors have been grouped into three key themes of environmental, social and governance & workplace culture that drive the content, structure, and scope of this reporting. The ESG factors will be reviewed at least annually.

All ESG factors included in the table below are highly important to the City of Toronto. However, given limited resources, prioritizing

these ESG factors based on their relative materiality can help the City focus resources on activities that can generate the greatest impact and create the most value.

During 2020, social programs to address equity and programs to address climate change were identified as the priorities for the City. In addition, the City plans to prioritize ESG factors that are material to both the City and its stakeholders. The City is currently in the early development stage of engaging stakeholders and plans to include a Materiality Map in future ESG Performance Reports. The Materiality Map will reflect the importance of each ESG factor to the City of Toronto and its stakeholders.

Material ESG Factors		
Environmental	Social	Governance & Workplace Culture
<ul style="list-style-type: none"> <li>• Climate Change</li> <li>• Resilience</li> </ul>	<ul style="list-style-type: none"> <li>• Human Rights</li> <li>• Social Inclusion</li> <li>• Social Empowerment and Advancement</li> <li>• Economic Inclusion</li> </ul>	<ul style="list-style-type: none"> <li>• Responsible Governance Practices</li> <li>• Financial Governance</li> <li>• Conduct and Trust</li> <li>• Risk Management</li> <li>• Cyber Security &amp; Privacy</li> <li>• Inclusion and Diversity</li> <li>• Health and Well-Being</li> <li>• Talent Attraction, Engagement and Retention</li> <li>• Digital Enablement</li> <li>• Responsible Procurement and Supplier Diversity</li> </ul>
Socially Responsible Financing		
Socially Responsible Investing		

# 4

## Statement of Performance Summary



## 4

## Statement of Performance Summary

Objective	Performance Metrics	Targets (if any)	2020	2019	2018
<b>Environment</b>					
Address climate change by achieving net-zero greenhouse gas (GHG) emissions across all sectors in Toronto by 2040 (new target adopted in December 2021 which is 10 years earlier than the previous target)	Total GHG emissions (Mega-tonnes CO2e)	Reduce GHG emissions by: 30% by 2020 (to 17.7 MT), 45% by 2025 (13.9 MT) and 65% by 2030 (to 8.8 MT) relative to 1990 levels, and to net zero by 2040 (more ambitious targets newly adopted in December 2021) (0 MT)	Not Currently Available	15.6	16.2
	Per capita GHG emissions (tonnes CO2e/person)	N/A	Not Currently Available	5.3	5.6
<b>Social and Economic Inclusion</b>					
Improve connection to cycling routes in the city	% of people and employment within prescribed access to a cycling route	100%	63.0%	60.4%	60.2%
Increase access to services for people experiencing or at risk of homelessness	# of Shelter beds added*		Provided emergency shelter to more than 20,000 people and 6,094 people moved from shelter into permanent housing		
New housing benefits to support people experiencing homelessness or at risk of homelessness	# of households with a housing allowance*		Over 6,000 households supported with a housing allowance and 2,800 households supported with new Canada-Ontario Housing Benefits (COHB)		
Increase funding for social housing capital repairs	# of households supported*		Replacing or refurbishing rent-geared-to-income and affordable homes as part of revitalization of TCHC communities for 1,811 households		

Objective	Performance Metrics	Targets (if any)	2020	2019	2018
<b>Governance and Workplace Culture and Inclusion</b>					
Engagement of Decision Makers	Average annual City Councillor attendance		95%	92%	82%
Governance: be diverse and inclusive	% women councillors		31%	31%	31%
	% women Senior Management (Division Head or Above)		41%	44%	40%
	% Racialized Senior Management (Division Head or Above)		14%	21%	21%
Reflect diversity and be inclusive of the city we serve	<b>TPS Workforce:</b>				
	% Women		49.3%	49.4%	48.8%
	% Racialized People		38.0%	37.2%	35.7%
	% Indigenous Peoples		1.4%	1.3%	1.4%
	% Persons with Disabilities		5.3%	5.3%	5.4%
	% LGBTQ2S+		3.5%	3.4%	3.2%
Attract & retain a diverse and inclusive workforce	<b>Turnover Rates:</b>				
	All Active Employees (excl. Toronto Recreation Division Workers)		7.9%	8.1%	7.9%
	<b>Growth Opportunities:</b>				
	Promotion and Internal Hires (% Total Hires)		26%	27%	25%

\*for the period of 2010-2020



# 5

## Our Priorities for the Environment



Toronto is committed to reducing our greenhouse gas emissions, building resilience against a rapidly changing climate, moving to zero waste and a circular economy, improving air and water quality, building sustainable energy and transportation systems, and supporting biodiversity. The following chapter identifies the key strategies and programs that are contributing to a greener, more sustainable, and liveable city.

## 5.a The City's Environmental Strategies

### TransformTO Net Zero Strategy

In December 2021 Toronto City Council adopted the TransformTO Net Zero Strategy, which sets a course for the city to achieve net zero greenhouse gas emissions (GHG) by 2040, which is 10 years earlier than originally proposed in 2019.

The Net Zero Strategy triggers new and accelerated implementation actions to drive down community-wide emissions, particularly in the short term, and establishes the trajectory needed to reach net zero by 2040. The Strategy also sets an additional interim GHG emissions reduction target for Toronto: 45 per cent by 2025, from 1990 levels.

Developed in response to the Toronto City Council's 2019 Climate Emergency Declaration, the Net Zero Strategy includes accelerated climate actions that will put Toronto on a path to reach net zero by 2040, building on the City's initial TransformTO climate strategy, updated technical modeling, international best practices, and the results of public consultations held between 2018 and 2021. The Strategy includes actions to reduce community-wide emissions in key areas such as buildings, energy, transportation, sustainable consumption and waste, natural systems and equitable decision making.

Achieving the targets set out in TransformTO requires transformational changes in how we live, work, build and commute. The strategy seeks emission reduction in four key sectors:

#### Buildings:

- New buildings designed and built to be near zero GHG emissions
- Existing buildings retrofitted to the highest emission reduction technically feasible

#### Energy:

- Community-wide energy use derived from renewable or low carbon sources

#### Transportation:

- Transportation options, including public transit and personal vehicles, use low or zero-carbon energy sources
- Trips under 5 km will be walked, cycled or by transit

#### Waste:

- Waste will be diverted from landfill and we will advance towards a zero-waste circular economy

## Long-Term Waste Management Strategy

The City of Toronto's Long-Term Waste Management Strategy includes an aspirational goal of transitioning to a circular economy and zero-waste future. The City of Toronto manages approximately 900,000 tonnes of waste each year. With a growing population, the changing nature of waste, and risks associated with climate change, this amount of waste and its impact on our environment is not sustainable. To address this urban challenge, the City is working towards a circular economy and zero-waste future. Transitioning to a circular economy requires innovation to re-examine how programs and services can be delivered and applying a circular lens to activities and assets.

The City of Toronto is currently implementing a variety of initiatives to drive innovation and the growth of a circular economy to achieve the following outcomes:

- Change the way waste is viewed (i.e. as a resource);
- Influence decision-making on how waste is managed to maximize resource recovery;
- Increase investment in the circular economy; and
- Shift thinking from the traditional linear approach to waste management and disposal to innovative ways to conserve and recover resources.

## 5.b Performance Metrics

Objective	Performance Metrics	Targets	2019	2018	2017
<b>Environment</b>					
Address climate change by <b>achieving net-zero greenhouse gas (GHG) emissions</b> across all sectors in Toronto by 2040 (new target adopted in December 2021 which is 10 years earlier than the previous target)	Total GHG emissions (Mega-tonnes CO <sub>2</sub> e)	Reduce GHG emissions by: 30% by 2020 (17.7 MT), 45% by 2025 (13.9 MT), 65% by 2030 (8.8 MT), and to net zero by 2040 (more ambitious targets newly adopted in December 2021) (0 MT), relative to 1990 levels	15.6	16.2	15.3
	Per capita GHG emissions (tonnes CO <sub>2</sub> e/person)	N/A	5.3	5.6	5.3

Note: 2020 metrics will be available in the following year



## 5.c Advocacy and Achievements in Climate Action

The City of Toronto is recognized as a leader in addressing climate change both domestically and internationally, including as:

- A member of C40 Cities<sup>13</sup> which connects 96 world cities to take bold climate action, leading the way towards a healthier and more sustainable future.
- A signatory of the Global Covenant of Mayors for Climate and Energy<sup>14</sup>, disclosing our GHG emissions inventory and climate mitigation and adaptation actions annually to the Carbon Disclosure Project (CDP). This disclosure helps to track the City's progress, monitor risks, and benchmark against other cities facing similar challenges.<sup>15</sup>
- A member of the Carbon Neutral Cities Alliance (CNCA), a collaboration of leading global cities working to cut greenhouse gas emissions by 80 per cent or more by 2050, or sooner<sup>16</sup>.

### Achievements in 2020

Toronto is leading by example to incorporate sustainable practices, improve energy and water efficiency and realize a reduction in GHG emissions and solid waste. The following highlights demonstrate these successes and the many achievements made in partnership with communities and stakeholders across the city.

#### Buildings

- **Net Zero Existing Buildings Strategy (ExB):** Developed at the end of 2020, the ExB Strategy charts the path to achieve net-zero emissions in all existing residential, commercial, and institutional buildings in Toronto by 2050. The goals of the Strategy are to achieve deep emissions reductions across the existing building sector, support building owners and the building industry in making the transition to a low-carbon while realizing multiple economic, social equity, resilience, and health co-benefits.

- **Green Will Initiative:** The Green Will Initiative (GWI)<sup>17</sup> brings together the City and property owners in making major strides in addressing the climate emergency and achieving Toronto's net-zero emissions target. Recognizing that the path to net-zero will be unique for each portfolio and building, GWI supports building owners in building their internal energy management practices and capabilities to empower them to realize GHG emission reduction opportunities. In 2020, the program included 11 major building portfolios across Toronto representing over 4,500 buildings and 320 million sq. ft. Within this group, energy managers and building operators are participating in GWI's collaboration events for knowledge sharing to drive best practices, innovation, and strategic alignments between building owners along with group training. The program is expected to grow in 2021 as GWI enrolls more building portfolios to leverage existing expertise in the market. Strategic Energy Management Services will be launched in 2021 to better support building portfolio owners in developing their pathways to net zero.
- **Sustainable Energy Plan Financing (SEPF):** The City's Sustainable Energy Plan Financing (SEPF) program provides City Divisions, Agencies and Corporations, community organizations, and the private sector with access to low-interest loans to facilitate projects that improve energy performance and reduce GHG emissions in buildings. From 2017 to 2020, the SEPF program has provided over \$91 million in loans that have enabled over \$152 million of projects across the city by leveraging co-investments and partnerships.

- **Energy Retrofit Loan Program<sup>18</sup>:** Supports energy efficiency and decarbonisation retrofit projects in existing buildings through access to low-interest financing. Staff work directly with building managers to review the technical details and create a project business case that can include financing for up to 100 per cent of the project costs at a rate equal to the City's cost of borrowing. Repayment terms are up to 20 years and any building located in Toronto is eligible. The program has funded projects in the affordable housing sector to support equity, improve housing affordability and enhance resilience through low carbon building improvements. Since 2020, the program has received over \$14 million in applications that will drive additional private co-investment and is anticipated to result in the reduction of 1000 tonnes of greenhouse gases. Participant feedback has been very positive and staff are working to identify ways of improving access to financing for low carbon building retrofit measures.
- **Navigation & Support Services:** Provide guidance and support to help building owners reduce their greenhouse gas emissions. Focusing specifically on medium to small-sized buildings, the program offers technical guidance to identify decarbonisation projects, access and apply to incentives and financing opportunities, and help navigate the process of implementing the projects. In 2020, the program focused especially on assisting non-profit housing providers to access federal funding for energy retrofit projects, and also small businesses in Toronto impacted by COVID-19, looking to reduce their energy costs.
- **Energy & Water Reporting and Benchmarking:** The City continues its commitment to energy reporting and benchmarking, and recognizes its importance in helping the City achieve its TransformTO emission reduction targets for existing buildings. Working in collaboration with the Province, the City facilitates the implementation of the Energy and Water Reporting and Benchmarking<sup>19</sup> (EWRB) initiative in Toronto, which saw its third reporting period in 2020. The City provides vital support to the Province, including one-on-one outreach, education for building owners, and assistance gathering key information necessary to meet energy and water reporting requirements.
- **Home Energy Loan Program (HELP):** HELP<sup>20</sup> offers financing of up to \$75,000 to homeowners to cover the cost of home energy efficiency improvements, through a Local Improvement Charge (LIC) mechanism. To date, HELP has issued \$ 5.39 million in loans and supported over 220 retrofits across Toronto. HELP staff have engaged and guided more than 32 municipalities and territories exploring similar LIC programs. In 2020, the City was successful in the application for the Federation of Canadian Municipalities' Community Energy Financing (CEF) program. The City was awarded up to \$9.71 million in loans, and up to \$4.85 million in grants, to support the growth and enhancement of HELP.
- **BetterHomesTO (BHTO):** BHTO<sup>21</sup> is a comprehensive online resource that makes it easy for Toronto homeowners to find the information, tools, and resources they need to undertake home energy retrofits. Supported by Natural Resources Canada, the BHTO program is a partnership with multiple organizations including utilities, not-for profits, trade associations, universities, colleges, and community-led retrofit initiatives. In 2020, City staff trained more than 97 residents and community leaders through Home Efficiency Animator Training, a two-day training session, led by Humber College; held 5 sessions of the two-hour Home Efficiency Retrofit Orientation (HERO) in partnership with Humber College and Enbridge Gas, to educate over 120 Toronto area-homeowners and residents on energy-efficient and net-zero upgrades for single-family homes; developed tool-kits in 10 major languages; provided virtual presentations to more than 1,000 Toronto residents; and launched a 12-week webinar series with Clean Air Partnership, addressing various topics including energy efficiency, retrofit technologies, and pathways to net-zero homes.

- **Eco-Roof Incentive Program:** The City's Eco-Roof Incentive Program<sup>22</sup> has supported the installation of 532 eco-roofs since 2009, representing 973,000 square metres of roof space. In addition to reducing a building's energy use, eco-roofs help to manage storm-water and reduce urban heat. Each year, these roofs reduce energy consumption by 1,900 megawatt-hours (MWh), avoid 363 tonnes of greenhouse gas emissions, and divert over 16.8 million litres of storm-water. In 2020, 54 projects were completed totaling 71,000 square metres of roof space, resulting in 140 megawatt-hours (MWh) per year of energy saved and 26 tonnes of GHG emissions reduced per year.

## Energy

- **SolarTO:** SolarTO<sup>23</sup> is a new City program that aims to encourage Toronto home and building owners to install rooftop solar photo-voltaic (PV). One of the main barriers to Solar PV adoption is understanding the process. The program helps by providing preliminary solar assessments to help residents decide if solar is a good option. Program staff assessed over 150 Toronto properties in 2020 and anticipate even greater demand in 2021.
- **Solar PV and Energy Storage:** The City completed its second pilot solar PV energy storage project at 627/635 Queens Quay W. The system, which is grid-connected in a net-metering configuration, offsets 12 per cent of the site's electricity costs, will provide emergency back-up power, and in the future displace the on-site diesel generator. This project will provide peak-shave demand control, reduce GHG emissions and improve resilience to climate change.
- **Turning Waste into Renewable Natural Gas:** In 2020, working with Enbridge Gas Inc., the City has installed a biogas upgrading facility at the Dufferin Solid Waste Management Services site. The new infrastructure will allow the City to take the raw biogas produced from processing Green Bin organics, turn it into renewable natural gas (RNG) and inject it into the natural gas grid for use by the City. The RNG produced will be blended with the natural gas that the City buys to create a low-carbon fuel blend that will be used across

the organization to power vehicles and heat City-owned facilities, allowing for a reduction in GHG emissions citywide. The production of RNG from biogas has the environmental benefit of closing the carbon loop by capturing the biogas produced (as opposed to flaring/burning), upgrading the biogas to RNG pipeline quality, and then using it to displace a fossil fuel with renewable green fuel.

- **Capacity Buyback Program:** In 2020, the City's Capacity Buyback Program<sup>24</sup> (targeting water efficiency within the commercial and institutional sector) saved just over 140 million litres of water. Saving water results in decreased energy use for pumping and treatment, and a corresponding decrease in GHG emissions.

## Transportation

- **Electric Vehicle Strategy:** Toronto's first Electric Vehicle (EV) Strategy<sup>25</sup>, approved by City Council in January 2020, will see the City take action to prepare for and support the shift towards electric mobility. A key TransformTO goal is having 100 per cent of transportation use zero-carbon energy sources by 2050.
- **On-Street EV Pilot:** The City of Toronto in collaboration with Toronto Hydro officially launched a new on-street electric vehicle (EV) charging station pilot in the fall of 2020 across the city. The new 12-month pilot, delivered in partnership with Toronto Hydro, saw 17 on-street EV charging stations installed and activated for public use at 9 locations around the city.
- **Natural-Gas-Powered Trucks:** The City's Solid Waste Management Services has been transitioning from diesel-powered trucks to quieter and more environmentally conscious natural-gas-powered trucks since 2010 when the first small-scale pilot hit the road. To support the move away from diesel, Solid Waste Management Services has also constructed three compressed natural gas (CNG) fueling stations. Presently, 76% of our solid waste collection fleet now uses natural gas.

- **Smart Commute:** Through its Smart Commute program the City helps employers and commuters adopt smart travel options by providing tools, resources, and campaigns to encourage sustainable commuting habits. With the goal of reducing single-occupant vehicle trips, the program helps to ease gridlock, improve air quality and reduce GHG emissions. The City coordinates the delivery of the Smart Commute program to hundreds of businesses, organizations, and more than 300,000 commuters in Toronto. Clients of the Smart Commute Program include many of the large hospitals, colleges and universities, private sector businesses, property managers, and Business Improvement Areas (BIAs) in Toronto.
- **Cycling Network Plan:** Through the City's Cycling Network Plan<sup>26</sup> approximately 122 lane km (approximately 70 centre line km) of new or upgraded cycling infrastructure was added in 2020. Through the ActiveTO Cycling Network Expansion program, Transportation Services accelerated and installed new bikeways along eight key corridors with a particular focus on routes that mirrored major transit routes and/or connected to trails and greenspace. The ActiveTO cycling projects coupled with Transportation Services' permanent on-street cycling network and trail project represents the largest, single-year increase in new bikeways in the City of Toronto's history.
- **Baselining for a Circular Toronto Research Project:** Launched in 2020, the project is one of the first of its kind in Canada and led by the City of Toronto in partnership with the David Suzuki Foundation and Netherlands-based circular economy experts, Circle Economy. Research outputs to date include a Landscape Analysis of existing local actions and business practices contributing to current circular activity in Toronto and a Material Flow Analysis for three target sectors for circular interventions: construction, waste management, and food systems. The study's final report, to be completed in summer 2021, will provide the foundation for the future Circular Economy Road Map for Toronto. Once the Circular Economy Road Map is finalized, staff will present recommendations for Council consideration, including the establishment of firm circular economy targets, performance measures, and partnership opportunities to achieve a resilient, inclusive, green, and prosperous future.
- **Circular Procurement Framework:** Advancing circular outcomes at the City of Toronto involves work to enhance staff capacity and transform existing business processes. Recognizing that the City of Toronto is one of the largest purchasers in the Canadian public sector, Solid Waste Management Services Division partnered with the Purchasing and Materials Management Division to develop and present a Circular Procurement Implementation Plan and Framework<sup>27</sup> (Circular Procurement Framework) to Government Management Committee in 2018 that guides the City in piloting how circular principles could be applied to the City's purchasing decisions to reduce waste, enhance social outcomes, and drive cost savings and the efficient use of City resources. For example, in 2020, for the solicitation for Temporary Parklet Design and Build Services for the King Street Transit Priority Corridor<sup>28</sup>, the City piloted the incorporation of circular economy principles to encourage sustainable material choices and end-of-use planning. Contractors applied a range

## Waste and the Circular Economy

- **Food Waste Reduction Strategy:** A partnership with the National Zero Waste Council with other municipalities and private sector partners across Canada on the Love Food Hate Waste campaign to raise awareness about the issues of food waste and provide residents with tips to reduce their own food waste.
- **Share and Reuse Spaces:** The continued financial support and strategic coordination of community hubs based in Neighbourhood Improvement Areas (NIAs) operated by non-profit organizations to continue fostering a culture of waste reduction, sharing, repairing, and reuse. The activities include facilitating bicycle repairs and refurbishments, promoting

of circular approaches in their public realm designs, including using modular design for easy disassembly, renting equipment for the duration of the contract, selling components at the end of the contract, and donating parklets to local schools and charities.

- **Waste Reduction Community Grants<sup>29</sup>:** Since 2018, the City has awarded grants of up to \$25,000 to support innovative community-based efforts to reduce residential waste and increase participation in Toronto's waste diversion programs. To date, over \$300,000 in funding has been provided to 20 unique projects targeting various waste streams, including textiles, food waste, and single-use disposable items. A majority of these projects have also prioritized working with residents of multi-residential buildings, multi-lingual communities, equity-deserving groups and Neighbourhood Improvement Areas.
- **Live Green @ Work<sup>30</sup>:** Through the Live Green @ Work program, the City encourages staff to get involved in greening their workplace, including waste reduction, and contribute to reaching TransformTO emission reduction targets at work.
- **Clean Toronto Together:** Each year, Clean Toronto Together<sup>31</sup> brings together more than 200,000 Toronto residents and community groups, schools, and businesses to help clean litter from our public spaces, including parks, beaches, and schoolyards. The litter cleanup campaign raises awareness of waste issues, proper recycling, and impacts on natural ecosystems. In 2020, the cleanup weekend was cancelled due to COVID-19.

## Community Engagement and Investment

- **Neighbourhood Climate Action Champions<sup>32</sup> program:** Through this program, the City engages, supports, and trains local neighbourhood leaders to engage with community residents on environmental issues and inspire climate action. Champions work with residents to create neighbourhood-focused projects that address climate change and benefit Toronto communities. In 2020, a diverse group of 25 local volunteers with city-wide representation were recruited into the program.

- **The Live Green Toronto Volunteer Program<sup>33</sup>:** This City program brings together over 1,500 volunteers to provide support at public events. The program added 250 volunteers in the last two years alone and delivered hands-on training about the City's environmental priorities.
- **Smart Commute Champions:** The Smart Commute Champions program brings together a team of more than 140 City staff to learn, practice, and encourage their work teams and colleagues to adopt sustainable transportation best practices.
- **Climate Action Fund<sup>34</sup>:** The City supports community-led projects, activities, and events that reduce the emissions that contribute to climate change. In 2020, the program invested a total of \$200,000 in 18 projects across 12 community clusters. Projects engaged vulnerable residents – youth, isolated seniors, and diverse linguistic communities in low-income areas, with a focus on climate action and COVID recovery. Over 400 community agencies were engaged with this program in 2020.
- **Climate Lens Education and Action in Neighbourhoods (C.L.E.A.N.):** in 2020, the City partnered with the Centre for Connected Communities to develop and deliver a program to engage racialized people, newcomers, and residents with low incomes living in suburban/urban vertical communities in climate mitigation strategies. Throughout 2020, seven online learning and discussion sessions were held with local champions who were provided with tools/support to co-create plans, leverage community physical/social infrastructure and unite in a common aim to reduce GHG emissions. CLEAN participants were also provided with a micro-grant to test tools and approaches to engage marginalized/racialized residents in locally relevant climate action initiatives, engaging more than 120 community leaders.

## 5.d Climate Resilience

Launched in 2019, the City's Resilience Strategy<sup>35</sup> is the result of collaboration and input from many residents and organizations across the city over two years. Actions in the Resilience Strategy are organized into three focus areas: People & Neighbourhoods, Infrastructure, and Leading a Resilient City. Each focus area contains a series of goals and specific actions, which are the most critical projects Toronto must undertake to achieve resilience. For example, a priority item in the Strategy is flood resilience. The City's Basement Flooding Protection Program, a multi-year program is helping to reduce the risk of flooding by making improvements to the sewer system and overland drainage routes. In addition, the City's Basement Flooding Protection Subsidy Program offers owners of single-family, duplex and triplex residential homes a subsidy of up to \$3,400 per property to install flood protection devices.

## 5.e Climate Lens in City Decision-Making

In October 2019, Council directed staff to develop a climate lens that evaluates and considers the climate impacts of all major City of Toronto decisions, including financial decisions. The City is currently developing a cross-corporate climate lens and has already integrated climate indicators and questions in the annual budget process to track climate spending. Similar to the City's equity lens, the implementation of a climate lens in the budget process represents a cultural shift in how the City evaluates its investments. The intent is to apply non-traditional economic measures to the budget process to ensure the City can deliver outcomes to Torontonians in alignment with the corporate strategic priorities and the City's commitment to reach net-zero emissions.

Once the climate lens is fully developed, city-wide projects/programs will be required to quantify their GHG emissions impact and assess their climate risks. The objectives and outcomes are as follows:

- **Objective 1: Integrate climate considerations into strategic decision-making**
  - ♦ Understand how decisions are affected by or affect climate
  - ♦ Informed by GHG emissions and climate resilience assessments
  - ♦ Stronger business cases that consider climate
- **Objective 2: Build staff climate competency and leadership**
  - ♦ Increased climate literacy and awareness for City staff
  - ♦ Supportive collaborative exchanges and educational resources and tools
  - ♦ Empowered climate champions across Divisions
- **Objective 3: Increase climate accountability**
  - ♦ Clear accountability to meet climate commitments (e.g., TransformTO)
  - ♦ Alignment with existing and upcoming climate-related policies and strategies
  - ♦ Shift in organizational culture through links to individual accountabilities
- **Objective 4: Increase transparency through reporting**
  - ♦ Understand the City's spending on climate action, GHG emissions impact and associated climate risks
- **Objective 5: Monitor climate performance**
  - ♦ Assess internal climate-related actions
  - ♦ Monitor best practices
  - ♦ Identify strategic actions to evolve implementation

## 5.f The Atmospheric Fund

The Atmospheric Fund (TAF)<sup>36</sup> is a regional climate agency (not included in the scope of this report) that invests in low-carbon solutions for the Greater Toronto and Hamilton Area (GTHA) and helps scale them up for broad implementation. The City of Toronto Council created TAF in 1991 to finance local initiatives to combat climate change and improve air quality in Toronto. A \$23 million endowment, coming from the sale of a City-owned property, was set up to fund TAF's work. In 2016, the Province of Ontario provided a new \$17 million endowment.

## 5.g Nature and Biodiversity

Toronto is a place of rich biodiversity. The waterfront and deep ravines give form and identity to the city and provide habitat for flora and fauna and opportunities for recreation and active transportation. Their natural beauty promotes an appreciation for nature and allows for respite from the city. Toronto's abundant natural areas connect to a larger regional ecosystem that extends from Lake Ontario north to the Oak Ridges Moraine and connects with the Ontario Greenbelt.

When viewed from the CN Tower, Toronto is a very green city. Canopy cover is estimated to be approximately 28.4% and includes some 11.5 million trees that spill out of city parks and ravines onto streets and backyards. Almost half of this canopy is made up of species native to southern Ontario. Approximately 13% (8,000 ha) of the city's land area is parkland and about half of this parkland is natural area and ravine which supports remnants of the original landscape including woodlands, wetlands, meadows and shorelines. Residents and visitors can experience these habitats at destinations such as High Park and Toronto Island Park. They can also experience nature in unique places such as Tommy Thompson Park, a five kilometer long peninsula that was created as a harbor breakwater and is now being allowed to naturalize and has become one of the most beloved natural areas in the City.

Nearby the downtown is the Don Mouth Naturalization and Port Lands Flood Protection Project aimed at re-naturalizing the mouth

TAF is a registered non-profit corporation, with a Board of Directors appointed by the City and made up of City councillors and citizens.

In 2020, the Government of Canada provided TAF with a further \$40 million endowment to accelerate climate action. TAF mobilized \$26 million of capital towards low-carbon solutions in 2020 and expects a potential of 41.7 million tons of CO<sub>2</sub>e emissions to be reduced as a result of its efforts.

of the Don River. Far from the skyscrapers of downtown is the Rouge Valley, Toronto largest wilderness area and part of Canada's first national urban park. Beyond understanding the importance of natural parklands, Toronto's appreciation of biodiversity is evolving such that yards, rooftops and even city streets are recognized for the contribution they make to urban biodiversity in an increasingly dense city.

As in most urban centres, Toronto's natural features and functions are under pressure from city building, recreational use, invasive species and climate change. Building on its vision of "a city within a park", Toronto is working to maintain and improve its urban canopy and the park system to meet the needs of a growing population and ensure Toronto remains a livable and resilient city.

In 2000, Toronto initiated a program of natural area management, invasive plant control and controlled burns of rare oak savannah to help protect, restore and enhance the city's unique natural habitats and biodiversity. In 2010, Toronto City Council adopted the Toronto Green Standard<sup>37</sup> and Green Roof Bylaw<sup>38</sup> which provide sustainable design requirements for new development and help make the urban fabric of Toronto more biodiverse and resilient. In 2007, Toronto became the first city in North America to adopt Bird-Friendly Development Guidelines<sup>39</sup> to make new and existing buildings less dangerous to migratory birds. This was followed by a companion document on Best Practices for Effective Lighting<sup>40</sup>.

More recently, Toronto developed a Ravine Strategy<sup>41</sup> to guide the management, use, enhancement and protection of approximately 11,000 ha of ravine lands, a Pollinator Protection Strategy<sup>42</sup> to support local pollinators and a Biodiversity Strategy<sup>43</sup> to support healthier, more robust biodiversity across the city and increase awareness of nature. Together, these initiatives support biodiversity and align with Toronto's Resilience Strategy<sup>44</sup> through actions that aim to create a healthier, more robust natural ecosystem and one more resilient to climate change.

Torontonians are engaged with biodiversity, spending time outdoors, observing nature and volunteering their time. Over 3,000 people volunteer with the City each year to help with ongoing maintenance and monitoring activities in natural areas, plant trees, shrubs and wildflowers in city parks and natural areas and participate in a trail stewardship program

## 5.h Green Bond

The City of Toronto has an ambitious goal of achieving net zero greenhouse gas (GHG) emissions by 2040 (newly adopted target in December 2021). To achieve this goal, investment in the City's core urban systems – buildings, energy supply, transportation, natural environment and waste management is necessary to realize a low-carbon future. To advance this initiative, the City developed and launched its Green Bond program<sup>45</sup> in 2018 following International Capital Market Association's (ICMA) 2018 Green Bond Principles. Details are described in the City's Green Bond Framework.

where they help to create and maintain natural surface trails. Others volunteer with one of the many nature-based organizations such as the Todmorden Mills Wildflower Preserve, the High Park Nature Centre and Evergreen Brickworks and partner agencies such as the Toronto and Region Conservation Authority.

The City fosters awareness of nature through events such as Ravine Days and the Pollinator Stewardship Incentive Program. The City also engages with scientists, artists, academics and Indigenous representatives who contributed to Toronto's Biodiversity series – a series of booklets that helps residents learn about and appreciate the amazing range of biodiversity found in Toronto – the Pollinator Protection Strategy and the Ravine and Biodiversity Strategies. As part of the implementation of the Ravine Strategy, Toronto is also taking the initiative to involve vulnerable and marginalized communities.

The proceeds of each green debenture are applied exclusively to finance or refinance, in whole or in part, new and/or existing eligible capital projects. "Eligible capital projects" are identified capital projects that meet the City's environmental objectives. Such projects generally include:

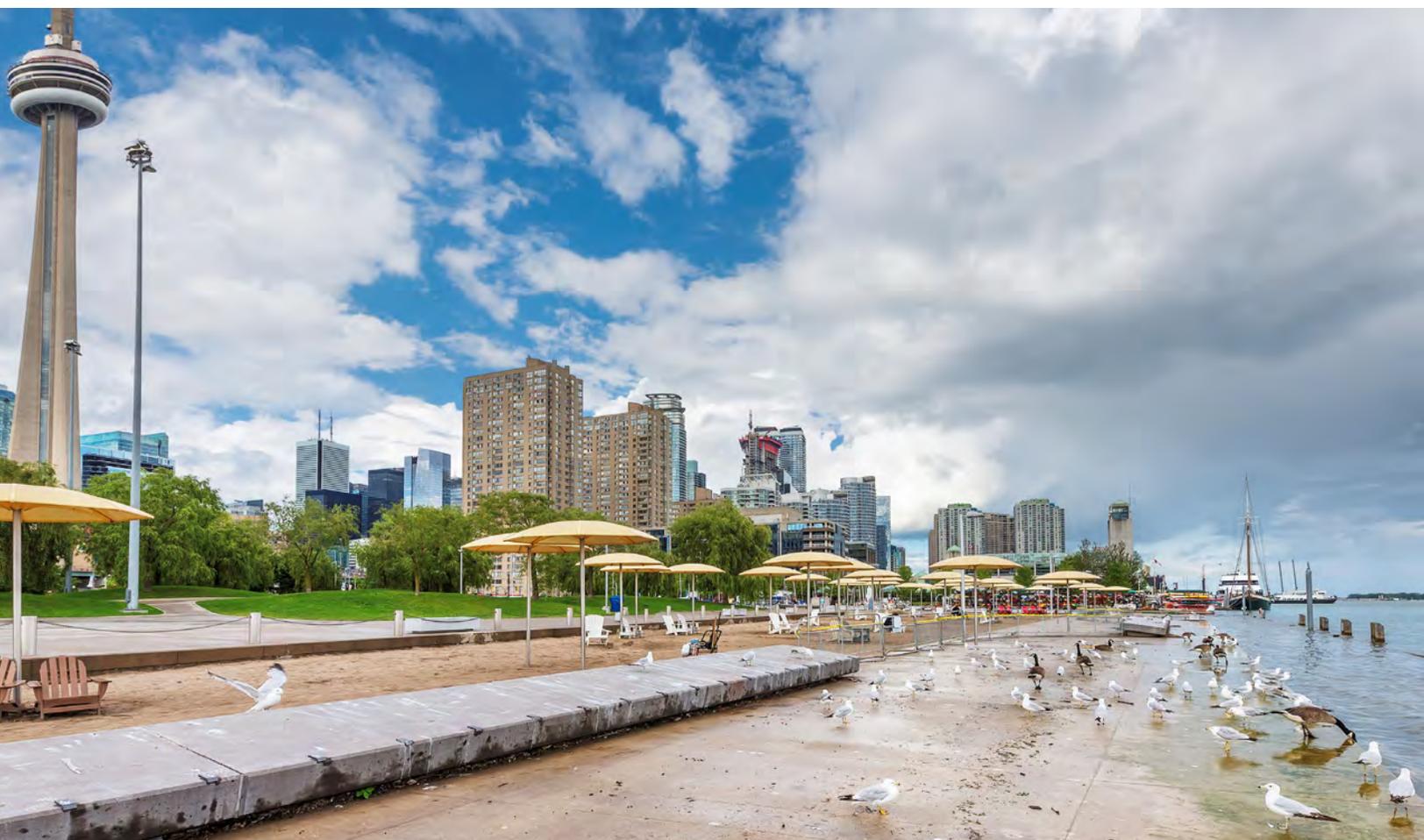
- Mitigation and adaptation to the effects of climate change,
- Abatement and avoidance of GHG emissions,
- Resource recovery and a hierarchical waste management approach and,
- Air, water, and soil pollution prevention and control.

As at the end of 2020, the \$630 million of Green Bonds that the City has issued in three offerings since the program's inauguration has financed the following projects:

Timing	Issuance Details	Projects
<b>July 2018</b>	Inaugural green bond offering of \$300M (30-year term)	Primarily for capital projects related to fleets and supporting infrastructure for sustainable clean transportation (subway related)
<b>September 2019</b>	Second green bond offering of \$200M (20-year term)	Projects related to infrastructure for sustainable clean transportation (subway & cycling) and sustainable energy & environment (retrofits, flood protection, and energy efficiency)
<b>December 2020</b>	Third green bond offering of \$130M (20-year term)	Projects related to sustainable clean transportation (Subway), sustainable energy & environment (retrofits and flood protection).

Looking ahead into 2021, the City issued its fourth green bond for \$150 million in the 10-year term. The proceeds will be used to fund green capital projects related to sustainable clean transportation, sustainable energy & environment, as well as pollution prevention and using waste as a resource. The total outstanding green bonds at the City is \$780 million.

Demand for green bonds have increased rapidly and many investors have actively engaged issuers to encourage sustainable debt issuances. The City plans to be a regular annual Green Bond issuer in the coming years to progress its ESG programs, strategies, and initiatives.



## 5.i Alignment with Sustainable Development Goals (SDGs)

The City is implementing strategies that align with the UN Sustainable Development Goals. The City's climate action strategy, TransformTO, has the goal of achieving net-zero GHG emissions in Toronto by 2040 while improving climate resilience, health, social equity and economic prosperity. TransformTO is aligned with achieving the following environmental SDGs:



- **Goal 3.** Ensure healthy lives and promote well-being for all at all ages;
- **Goal 6.** Ensure availability and sustainable management of water and sanitation for all;
- **Goal 7.** Ensure access to affordable, reliable, sustainable and modern energy for all;
- **Goal 8.** Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all;
- **Goal 9.** Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation;
- **Goal 11.** Make cities and human settlements inclusive, safe, resilient and sustainable;
- **Goal 12.** Ensure sustainable consumption and production patterns;
- **Goal 13.** Take urgent action to combat climate change and its impacts; and
- **Goal 15.** Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

# 6

## Priority for the Society



Toronto's motto "Diversity Our Strength" represents the diversity of the City's approximately 3 million residents. The City strives to be a caring and friendly city that invests in quality of life for all, an objective that includes social and economic well-being and inclusion.

## 6.a Social Priorities

The last decade has brought rapid change to the local and regional housing markets. While the housing market has boomed in recent years, at the same time it has left an increasing number of lower and moderate-income residents in an environment where rental and ownership costs have surpassed affordability levels. The current pandemic has also highlighted both the urgency and the opportunity for all governments to make investments that will quickly provide innovative housing options to help manage the challenges associated with COVID-19 while also creating solutions that will support people for decades to come.

The HousingTO 2020 -2030 Action Plan<sup>46</sup> provides a blueprint for action across the full housing spectrum – from homelessness to rental and ownership housing to long-term care for seniors. The HousingTO Action Plan updates and builds upon the City's first housing plan, Housing Opportunities Toronto Action Plan 2010-2020<sup>47</sup>. It aligns with other City policies such as the Poverty Reduction Strategy<sup>48</sup>, Resilience Strategy<sup>49</sup>, TransformTO<sup>50</sup>, and the Seniors Strategy<sup>51</sup>.

City Council also adopted the HousingTO 2020-2030 Implementation Plan<sup>52</sup> on September 30, October 1 and 2, 2020 as the accountability framework to monitor the City's progress towards delivering on the actions identified in the HousingTO 2020-2030 Action Plan over the next ten years.

### The Vision

Toronto is a city with a diverse range of housing opportunities. It is a place where families and individuals live in safe, well-maintained, and affordable housing with respect and dignity and where people have equal opportunities to succeed.

### How the vision will be achieved

1. Adopt a revised "Toronto Housing Charter – Opportunity for All"
2. Enhance partnerships with indigenous community partners
3. Prevent homelessness and improve pathways to housing stability
4. Provide pathways to support women
5. Maintain and increase access to affordable rents
6. Meet diverse housing needs of seniors
7. Ensure well-maintained and secure home for renters
8. Support Toronto Community Housing and its residents
9. Continue the revitalization of neighbourhoods
10. Create new rental housing responsive to residents' needs
11. Help people buy, stay in and improve their homes
12. Improve accountability and transparency in delivery of housing services to residents
13. Enhance partnerships and intergovernmental strategy

Implementation of the 10-year HousingTO Plan is estimated to cost all three orders of government a combined \$23.4 billion. While there are actions and targets that the City can advance and achieve on its own, the following actions and targets depend on securing funding from federal and provincial governments:

- Approval of 40,000 new affordable rentals including 18,000 supportive homes requires capital and operating funding from both federal and provincial governments
- Redeveloping 1,232 beds in five City long-term care sites including the addition of 987 new beds - requires funding from the provincial government in addition to the City's contribution (to be approved through the annual budget process).
- Repair of 58,500 TCHC units- estimated to require \$1.34 billion from the Province to match the federal government's contribution and complement the City's commitment to providing capital and operating funding (with approval through the annual budget process).

- Adding 14,000 new market and affordable homes as part of the revitalization of TCHC communities requires capital funding and financing from both federal and provincial governments.
- Assisting 40,000 households pay their rents requires federal and provincial investment in Canada-Ontario Housing Benefit and Housing Allowances.
- Assisting 10,000 households with in-situ support services (such as mental health and addiction) are to be funded by federal and provincial funding.
- Assisting 300 senior homeowners with repairs and accessibility modifications through federal and provincial contributions to Toronto Renovates program.

With the support of the federal and provincial governments, the HousingTO Plan can be delivered over the next decade, and would significantly improve housing, health, and socio-economic outcomes for Toronto residents.

## 6.b Key Strategic Actions in 2020

Implementation of the HousingTO 2020-2030 Action Plan will assist over 341,000 households across the housing spectrum through new strategic City investments directed to:

- Enhancing eviction prevention measures;
- Maintaining and sustaining the Toronto Community Housing Corporation;
- Establishing a pipeline to support the creation of 40,000 affordable rental and supportive homes through a public/private/non-profit land banking strategy;
- Helping renters purchase their first homes and helping low-income homeowners stay in their homes and;
- Supporting in-home care and long-term care options for seniors.

Since the emergence of the COVID-19 pandemic in March 2020, City staff across City divisions, agencies and corporations, have been actively engaged and working with all orders of government and community partners to respond to the pandemic and lay the foundation for recovery. These partnership efforts have

focused on supporting our most vulnerable and marginalized residents, including a significant expansion of the emergency shelter system to create spaces for physical distancing and isolation and moving clients from the shelter system into permanent housing where possible.

### **COVID-19 Housing and Homelessness Recovery Response Plan**

The goal of the City of Toronto's COVID-19 Housing and Homelessness Recovery Response Plan<sup>53</sup> is to partner with federal and provincial governments to create 3,000 permanent, affordable homes for vulnerable and marginalized residents through:

- creating 1,000 permanent modular supportive homes;
- creating 1,000 new supportive homes through acquisitions and renovations; and
- adding 1,000 new portable (and flexible) Canada-Ontario Housing Benefits (COHB).

## Mayor's Recovery Task Force - Housing Action Team

In late March 2020, in response to the COVID-19 crisis, the City established a Housing Action Team. The Team is comprised of representatives from various sectors brought together to flag new and emerging issues, collectively identify solutions, and plan for longer-term recovery. Specifically, the Housing Action Team is focused on solutions as they relate to people (people experiencing homelessness, renters and operators/landlords) and the creation of a diverse set of affordable and market rental housing opportunities.

Read the Housing and People Action Plan: Responding to the COVID-19 Crisis while Planning for a More Resilient Future<sup>54</sup>.

## COVID-19 Interim Shelter Recovery Strategy: Advice from the Homelessness Service System

The COVID-19 Interim Shelter Recovery Strategy<sup>55</sup> offers advice to guide the City's Shelter Support and Housing Administration (SSHA), United Way Greater Toronto (United Way), community agencies, and other partners in responding to the COVID-19 pandemic in the shelter and homelessness service system over the next 12 months.

This strategy presents immediate priorities in the context of the pandemic and lays a foundation to build on in SSHA's upcoming five-year service plan. The advice offered in this report was generated through a process co-convened by SSHA and United Way, and led by a task force of leaders in the homelessness service system.

## Preventing Homelessness and Improving Pathways to Housing Stability

- Increased Rent Bank<sup>56</sup> funding by \$5 million to provide interest-free loans, to help 1,060 households in rental arrears and 90 households with rental deposit loans
- Helped 638 people remain housed through the Eviction Prevention in Community (EPIC) program<sup>57</sup> Supported more than 1,200 people experiencing homelessness to move from outdoor encampments to indoor spaces.
- Created the Rapid Re-Housing Initiative<sup>58</sup>, in partnership with TCHC, the Furniture Bank, and community agencies to help people move into permanent and fully furnished housing with supports
- More than 6,000 people experiencing homelessness moved from the shelter system into homes through the Rapid Re-Housing Initiative, housing allowances, and rent-geared-to-income housing
- In 2020, the Province of Ontario:
  - ♦ Provided \$158 million to the City under the Social Services Relief Fund (distributed via the Community Homelessness Prevention Initiative)
  - ♦ Committed a further \$126 million to the City under a subsequent phase of funding through the Social Services Relief Fund (SSRF)

## Maintaining and Increasing Access to Affordable Rents

- Distributed of the Canada-Ontario Housing Benefit (COHB) to more than 2,800 renter households, and housing allowances to over 6,000 renter households, of which over 1,500 housing allowances were to new households added in 2020
- Developed new Community Housing Renewal Partnership Program (CHPR)<sup>59</sup> and enrolled the first four social housing providers, securing a total of 360 affordable rental units for 20-year terms and providing them with exemptions from property taxes to reduce operating expenses and maintain affordability

## Creating New Rental Housing Responsive to Residents' Needs

- Through the Modular Housing Initiative, the City completed the first two modular supportive housing projects in Toronto in December 2020 and January 2021 creating 100 homes for people experiencing homelessness. Looking ahead into 2021, the City has three more modular supportive housing projects underway to create approximately 150 new modular supportive homes.
- In October 2020, the City received approximately \$203 million through the federal Rapid Housing Initiative (Major Cities Stream) to create approximately 540 new permanent affordable homes for marginalized residents prioritizing those experiencing homelessness. The City has committed that at least 20% of these homes be dedicated to Indigenous communities and 20% to women and female-led households.
- In December 2020, City Council approved a staff report which outlines a plan for the City to accelerate:
  - ◆ 150 new supportive housing opportunities within 8 to 10 weeks; and
  - ◆ 510 housing opportunities within 10 to 12 weeks, subject to the availability of funding for supportive services (\$12.24 million)
  - ◆ A further 588 additional supportive housing units can be made ready for occupancy later in 2021, subject to securing funding for supportive services (\$14.11 million)
  - ◆ In total, a minimum of 1,248 supportive homes could be delivered in 2021, however, funding for support services for 1,098 homes still needs to be secured (\$26.35 million total).



## 6.c Performance Metrics

Housing Plan 2010-2020 Achievements	As at the end of 2020
Increased access to services for people experiencing or at risk of homelessness – including new emergency shelters	During COVID-19 response, opened 48 different temporary sites to create physical distancing in the shelter system and provide space for people to move indoors from encampments, of which 28 are currently operating.
	Provided emergency shelter to more than 20,000 people
	6094 people moved from shelter into permanent housing
	638 individuals assisted through the Eviction Prevention in the Community program
	1,150 Interest-free rent bank loans and 25 tenant defence fund grants
Provided new housing benefits to support people experiencing homelessness or at risk of homelessness	Over 6,000 households supported with a housing allowance
	2,800 households supported with new Canada-Ontario Housing Benefits (COHB)
	Provided 50 COHB to help create flow in the Violence Against Women (VAW) shelter system during the COVID-19 pandemic
Increased funding for capital repairs for social housing	Replacing or refurbishing rent-geared-to-income and affordable homes as part of revitalization of TCHC communities for 1,811 households
Supported tower renewal communities – including capital improvements	Capital improvements for 20,000 units to increase energy efficiency and water conservation. Capital improvements for 20,000 units to increase energy efficiency and water conservation.
	Essential repairs and modifications of lower-income 10,192 households, many of them seniors and persons with disabilities
Increased the supply of new affordable and supportive housing	2000+ supportive housing opportunities
	Affordable rental homes opened for 4,093 households
Access to new affordable ownership homes	Affordable ownership opportunities for 1,533 households
	Land transfer tax rebates to 173,160 first time home
Activated surplus public lands available for new affordable housing	6,420 new affordable rental and ownership homes on 52 public properties

### HousingTO 2020-2030 Action Plan Targets

Objective	Performance Metric	10 year Target*	2020	2019	2018
Prevent Homelessness and Improve Pathways to Housing Stability	Prevent evictions for low-income households	10,000 households	1,401	1,158	961
	Provide support services to 10,000 individuals and families in supportive housing	10,000 households	1,065* (assisted through Habitat Services)	1,109* (assisted through Habitat Services)	1,057* (assisted through Habitat Services)
Provide Housing Pathways to Support Women	Approve new affordable rental and supportive homes dedicated to women and girls, including female-led households	10,000 (included in 40,000 new affordable approval target)	0***	n/a	n/a
Maintain and Increase Access to Affordable Rents	Improve housing affordability for 40,000 renter households	40,000 (9,000 housing allowances + 31,000 Canada -Ontario Housing Benefit)	2,713 new (1,551 housing allowances + 1,162 COHB)	1,291 new households (housing allowances)	1,272 new households (housing allowances)
	Maintain affordability for non-profit rental homes after their current operating agreements expire through participation in the Community Housing Partnership Renewal program	2,300	360***	n/a	n/a

HousingTO 2020-2030 Action Plan Targets					
Objective	Performance Metric	10 year Target*	2020	2019	2018
Meet the Diverse Housing Needs of Seniors	Provide property tax relief for 6,000 low-income senior homeowners	6,000	7,031	6,332	6,052
	Provide home repair and accessibility modification assistance for 300 low-income senior homeowner households	300	24	91	169
	Redevelop 1,232 existing City of Toronto long-term care beds and develop 978 new beds by 2035	2,219	428***	n/a	n/a
	Support the creation of 1,500 new non-profit long-term care beds	1,500	0***	n/a	n/a
Ensure Well-Maintained and Secure Homes for Renters	Bring 2,340 private rental homes to state-of-good repair: Extend Tower Renewal loans	2,340	74**	352	328
Create New Rental Housing Responsive to Residents' Needs	New affordable rental and supportive homes approvals	40,000	2,282	4,761	1,350
Help People Buy, Stay in and Improve Their Homes	Help 150,000 first-time homebuyers afford the purchase of their homes through the First-Time Municipal Land Transfer Tax Rebate Program	150,000	17,591	16,758	15,505

Notes:

\* The City also assisted 2,486, 2,722, and 2,335 households in 2010, 2019, and 2018 respectively through the provincial Homes for Good Program. These numbers represent the total number

of households/individuals receiving housing with supports for each year and they fluctuate depending on the turnover in programs. Some programs are oriented to shorter-term transitional housing with supports, and some are long-term programs with minimal turnover.

\*\* The reduced number of units assisted through the program in 2020 is mainly due to COVID-19 impacts on program uptake as well as a delay of one of the projects to 2021.

\*\*\* New metrics as of 2020. No historical data is available. Trend information will be provided going forward.

HousingTO 2020-2030 Action Plan Targets						
Overall Goal	Objective	Performance Metric	Target	2020	2019	2018
Improve mobility through Toronto's transportation network and access to opportunities and places that people value for all equity-deserving groups	Improve connection to cycling routes in the city	% of people and employment within prescribed access to a cycling route <sup>60</sup>	100%	63.0%	60.4%	60.2%
	Improve access for people who are blind, visually impaired, or deaf-blind by advising when they have the right-of-way to cross at a signalized intersection	% of traffic signals with accessible pedestrian signals installed	100%	45.8%	43.9%	40.5%

Note: % of people and employment within prescribed access to a cycling route based on people and businesses being: 250m from a cycling route in the downtown core; and 500m from a cycling route outside central Toronto.

## 6.d Social Bonds

The City's Social Bond Program<sup>61</sup> seeks to promote positive socio-economic outcomes for target populations. The City developed a Social Bond Framework<sup>62</sup> during 2020 in accordance with International Capital Market Association's (ICMA) Social Bond Principles, which are widely considered to be an industry best practice. The Social Bond Program demonstrates the City's commitment to positive social objectives by financing the City's eligible capital projects in various social initiatives. The City of Toronto is the first Canadian public sector entity to issue a Social Bond and only the third local government globally to issue a Social Bond in accordance with the ICMA Social Bond Principles.

The proceeds of each bond are applied exclusively to finance or refinance, in whole or in part, new and/or existing eligible capital projects. "Eligible capital projects" are identified capital projects that meet the City's Social objectives. Such projects would include:

- Social and affordable housing new development and/or capital repair projects;
- Affordable basic infrastructure;
- Access to essential services; and
- Socioeconomic advancement and empowerment.

The City's inaugural \$100 million Social Bond issued in 2020 provides financing to capital projects for the City's Housing and Shelter Infrastructure Development & George Street Revitalization<sup>63</sup> initiatives. These initiatives seek to improve the condition of poverty, health, and well-being of vulnerable groups in the city and are a result of the City's Housing Action Plan (HousingTO 2020-2030<sup>64</sup>). The action plan sets an aggressive housing agenda over the next 10 years, which will require the continued support of the City's Social Bond program. More information about the City's Social Bond issuances and projects can be found on

the Social Debenture Program website<sup>65</sup> and through the annual Social Bond Newsletter.

With demand for social bonds increasing rapidly the City will seek to gain further footing in

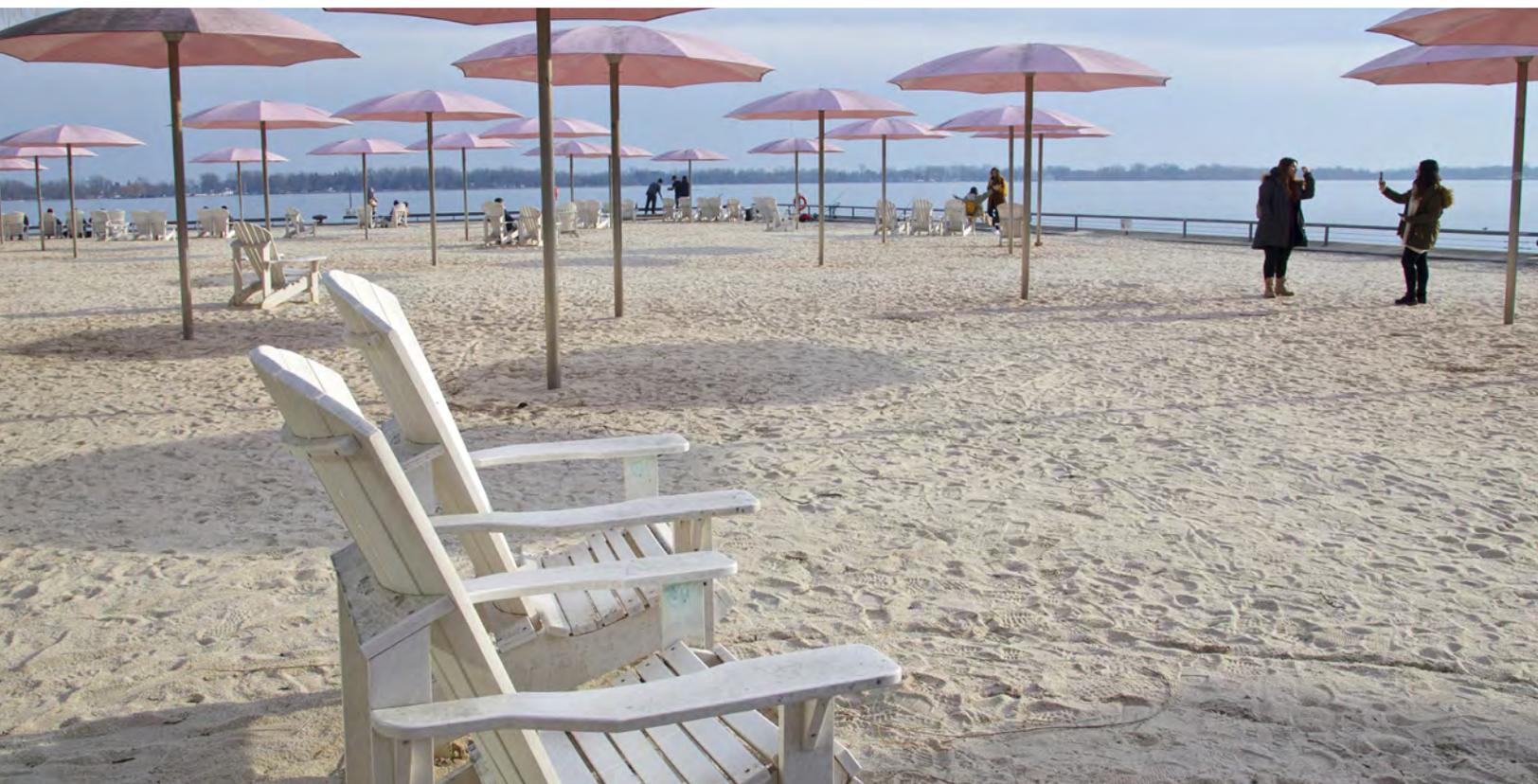
Sustainable Financing and plans to be a regular annual Social Bond issuer in the coming years to progress its social initiatives.

## 6.e Alignment with Sustainable Development Goals (SDGs)

The implementation of Social Bonds to finance the City's initiatives in Social Affordable Housing, Affordable Basic Infrastructure, Access to Essential Services and Socioeconomic advancement and aligns with the following UN Sustainable Development Goals:



- **Goal 1.** End poverty in all its forms everywhere,
- **Goal 3.** Ensure healthy lives and promote well-being for all at all ages,
- **Goal 4.** Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all,
- **Goal 5.** Achieve gender equality and empower all women and girls,
- **Goal 6.** Ensure availability and sustainable management of water and sanitation for all,
- **Goal 8.** Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all,
- **Goal 9.** Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation and,
- **Goal 11.** Make cities and human settlements inclusive, safe, resilient and sustainable.



# 7

## Our Priorities for Governance & Integrity



City Council and its staff are committed to leadership in corporate governance and creating long term value.

## 7.a.i The City's Governance System

### A Balanced Model of Responsive Governance Practices

The City of Toronto's governance model relies on a balance between:

**City Council:** As the legislative body for the City, Council must find consensus while balancing city-wide and local considerations. Council is composed of the Mayor and 25 Councillors. The Mayor fulfills a city-wide mandate, leading Council in strategic and financial planning and representing the City to other governments. The Mayor and Councillors each have one vote at Council and a majority vote decides most matters.

**Public Service:** City staff and most agencies make up the public service. The public service provides objective, professional advice to Council while its agencies and corporations and implements Council's decisions as per City policy, standards, and principles of effective public service.

**The Public:** The public play an essential role in ensuring the effectiveness of decision making by:

- Identifying issues for Council and staff consideration,
- Providing input and feedback on services, reports and policies,
- Partnering with the City to deliver programs,
- Making their ideas and recommendations for improvement known through protests, deputations, voting, participation in public meetings, surveys, advisory bodies etc. and,
- Communicating with staff, Councillors and the Mayor.

### Accountability, Conduct, and Culture

The City of Toronto is required by provincial law to have four Accountability Officers (an Auditor General, Integrity Commissioner, Ombudsman, Lobbyist Registrar) as well as an Open and Closed Meetings Investigator to help ensure that City government remains open and transparent.

The four Accountability Officers operate under a four-way Memorandum of Understanding, allowing them to co-operate and co-ordinate their work as they independently fulfil their respective mandates.

**The Auditor General:** Responsible for assisting Council in holding itself and the City's administration accountable for stewardship over public funds and for the achievement of value for money in City operations including all divisions, agencies and the offices of the Mayor and Councillors. The Auditor General also manages the Fraud and Waste Hotline.

**The Integrity Commissioner:** Responsible for providing advice and education to the Mayor and Councillors and appointees of local boards on the application of the Municipal Conflict of Interest Act and their respective Code of Conduct, and other bylaws, policies and legislation governing ethical behavior. Applicable Codes of Conduct, include:

- Code of Conduct for Members of Council,
- Code of Conduct for Members of Local Boards and,
- Code of Conduct for Members of Adjudicative Boards.

**The Lobbyist Registrar:** Promotes and enhances the transparency and integrity of City government decision-making through public disclosure of lobbying activities and regulation of lobbyists' conduct. The Lobbyist Registrar's responsibilities include overseeing the lobbyist registration system, providing advice, conducting inquiries and investigations and enforcing compliance of the Toronto Municipal Code and advising City Council on lobbying matters.

**The Ombudsman:** Works to ensure that the City treats the public fairly and that services are provided in a way that is fair and equitable for all. The Ombudsman Toronto team independently and impartially investigates complaints and concerns about administrative unfairness concerning all City divisions and most City agencies, corporations and local Boards, but not City Council. Ombudsman Toronto also proactively consults with the

bodies it oversees to ensure administrative fairness in systems, processes and approach. [www.ombudsmantoronto.ca](http://www.ombudsmantoronto.ca).

## Transparency

### **Open and Closed Meetings Investigator:**

Investigates appropriateness of a meeting that was closed in full or in part to the public and submit findings and recommendations to City Council or the local board.

The City of Toronto encourages diversity and inclusion at Council, Committees, Local Boards and all staff levels. The City strives to ensure its senior leaders and board members recruitment and succession planning efforts include a wide variety of expertise, perspectives and backgrounds. Ensuring decision makers have access to an extensive program of educational opportunities on emerging issues is a key governance priority.

## 7.a.ii Risk Management

### **The Purpose of Enterprise Risk Management**

The City manages risk to achieve better outcomes for its residents. Enterprise Risk Management (ERM) enhances the governance and management activities of the City of Toronto, supporting the culture, and establishing risk-informed decision-making throughout the organization. ERM supports value creation by enabling management to 1) effectively navigate potential future events that create uncertainty and 2) respond in a manner that reduces the likelihood of downside outcomes and increases the possibility of upside.

The City has developed an Enterprise Risk Management Framework and related training to educate City staff and to create a risk based decision making culture. The ERM Framework consists of the following components: ERM Policy, Governance Structure, and the Risk Management process.

### **Risk Management Policy**

The Risk Management policy incorporates a consistent approach to risk management into the culture and strategic planning processes of the City that supports decision-making and resource allocation at both the operational and strategic levels. The policy sets the directional

tone for individuals across all levels of the organization. It seeks to enforce ownership. It defines roles and responsibilities to help ensure the risk management process and that accountabilities are understood.

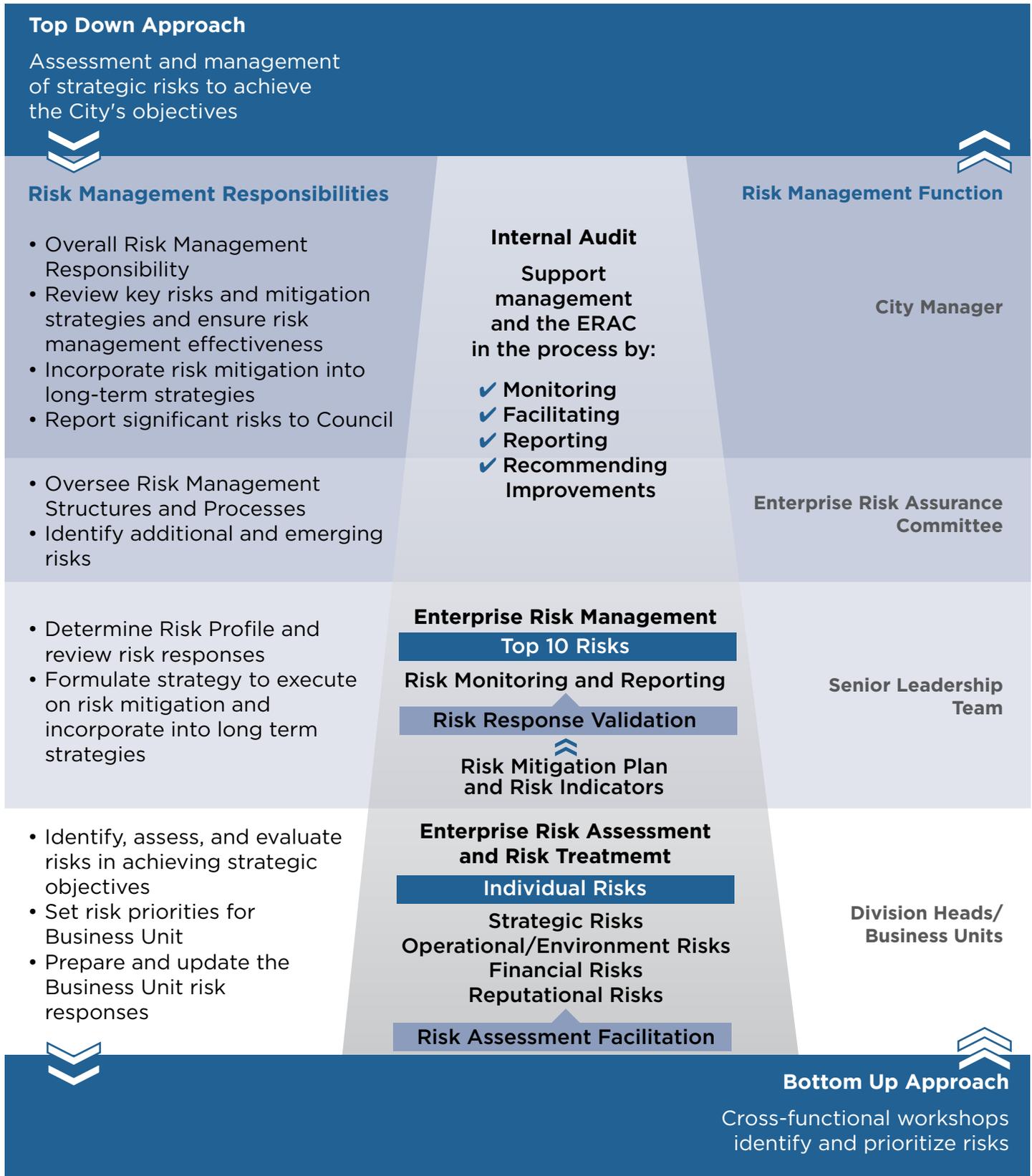
### **Governance Structure**

The City's ERM governance structure combines a Top-Down and Bottom-Up approach. The Top-Down approach assesses, manages, and defines strategic risks to achieve the City's objectives. The Bottom-up approach involves cross-functional workshops that identify and prioritize risks. (See "ERM Governance Structure" below for further details).

### **Risk Management Process**

ERM is an ongoing and cyclical process. The Risk Management Process can be summarized into five main steps (See "Risk Management Process" below for further details). The City re-evaluates and updates ERM processes and risks on an ongoing basis to reflect new information such that significant risks are appropriately identified and addressed and that any material opportunities are not overlooked.

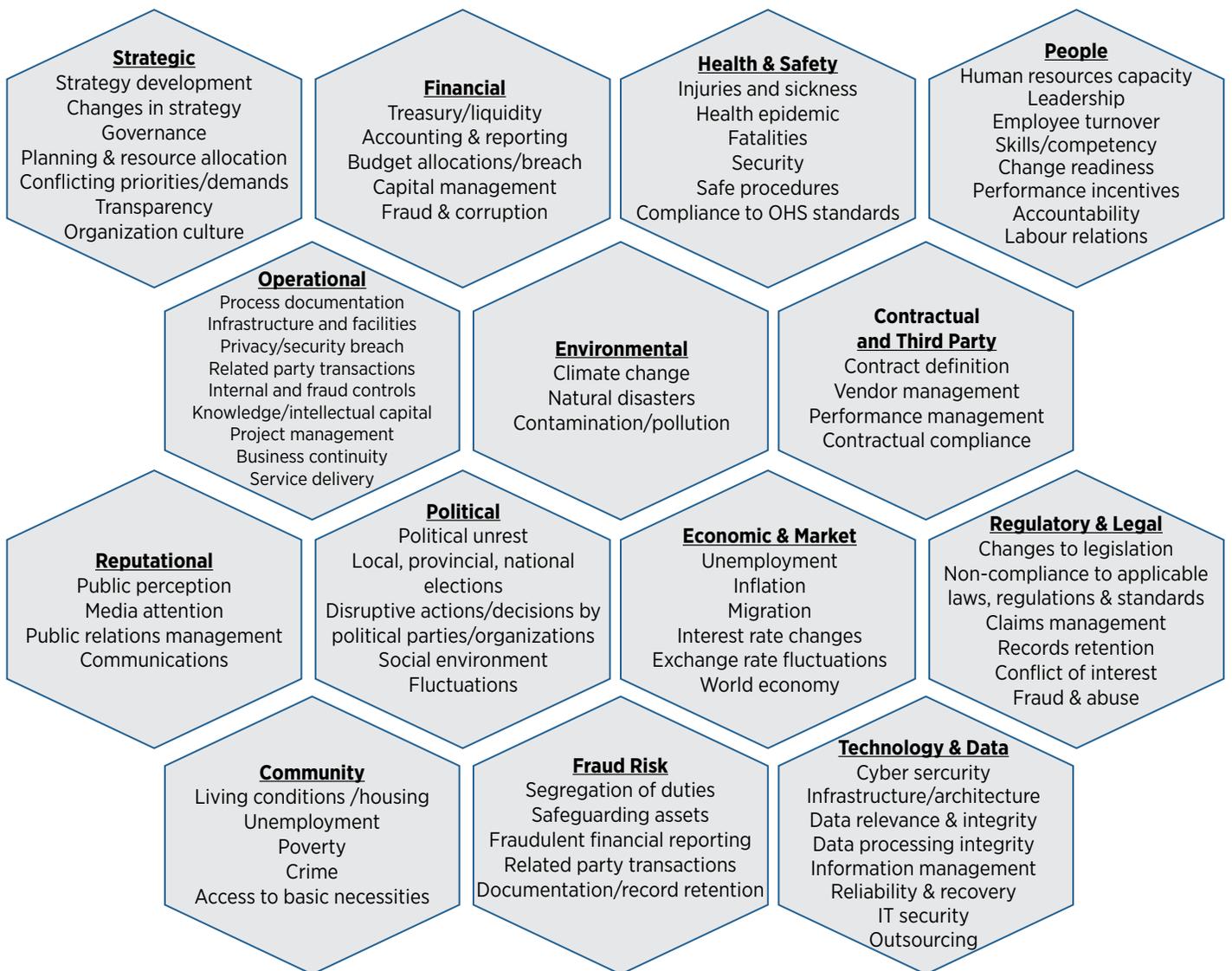
# The City's ERM Governance Structure



## Risk Management Process



## The City's risk factors identified through the ERM process



## Environmental Considerations in ERM

The City of Toronto began considering climate change risks to interdependent infrastructure in 2016 by convening meetings, workshops and discussions between multiple internal City divisions and external infrastructure organizations in the water, transportation and utility sectors. A year-long city-led engagement process was structured around a High-Level Risk Assessment exercise.

The process allowed organizations to share general information about their vulnerabilities and risks to climate change and understand those of other organizations who depend upon them. In addition, this process allowed for the identification of sectoral interdependencies and highlighted how the risk mitigation responses of one organization to climate hazards could benefit others. The process was commended by participants as the first of its kind in the region to tackle interdependencies, as well as demonstrating City's leadership. Participants stressed the importance of continued collaboration and dialogue on interdependencies. They also cited the need for a forum where protections and controls on liability and legal repercussions are in place to allow for a fuller disclosure of specific vulnerabilities, risks, and actions.

Due to climate change, the City is projected to experience an increase in the frequency of extreme weather events such as extreme rainfall and temperature events. In recognition of these hazards, the City adopted the Climate Change Risk Management Policy (CCRMP)<sup>66</sup> in July 2014. The CRRMP directs City divisions to systematically prioritize the identification, assessment, mitigation, monitoring and reporting of risks to infrastructure and services associated with climate hazards across the City's operations.

### 7.a.iii Financial Governance

#### Financial Sustainability

As part of the Toronto Public Service's Corporate Strategic Plan, Financial Sustainability<sup>67</sup> remains a corporate priority aimed to strengthen governance, improve performance and boost financial resiliency.

The policy also directs staff to engage with residents, the private sector and broader public sector to share knowledge on climate change and work towards enhancing extreme weather resilience on a broader scale. One of the initiatives to implement the CCRMP is to undertake a High-Level Risk Assessment (HLRA) exercise in 10 different thematic areas:

1. Utilities (i.e. electricity, telecommunications, natural gas, district heating and cooling),
2. Transportation (i.e. public transit, highways, roads, railways, airports),
3. Water (i.e. wastewater collection and treatment, stormwater management),
4. Buildings (i.e. private and publicly owned),
5. Public safety (e.g. fire/police/emergency medical services),
6. Liquid fuels,
7. Additional networks (waste management, social services, food supply),
8. Local economy/insurance/finance,
9. Health (e.g. healthcare facilities, clinics, outpatient care centres,) and,
10. Natural environment.

The goal is that through the HLRA exercise, different actors (both internal city divisions and external organizations) responsible for service delivery within these thematic areas increase their understanding about climate change risks as well as the inter-dependencies between service providers.

The City began implementation of an enhanced Financial Sustainability program in 2019 to build a strong financial foundation to support effective and efficient service delivery, ensuring value and affordability for taxpayers, and adequately funded municipal services and infrastructure.

The City continues to modernize the budget process with continued enhancements with Equity Responsive Budgeting and the Capital Climate Lens. Equity responsive budgeting supports decision making in the budget process identifying positive and negative equity impacts for budget change proposals with focus on equity and barriers faced by equity-deserving communities in Toronto. Furthermore, the City's climate lens evaluates and considers the climate impacts of all major City of Toronto decisions, including financial decisions within the budget process. This cross-corporate climate lens program aligns with TransformTO, the City's climate action strategy, Toronto's Resilience Strategy, and the Corporate Strategic Plan which lists climate change and resilience as one of the corporate priorities.

While COVID-19 presented several challenges to the City of Toronto, it was a catalyst for change as it supported the advancement of the Financial Sustainability program's objectives of:

1. **Modernizing the budget process -** Service-based outcome statements were developed and enhanced to reflect the true value of City services.

2. **Transforming financial processes and systems -** A modernized general ledger and chart of accounts structure was designed to support effective tracking and reporting of transactions.
3. **Modernizing the management of capital resources -** The City's major capital asset holders started to develop detailed asset management plans for core asset groups in alignment with provincial regulations.
4. **Exploring innovative ways to work -** Piloting and planning for innovative technologies such as BlockChain, AI and robotics will enhance the effectiveness of how the City manages its resources, in addition to establishing a partnership with the Canada Revenue Agency to utilize Automated Income Verification Services for low-income supported programs.
5. **Designing the organization to support large-scale financial transformation -** The City recognizes the benefits of enhancing financial acumen within the organization as an enabler of long-term and large scale transformation.

## 7.a.iv Digital Strategy

### Digital Enablement

*City of Toronto's Digital Vision: A connected and equitable Toronto with an affordable, accessible and resilient digital environment as a public service for all.*

Digital Enablement is all about influencing an enterprise digital transformation process through digitalized business platforms, achieving enhanced customer experience and business processes. Toronto's digital vision is to create a connected and equitable Toronto with an affordable, accessible and resilient digital environment as a public service for all.

The COVID-19 pandemic has highlighted gaps, vulnerabilities and the need for adequate internet services to be more accessible and affordable for everyone. Digital equity and bridging the digital divide is a key principle of the City's Poverty Reduction Strategy. Access to affordable high-speed internet will address

barriers faced by residents participating in the labour force by improving access to economic opportunities. Lower internet prices will decrease barriers, aid financial stability, and improve access to City services for equity-seeking groups. A digitally connected Toronto means people can prosper and enjoy a better quality of life.

In February 2021, City Council unanimously approved a new program called "ConnectTO", a collaborative program that aims to centralize stewardship of municipal resources and assets to deliver the City's goals on equity and connectivity, including creation of a City of Toronto broadband network.

The goal of the program is to provide the City with a direct voice where broadband internet is delivered and reduce internet costs for vulnerable residents. The program also aims to streamline and update existing City processes to ensure internet connectivity (public Wi-Fi,

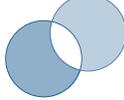
laying fibre conduits in existing construction work, etc.) is embedded in planning and execution of various City activities.

Toronto needs strong digital infrastructure for a resilient, equitable and prosperous future. The City has an opportunity to connect underserved Torontonians and support community resilience for the long-term. Digital enablement will advance socio-economic opportunities for vulnerable populations, which is essential to ensure greater prosperity for all in Toronto.

As the City works towards enabling connectivity for all, the drive to move services to digital platforms continues to move a record pace.

Even while the pandemic changed many planned initiatives turning our focus Covid-19 response, the City was still able to implement the Customer Relationship Management (CRM) platform which will result in the digitization of over 120 services In Q4 of 2021.

In addition, the City has also committed to enabling and enhancing modernized methods for residents to connect and pay for services with the onboarding of the Digital Payment platform. This service delivery will provide additional options for residents in how they pay their property taxes, utility bills and parking tickets starting in Q3 of 2021.

Digital Enablement: Key Strategic Objectives	Principles for the City's Digital Infrastructure Plan
 <p><b>Digital Service delivery to the public</b> ...to improve Service Experience</p>	 <p><b>A Well-run City</b></p>
 <p><b>Digital Equity &amp; Inclusion</b> ...to bridge the Digital Divide for Underserved Communities</p>	 <p><b>Privacy &amp; Security</b></p>
 <p><b>Digital Resilience &amp; Agility</b> ...to Assure Business Continuity &amp; Adapt to Shocks</p>	 <p><b>Equity &amp; Inclusion</b></p>
 <p><b>Digital Partnerships &amp; Revenue-generation</b> ...to Drive Financial Sustainability &amp; Economic Growth</p>	 <p><b>Democracy &amp; Transparency</b></p>  <p><b>Social, Economic &amp; Environmental Benefits</b></p>

## Cyber Security

Cyberattacks are on the rise across Canada and public sector organizations are increasingly targeted. Serving 3 million residents, the City of Toronto is responsible for a broad range of sensitive and personal information, as well as for the governance of critical online urban infrastructure, including water systems and emergency services. Cyberattacks can result in harmful privacy breaches, costly service disruptions, social chaos and loss of life. Even relatively small attacks expose the City to financial loss, reputational damage and legal liability.

The COVID-19 pandemic exacerbated the risks the City faces by accelerating digital transformation. New technologies were rapidly adopted to ensure service continuity and safe working conditions for staff. While necessary to continue to provide high quality service, these rapid changes exposed the City to new vulnerabilities that can be exploited by malicious people.

The Office of the Chief Information Security Officer (CISO) was established in 2019 to respond to these growing challenges and became the City's 45th independent division in January 2020 with a mandate to enhance the City's cyber posture and minimize the impact of cyber incidents.

### The Office of the CISO has three immediate priorities:

1. Position the City's cyber security posture to meet the demands of digitization
2. Improve the City's business cyber resilience
3. Expand the City's cyber practice

Our long term vision is to implement proactive services that contribute to solving social problems by providing direct cyber support to Toronto residents and supporting positive socioeconomic outcomes through digitization.

In 2020, the Office of the CISO established the following work streams under its new structure:

### Toronto's Cyber Organizational Structure

**Cyber Diplomacy & Governance** – focused on building a cyber culture across the City by improving governance frameworks, policies and standards and overseeing the mandatory cyber awareness program.

**Threat Management** – focused on identifying and investigating threats, managing vulnerabilities and providing threat intelligence across the City.

**Digital Trust** – focused on building a robust digital identity program that meets the demands of digitization across City services and ensures programs incorporate privacy by design principles.

**Business Application Resilience** – focused on improving cyber maturity across the City's critical application solutions.

**Digital Forensics and Investigation** – focused on supporting the City's Internal program in conducting investigations.

**Urban Technology Protection** – focused on improving cyber maturity across the City's critical public infrastructure.

## 2020 Divisional Expansion

During 2020, the Division experienced rapid growth and doubled in size. Finding and recruiting the right people, with the right skills, to meet the threat management and cyber governance demands of the City was a key area of focus throughout the year.

Aligning with the City of Toronto's broader social goals, the Office of the CISO embedded a diversity and inclusion lens throughout our recruitment and hiring process. Within the Division, 74 per cent of staff identify as members of the Black, Indigenous, and Other People of Color (BIPOC) community. Our team members originate from 15 countries and speak 16 languages, reflecting the diversity of Toronto residents. Additionally, one third of our leadership team, and 26% of all divisional employees, are female. This is above the industry average of women in cybersecurity.

### Office of the CISO - Diversity & Inclusion metrics

- 74% identify as being part of the BIPOC community
- 16 languages spoken across the team
- one-third of the leadership team and 26% of all staff are female

## 2020 Major Initiatives

The Office of the CISO initiated several enterprise-wide projects in 2020 to establish our cybersecurity strategy and reduce risk across the City. Key areas of work include:

**Cyber Strategy:** The City's cyber strategy involves the development of an end-to-end, City-wide approach to enhancing security. It examines both the technological tools required, and the workforce behaviours needed, to establish a culture of cybersecurity across the City's 45 divisions, and our agencies and corporations. Work in 2020 included identifying key risks and establishing strategic priorities.

**Cyber Governance:** Cyber governance describes the policies and practices that guide the City's cyber practice and enhance security. In 2020, work began to establish a City-wide cyber governance framework. The framework includes recommendations for new policies and standards, including requirements for documenting, publishing and communicating cyber practices.

**Threat Management:** Threat management describes the processes in place to prevent, detect and respond to cyberattacks and security incidents. Work began in 2020 to review the City's defences against ransomware attacks and initiate guidelines to respond to an active attack. Priorities include proactively gathering threat intelligence and scanning the City's systems, including critical infrastructure, for vulnerabilities. Threat management, along with appropriate incident response procedures, ensures the City is in tune with the changing risk landscape to defend our systems against evolving threats.



## Privacy and Information

To provide residents with the services they need, the collection of personal information is at times necessary. The City believes that safeguarding this information and transparency with how we use it is key to maintaining trust and confidence in Toronto's government. The City protects personal information from unauthorized collection and use through its privacy policy and procedures, training of staff and investments in technology. Protection of personal information is aligned with wider goals of information management and stewardship of City records, as governed by the City Clerk's Office's Information Management Framework.

The City collects or uses personal information within the limitations of the Municipal Freedom of Information and Protection of Privacy Act (MFIPPA). This legislation, together with the City's privacy policy, requires the City to maintain a standard of protection and care of information physically and procedurally. The City's privacy website further articulates how we collect, use and protect information. The City also manages all information and records in its custody and control throughout their lifecycle, ensuring it is maintained, retained, and disposed of in accordance with approved records retention schedules.

All City Divisions are committed to protecting personal information. The City Clerk's Office helps divisions make sure this information is only provided for its intended purpose. The City's Protection of Privacy Policy details City staff accountability, roles and responsibilities, and guidelines to help staff manage and protect personal information. This policy is being updated in 2021.

In 2020, the City Clerk's Office's work in privacy protection and information collection evolved as City staff worked from home. The move to remote work brought a privacy aspect to all areas of work, which will continue through the City's workplace modernization program. In addition, as the City restarted and changed

services during the pandemic, the City Clerk's Office ensured information being collected from the public was compliant with MFIPPA. Going forward, they are working on a corporate authority to collect information during public engagements, balancing it with privacy protection.

The privacy plan for the City involves both legal compliance with privacy legislation and the development and deployment of best practices that prevent the misuse of personal information of Toronto residents. Processes such as the Law Enforcement Request form, the Children's Aid Guidelines, interview and Sign-in Sheet Guidelines instruct City staff while placing the expectation and responsibility on the individual employee. The City strives to implement a maturity model that encompasses the need for sensitive personal information, as required to govern, but that the information must be used reasonably and lawfully.

Privacy training is mandatory under the City's Privacy Policy. The perspective that the City takes is that access and privacy are core fundamentals for all civil servants. Each new hire is required to complete a privacy component during orientation and privacy training is continually being deployed to staff throughout the City.

New technologies are under the purview of the Office of the Chief Information Security Officer. It is firmly understood that a complete privacy protection strategy for the City includes both behavioural and technological solutions. The City Clerk's Office also plays a role in evaluating new technology solutions and vendor contracts to ensure privacy protection and information management requirements are embedded into the solution by design. Technology Services Division enables these components in new solutions, ensuring appropriate privacy and information management protections are proactively addressed as new technologies modernize the organization.

## 7.a.v Responsible Sourcing

### Social Procurement

The City's Social Procurement Program is comprised of two components: Supply Chain Diversity and Workforce Development. The Social Procurement Program<sup>68</sup> was implemented across all City divisions starting in January 2017. The Program aims to drive economic growth by improving access to the City's supply chain for diverse suppliers and leveraging meaningful training and employment opportunities for Indigenous Peoples and those belonging to an equity-seeking community. It's using the City's procurement power to achieve social, economic, and workforce development goals. This means every dollar spent achieves a double bottom line, one for operations and one for social impact.

The City's Social Procurement Policy states that for Invitational Request for Quotes, valued between \$3,000 and \$100,000, a minimum of one certified diverse supplier must be invited to bid as part of a three-quote process.

In 2020, the City issued a total of 297 low dollar value contracts, (up to, and including \$100,000), to certified diverse suppliers, amounting to approximately \$2.27M. Of this amount:

- 200 contracts were below \$3,000 in value, amounting to approximately \$160,000
- 89 contracts were Invitational Request for Quotes valued between \$3,000 and \$100,000, amounting to approximately \$1.52M
- 8 were formal solicitations, valued up to, and including \$100,000, amounting to approximately \$600,000

### Fair Wage Policy at the City

The Fair Wage Policy<sup>69</sup>, established in 1893, prohibits the City from doing business with contractors and suppliers who discriminate against their workers. The policy is intended to stabilize labour relations with minimal disruptions, create a compromise in the wage differentials between organized and unorganized labour and help create a level playing field in competition for City work. The City requires that wages paid to workers on City contracts meet the requirements of this policy.

The Fair Wage Office investigates complaints and takes enforcement action when it is determined that a contractor has failed to pay its workers the prescribed wages found within the fair wage schedules. In 2020, the Fair Wage Office recovered \$44,210 in wages and damages from enforcement activities. In 2020, The Fair Wage Office also participated in the distribution of over \$333,000 of wages to 283 workers resulting from multi-investigations. The Fair Wage Office also engages in other activities to ensure compliance with the policy, such as education and outreach, monetary penalty administration, enforcement of payment of wages and recommendations to disqualify non-compliant vendors.

### Circular Economy in Procurement at the City

Through the Long-Term Waste Management Strategy<sup>70</sup>, Toronto City Council adopted the aspirational goal to work toward zero waste and a circular economy. A key strategy to support these efforts is the design and implementation of the City of Toronto's Circular Procurement Framework and Implementation Plan<sup>71</sup>. Recognizing that municipal leadership is essential to create a circular economy transition, the City is working to leverage its considerable buying power - approximately \$2.3 billion CAD in 2020 - and demonstrate demand for circular

business solutions, products, and services. In addition to encouraging a circular shift among Toronto suppliers, the City is also exploring how it can change the way that staff assess procurement needs and design the delivery of government services to allow circular economy principles to become central to the way the municipality does business. The Circular Procurement Framework and Implementation Plan<sup>72</sup> seeks a range of economic, social, and environmental outcomes for the City, including:

- social benefits: green job creation, enhanced circular economy capacity among City staff, increased asset use rates/asset sharing activities
- environmental benefits: waste diversion, CO2e reduction, increased use of recycled content in materials, and avoidance of raw materials
- financial benefits: cost savings, savings through waste reduction, enhanced productivity

All City Divisions use procurement strategies to deliver services to residents. As such, implementation of the Circular Procurement Framework is a unique opportunity for cross-corporate impact in support of a circular economy transition.

As part of capacity building and instilling effective change management for circular economy in procurements across the organization, Solid Waste Management Services Division and Purchasing and Materials Management Division have been working with a UK-based circular procurement consultant to develop a suite of introductory training modules to build staff awareness of the City's circular economy goals and how they can be achieved

through the procurement process.

## Supplier Code of Conduct at the City

In 2017, Toronto City Council revised the purchasing by-law to incorporate a Supplier Code of Conduct. The Supplier Code of Conduct covers honesty and integrity of suppliers, conflict of interest, and performance on contracts, collusion, intimidation, gifts, and prohibited communications. Suppliers must declare to follow the Supplier Code of Conduct as part of every procurement. In addition, suppliers must declare that they have an anti-discrimination and human rights policy in place, and in appropriate circumstances, that they do not rely on slave labour or child labour. Suppliers who violate the Supplier Code of Conduct or any other element may be suspended from doing business with the City.

## Who are diverse suppliers?

A diverse supplier is a business that is 51 percent or more owned, managed, and controlled by Indigenous Peoples or people belonging to an equity-seeking community, or a social purpose enterprise. These communities include, but are not limited to women, recent immigrants (10 years or less), racialized minorities, Black Torontonians, people living with a disability including mental health, the 2SLGBTQ+ community, vulnerable youth, veterans, and low-income individuals. The goal of the program is to ensure that diverse suppliers have equitable access to City contracts. The City requires certification of diverse suppliers through established non-profit supplier certification organizations.

Objective	Performance Metrics	2020	2019	2018
Social Procurement - Enhance Diversity	Divisional purchase orders and invitational solicitations awarded to Certified Diverse Suppliers	\$1.52M	\$1.4M	\$810K

## 7.b Workplace Culture

As an organization, we are building a culture where all employees are engaged in our mission to serve a great city and its people. We know that building a positive workplace culture that reflects the City's ethics and values and builds trust and confidence with the public and staff, will shape how our people work and interact day-to-day. Our leadership teams understand that they play a critical role and are accountable in building that positive workplace culture so that collectively we achieve Toronto's vision, motto, and mission.

### City Corporate Priorities

The City of Toronto has a number of ongoing initiatives to support Indigenous, Black, and equity-deserving groups both within the organization as well as more broadly across the city. These initiatives focus on building equity capacity within the organization to ensure efforts are sustainable but also include direct actions to reflect the interests and needs of the residents of the City of Toronto. The following are key initiatives currently underway:

### Diversity and Inclusion Initiatives

#### Workforce Equity and Inclusion Plan (2019-2022)

The multi-year Workforce Equity and Inclusion Plan focuses on the three areas: 1) Enabling Data-Informed Decision-Making, 2) Fostering a Culture of Engagement and Inclusion, and 3) Embedding an Equity Lens throughout the City's hiring process focusing on both the candidate and employee experience and life cycle. There is a "Count Yourself In Staff Diversity Demographic Survey" with an objective to track the representation of Indigenous, Black, and equity-deserving groups. The City also implemented a new Applicant Tracking System in its HRIS system, SuccessFactors, which allows us to collect

demographic data from applicants. This data can be used to assess application trends, patterns of candidate movement through the recruitment stages and inform the development of enhanced and future recruitment frameworks and programs. Deliberate steps will be taken to identify and address representation gaps throughout the hiring process. In addition, demographic information collected as part of the Employee Engagement survey enables the City to develop action plans to increase engagement and further inclusion initiatives for diverse City staff. These efforts will complement current strategies underway such as the Toronto Action Plan to Confront Anti-Black Racism, Recruitment Strategy for Persons with Disabilities, and a work plan to support the Aboriginal Employment Strategy.

#### Multi-year Accessibility Plan 2020-2025<sup>73</sup>

The Multi-year Accessibility Plan (MYAP) is a key component of the City's accessibility framework, which outlines how the City will provide an accessible environment in which people with disabilities can access the City's goods, services, and facilities, including all buildings, public spaces, information and communications, and employment opportunities in a way that meets their individual needs. The MYAP includes 21 projected outcomes and 63 initiatives that reaffirm the City's commitment to an accessible City and building an equitable and inclusive society that values the contributions of people with disabilities.

#### Mental Health Strategy

The strategy focuses on these areas: 1) Fostering a healthier workplace with increased productivity and decreased absences, 2) Promote a positive working environment of collaboration and inclusion, and 3) Encourage respectful behaviours with conflict resolution practices in place.

### **Workplace Culture Network (WCN)**

The City of Toronto is committed to building a positive workplace culture that reflects the City's ethics and values and builds trust and confidence with the public and staff. Our new workplace culture was developed collectively and reflects the values of the Toronto Public Service. This is the start of our journey towards great workplace culture, and the four themes that will support the workplace culture journey include:

- Being Respected Empowered and Valued
- Embracing Diversity and Inclusion
- Making a Difference
- Working Together

The WCN continues to work on corporate employee engagement response plans to enhance workplace culture. These plans will build a more positive workplace culture and improve employee engagement. The Workplace Culture network is continuing to work on divisional action plans through to the next survey. Divisions have also conducted pulse surveys to understand the state of employee engagement during the pandemic.

### **Count Yourself In (CYI): Workforce Survey**

The goal is to collect demographic information about all employees to guide the City to improve access to employment, as well as track career progression of Indigenous, Black, and equity-deserving groups. The objective is to increase the overall corporate CYI response rate to 70 percent and to increase representation across all levels of the organization to reflect the City of Toronto resident population.

### **Toronto for All Learning Program**

Toronto for All Learning is an education program for the Toronto Public Service that enables staff to advance reconciliation and build and maintain an equitable and inclusive workplace to better serve our city's diverse communities. The program includes different modalities of learning on the legislated topics of Accessibility and Human Rights, the Council-mandated training topics of Indigenous Cultural Competency Training and Confronting Anti-Black Racism, topics regarding specific communities such as "Understanding Gender and Sexual Orientation" and many other topics regarding equity, diversity, inclusion, bias, injustice, and privilege. The program continues to refine learning pathways and consults with divisional needs to help guide impactful learning that will create change in the workplace culture and service delivery of the Toronto Public Service. The learning program will help City staff to develop required competencies to address and eliminate barriers in City services and programs to achieve equitable outcomes for all Torontonians.

### **Communities of Inclusion**

Communities of Inclusion are groups of City employees who share a common identity, lived experience, and/or set of interests and who meet regularly to network, dialogue, share best practices, build capacity, learn and develop. Communities of Inclusion are supported by the City because they build awareness and advocate for a safer, more equitable and respectful working environment for Indigenous, Black, and equity-deserving groups in the Toronto Public Service.

Existing Communities of Inclusion include:

- Ambe Maamowisdaa Employee Circle
- Black Staff Network
- Employee Disability Network
- Pride Network
- Toronto Network of Women (TOnow)

Groups of employees may elect to come together at the divisional level as well to advance the existing mission of a corporate Community of Inclusion. Creating divisional chapters to the Communities of Inclusion will provide opportunities for increased staff participation and further inclusion within the organization. The goal is for the chapters to grow the mandate collaboratively in alignment with the Communities of Inclusion established corporately to ensure, consistency, transparency, and accountability.

## **Inter Divisional Staff Team on Access and Equity**

The Interdivisional Equity and Accessibility Committee (IEAC) is an interdivisional committee whose purpose is to provide a forum for City divisions to share key initiatives and leading practices in equitable service and program delivery, as well as support corporate and divisional compliance with the Accessibility for Ontarians with Disabilities Act (AODA).

## **Equity and Inclusion Program Advisory Body**

The Equity and Inclusion Advisory Group ensures that the Equity & Human Rights section's efforts are informed through direct and ongoing engagement with Indigenous Black, and equity-deserving groups and community leaders. The advisory group acts as a resource to City staff and divisions by providing expert advice on ideas, policies, programs, and services in development or under review. It provides an intersectional equity lens, which is especially important as City staff work through early concept planning phases and during periods of growth and change in the City. The advisory group supports the City of Toronto's capacity to serve an increasingly diverse population and workforce.

## **Recruiter Diversity & Inclusion Training**

In order to create and sustain a more diverse and inclusive workforce, uphold a culture of respect, as well as attract and retain diverse talent, recruiters completed the mandatory Diversity & Inclusion Training in 2019 as follows:

- Diversity & Inclusion Fundamentals
- Unconscious Bias Training
- Managing Bias in Hiring
- Indigenous Culture Competency Training
- Confronting Anti-Black Racism Training

## **Diversity and Inclusion Advisory Bodies and Offices**

### **Toronto Accessibility Advisory Committee**

The Toronto Accessibility Advisory Committee is an advisory body to City Council and provides advice and recommendations on the identification, prevention, and elimination of barriers faced by people with disabilities and on the implementation of the AODA in order to achieve accessibility with respect to City bylaws, policies, goods, services and programs, employment, facilities, buildings, structures, and premises.

### **2SLGBTQ+ Council Advisory Body**

The 2SLGBTQ+ Advisory Committee provides advice to City staff and City Council on identified priority issues to support the elimination of barriers and inequities experienced by 2SLGBTQ+ communities in accessing City of Toronto programs and services. The Advisory Committee brings government, policy, and community leaders to the table to focus on both service level barriers as well as structural and systemic challenges faced by 2SLGBTQ+ communities.

## Human Rights Office

The City's Human Rights Office provides neutral consultative advice and complaint resolution support to residents and employees who have human rights concerns related to City-run services, facilities, or accommodations under the City's Human Rights and Anti-Harassment/Discrimination Policy, Hate Activity Policy and Accommodation Policy. This office ensures the City is meeting its legislative and policy obligations to ensure that harassment and discrimination do not occur in the delivery of City services and within the workplace.

The goal is to build capacity within the organization by addressing and responding to issues as well as developing resources, training, and tools to enhance human rights and equity.

## Confronting Anti-Black Racism Unit<sup>74</sup>

To begin confronting anti-Black racism in Toronto, the City of Toronto partnered with Black leaders and organizations to create and implement a four-phase process that culminated in Council's unanimous adoption of the Toronto Action Plan to Confront Anti-Black Racism.

This five-year plan leverages the talents, knowledge, and experiences of Black residents and Black organizations as partners in making municipal services, spaces, and policies fully inclusive and accessible to Torontonians of African descent in both intent and in practice. The Action Plan includes 22 recommendations and 80 actions to address five issue areas:

1. children and youth development;
2. health and community services;
3. job and income supports;
4. policing and the justice system; and
5. community engagement and Black leadership.

## Indigenous Affairs Office

The Indigenous Affairs Office (IAO)<sup>75</sup> provides information, advice, programs, and policies that support the City of Toronto's Commitment to Indigenous peoples and advancing truth, reconciliation, and decolonization. Working

with Indigenous partners across the city, the office provides leadership and guidance to the Toronto Public Service to ensure that City programs and policies are consistent with legislative requirements and are responsive to the needs of Toronto's diverse Indigenous communities.

The IAO office leads a number of initiatives and advisor bodies including:

### Indigenous Affairs Community of Practice

- To gather and disseminate information, engage in inter-divisional collaboration to enhance efficiency and sustainable outcomes for Indigenous partnership, collaboration, and engagement.
- To develop consistent and cohesive wise practices, identify and address barriers, and create opportunities for innovation.

### Aboriginal Affairs Advisory Committee

- To foster dialogue and strengthen connections between City and Indigenous organizations, leaders, and communities
- To embed a reconciliation lens and Indigenous considerations in City program and service planning

### Statement of Commitment to the Aboriginal Communities of Toronto

- The City's Statement of Commitment identifies seven distinct goals to be fulfilled. These goals include internal and external education, working with Indigenous partners, increasing representation and civic engagement, enhanced Indigenous recruitment and retention, working with all levels of government to advocate for the needs of Indigenous communities in Toronto.

### Aboriginal Employment Strategy

- The City of Toronto's workforce reflects the representation of Indigenous peoples of Toronto, through the development and implementation of recruitment and employment programs and initiatives.
- Ensure successful collaboration with Indigenous employment agencies and agencies to strengthen existing outreach activities to connect Indigenous communities to City jobs.

## Governance - Promoting Responsible Conduct

The City mandates training courses for all City staff on a number of topics related to promoting responsible conduct. For instance, staff are required to take training on topics such as the Toronto Public Service Bylaw, Cyber Security Awareness, Protecting Privacy, Health and Safety Awareness, Accessibility, and Human Rights. The City also hosts training on equity, reconciliation, and inclusion with subject areas such as Indigenous Awareness, Confronting Anti-Black Racism, and 2SLGBTQ+ Inclusion.

Management staff are held to a higher standard and are required to take additional courses due to the progressively responsible nature of their positions related to Occupational Health and Safety and Human Rights obligations.

## Equity and Inclusion within People & Equity: Equity Lens Tool

The Equity Lens is a corporate tool designed to support City divisions in embedding equity considerations into their planning and decision-making. It enables City employees to conduct an equity analysis by identifying and addressing barriers facing Indigenous, Black, and equity-deserving groups and ensure their needs are considered when reviewing or developing City policies, services, and programs including budget submission.

### 7.c Performance Metrics

During 2020, the City made progress in several categories of Diversity, Inclusion, and Governance. The number of Racialized employees in Senior Management positions changed more than any other metric over the previous year, as it has decreased by 7%.

Objectives	Performance Metric	2020	2019	2018
<b>Governance</b>				
<b>Decision Making - Be Diverse and Inclusive</b>	% Women councillors	31%	31%	31%
	% Women	45.8%	43.9%	40.5%
	Senior Management (Division Head or Above)	41%	44%	40%
	% Racialized Senior Management (Division Head or Above)	14%	21%	21%
<b>Engaged Decision Makers</b>	City Council Attendance	95%	92%	82%
	Community Council Attendance	88%	95%	88%
	Committees Reporting to Council Attendance	96%	89%	82%
	Other Boards & Committees	90%	94%	78%
<b>Workplace Culture and Inclusion</b>				
<b>Reflect diversity and be inclusive of the city we serve</b>	<b>TPS Workforce<sup>76</sup></b>			
	% Women	49.3%	49.4%	48.8%
	% Racialized People	38.0%	37.2%	35.7%
	% Indigenous Peoples	1.4%	1.3%	1.4%
	% Persons with Disabilities	5.3%	5.3%	5.4%
	% LGBTQ2S+	3.5%	3.4%	3.2%

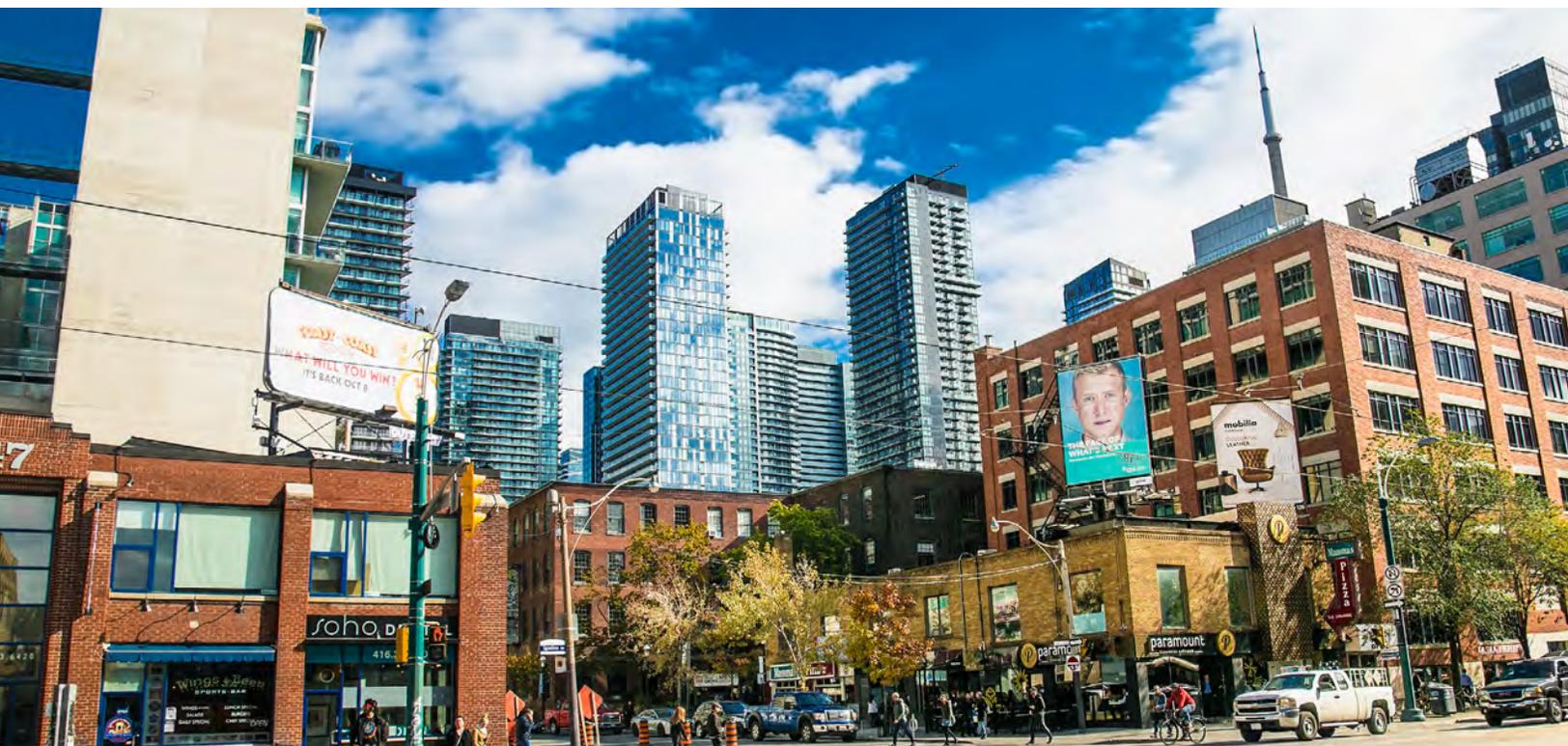
Objectives	Performance Metric	2020	2019	2018
<b>Governance</b>				
<b>Attract &amp; retain a diverse and inclusive workforce</b>	<b>Turnover Rates</b>			
	All Active Employees	7.1%	10.2%	10.2%
	All Active Employees (excl. Rec Workers)	7.9%	8.1%	7.9%
	Permanent Employees	7.5%	6.4%	6.0%
	<b>Average Tenure (years)</b>			
	All Active Employees	11.6	11.8	12.2
	All Active Employees(excl. Rec Workers)	13.3	14.1	14.5
<b>Growth Opportunities</b>				
Promotion and Internal Hires (% Total Hires)	26%	27%	25%	

## 7.d Alignment with Sustainable Development Goals (SDGs)

The City's governance programs and initiatives align with the following UN Sustainable Development Goals:



- **Goal 5.** Achieve gender equality and empower all women and girls,
- **Goal 10.** Reduce inequality within and among countries and,
- **Goal 16.** Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.



# 8

## Endnotes



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60 This % is based on based on people and businesses being:

- 250m from a cycling route in downtown core
- 500m from a cycling route outside central Toronto

The target exceeds Toronto's Official Plan to have everyone living within 1km of a cycling route

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71 <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.GM28.29>

72 <https://www.toronto.ca/legdocs/mmis/2018/gm/bgrd/backgroundfile-115664.pdf>

73 <https://www.toronto.ca/city-government/accessibility-human-rights/accessibility-at-the-city-of-toronto/multi-year-accessibility-plan/>

74 <https://www.toronto.ca/community-people/get-involved/community/confronting-anti-black-racism/>

75 <https://www.toronto.ca/city-government/accessibility-human-rights/indigenous-affairs-office/>

76 Representation of all employees of the Toronto Public Service (TPS) excluding: Recreation Workers; Elected Officials; Accountability Officers and their staff; and employees working in the City's Agencies, Boards or Commissions (TTC, Police, Library, Association of Community Centres, etc.)