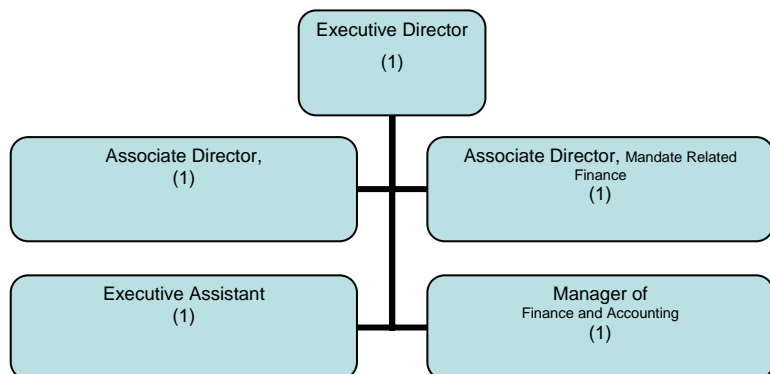


## Toronto Atmospheric Fund

To help slow global climate change and improve local air quality by using TAF's assets and revenue to advance local initiatives that reduce Toronto's greenhouse gas emissions.

### Program Profile



### 2007 Key Strategic Directions and Priorities

- Seek projects with greater impact
- Adopt an integrated campaign style for one or two key areas
- Enhance TAF's revolving fund mechanism
- Strengthen public communications
- Develop partnerships
- Expand the TAF model to the GTA
- Ensure organizational capacity

### 2006 Key Accomplishments

- Completed greenhouse gas and air emissions inventory and analysis for the City, for use in the development of a community-wide reductions strategy.
- Provided \$1.04 million in grants to City and Community in support of innovative emission reduction activities
- Completed governance renewal process and established an Operating Directive with the City
- Secured provincial assent of the updated TAF Act
- Improved financial return on portfolio investments by implementing new investment powers granted in the updated TAF Act
- Established policies and procedures for mandate related financings.

**Emerging Challenges and Opportunities:**

- Need to enhance in-house financing and lending expertise.
- Enhancing capacity, through partnership-building and fundraising, to meet expanding public interest in emission reduction activity
- New opportunity to increase local results by working with an international consortium of the world's largest cities.

**Service Area Description:**

- financially self-sustaining not for profit corporation
- supporting projects that address mandate, through grants and loan
- eligible grantees include City of Toronto agencies and departments, non-profit organizations, registered charities, public institutions and schools
- promote energy conservation and efficiency
- promote public understanding of global warming and its implications for the urban environment
- promote scientific research and technology development
- partner with non-governmental organizations, other levels of government, business and academic institutions

**Service Levels provided**

- Grants to community non-profit and charitable organizations, the City and special purpose bodies
- Financing to municipal organizations and public institutions
- Special projects that promote air quality and further TAF's mandate
- Fundraising from external sources for TAF and City projects. Raised over \$1 million over the past four years, primarily from corporate and federal sources.
- Provided over \$11.7 million in grants and special projects and over \$21 million in loans, loan security and other financing to community and City organizations
- Instrumental in seeding the start-up of many ground-breaking and successful programs including:
  - Canada's largest photovoltaic generation plant at Exhibition Place.
  - Coalition of faith groups promoting energy conservation.
  - Development of innovative green financing for advanced energy efficient condominiums.
  - Creation of a permanent Sustainability Office to oversee campus-wide emissions reductions at University of Toronto.
- Financed through grants and loans the achievement of CO2 emission reductions totalling upwards of 300,000 tonnes
- Projects financed by TAF loans now save the City over \$2.7 million annually in cumulative energy and maintenance costs
- Support to the City including:
  - Grant and loan funding for City departments and special purpose bodies to support City priorities that fall within TAF's mandate areas
  - Special intergovernmental initiatives benefiting the City including
    - Annual Smog Summit
    - GTA Clean Air Council
  - Staff participation in various City committees, including:
    - Air Quality Strategy Group
    - Toronto Grants Coordinating Committee
    - Toronto Renewable Energy Action Planning group
  - Fundraising for City initiatives such as the City of Toronto Air Emissions Inventory
  - Project development, fundraising and technical assistance to City staff
  - Provided essential development and start-up funding for many priority activities across the City Corporation including:
    - Toronto Air Emissions Inventory
    - City wide street lighting and traffic signal lighting efficiency retrofits
    - Renewable energy developments including high-profile wind, hydrogen fuel, photovoltaic and tri-generation installations at Exhibition Place
    - Appliance renewal and low-income housing retrofit programs at Toronto Community Housing Corporation
    - Toronto Public Health's 20/20 public engagement program
    - Heat-health watch warning system

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**Key Performance Measures:****INVESTMENTS**

Real rate of return on investment portfolio, net of all management and transaction costs – 4.5%, averaged over a moving four-year period. Returns on each asset class are compared to its benchmark index.

Loans portfolio – up to 1/3 of TAF's investment portfolio to be placed in mandate-related financing projects

Rate of return on mandate-related loans – 1.5% to 3.0% above Canada Bond benchmark rate for similar term

Leverage of TAF's financing – 1:4 to 1:5 basis on each financing project

**GRANTS**

Grant payout – 4.0% of operating fund measured on a four-year rolling average basis

Grants to the City – average of 30% to 40% of total grants and special projects measured on a four-year rolling average basis

**ADMINISTRATION**

Total administration costs – not to exceed 1.5% of operating fund per year