

Strategic Priorities and Policy Committee

Report

4th Meeting of the Strategic Priorities and Policy Committee
January 26, 2021

PRESENT: Mayor E. Holder (Chair), Councillors M. van Holst, S. Lewis, M. Salih, J. Helmer, M. Cassidy, P. Squire, J. Morgan, S. Lehman, A. Hopkins, P. Van Meerbergen, S. Turner, E. Pelozza, S. Hillier

ABSENT: A. Kayabaga

ALSO PRESENT: ALSO PRESENT: J. Taylor, C. Saunders

Remote Attendance: L. Livingstone, R. Armistead, A. Barbon, B. Card, S. Corman, K. Dickins, T. Fowler, G. Kotsifas, P. McKague, K. Scherr, M. Schulthess, C. Smith, S. Stafford, B. Westlake-Power, R. Wilcox

The meeting is called to order at 4:03 PM; it being noted that the following Members were in remote attendance: Councillors M. van Holst, M. Salih, J. Helmer, M. Cassidy, J. Morgan, S. Lehman, A. Hopkins, P. Van Meerbergen, S. Turner, E. Pelozza and S. Hillier.

1. Disclosures of Pecuniary Interest

That it BE NOTED that Councillor S. Lehman disclosed a pecuniary interest in item 4.2, having to do with appointments to the Downtown London Business Association, by indicating that he is a member of the Association.

2. Consent

2.1 London Community Grants Program Policy Update

Moved by: E. Pelozza
Seconded by: S. Lewis

That, on the recommendation of the Managing Director, Neighbourhood, Children and Fire Services, the following actions be taken with respect to the London Community Grants Policy:

- a) the proposed by-law as appended to the staff report dated January 26, 2021 as Appendix "A" BE INTRODUCED at the Municipal Council Meeting to be held on February 2, 2021, to repeal and replace By-law No. CPOL.-390-124, entitled London Community Grants Policy;
- b) that the staff report BE RECEIVED for information; and,
- c) the Civic Administration BE DIRECTED to bring back recommendations for the potential introduction of an anonymized application process for the London Community Grants Program that could be implemented for 2022 funding allocations and be used going forward.

Motion Passed

Voting Record:

Moved by: E. Pelozza
Seconded by: S. Lewis

Motion to approve parts a) and b):

That, on the recommendation of the Managing Director, Neighbourhood, Children and Fire Services, the following actions be taken with respect to the London Community Grants Policy:

- a) the proposed by-law as appended to the staff report dated January 26, 2021 as Appendix "A" BE INTRODUCED at the Municipal Council Meeting to be held on February 2, 2021, to repeal and replace By-law No. CPOL.-390-124, entitled London Community Grants Policy;
- b) that the staff report BE RECEIVED for information; and,

Yeas: (14): Mayor E. Holder, M. van Holst, S. Lewis, M. Salih, J. Helmer, M. Cassidy, P. Squire, J. Morgan, S. Lehman, A. Hopkins, P. Van Meerbergen, S. Turner, E. Pelozza, and S. Hillier

Absent: (1): A. Kayabaga

Motion Passed (14 to 0)

Moved by: E. Pelozza
Seconded by: S. Lewis

Motion to approve part c):

- c) the Civic Administration BE DIRECTED to bring back recommendations for the potential introduction of an anonymized application process for the London Community Grants Program that could be implemented for 2022 funding allocations and be used going forward.

Yeas: (12): Mayor E. Holder, M. van Holst, S. Lewis, M. Salih, J. Helmer, M. Cassidy, J. Morgan, S. Lehman, A. Hopkins, S. Turner, E. Pelozza, and S. Hillier

Nays: (2): P. Squire, and P. Van Meerbergen

Absent: (1): A. Kayabaga

Motion Passed (12 to 2)

2.2 Truth and Reconciliation Commission Recommendations Update on City of London Efforts

Moved by: S. Lewis
Seconded by: M. Cassidy

That, on the recommendation of the City Manager, the staff report dated January 26, 2021 entitled "Truth and Reconciliation Commissions – Update on City of London Efforts", BE RECEIVED for information.

Yeas: (14): Mayor E. Holder, M. van Holst, S. Lewis, M. Salih, J. Helmer, M. Cassidy, P. Squire, J. Morgan, S. Lehman, A. Hopkins, P. Van Meerbergen, S. Turner, E. Pelozza, and S. Hillier

Absent: (1): A. Kayabaga

Motion Passed (14 to 0)

3. Scheduled Items

None.

4. Items for Direction

4.1 Comparison of Proposed London Hydro Restructuring Options

Moved by: J. Helmer

Seconded by: J. Morgan

That the following actions be taken with respect to the comparison of proposed London Hydro Inc. restructuring options:

- a) the report dated January 26, 2021 entitled "Comparison of Proposed London Hydro Restructuring Options", BE RECEIVED;
- b) the Civic Administration BE DIRECTED to report back to a future meeting of the Strategic Priorities and Policy Committee with the necessary by-laws and documentation to implement the proposed "Newco Option" with respect to London Hydro Inc. restructuring;
- c) the Civic Administration BE DIRECTED to advise the Board of London Hydro Inc. that the Municipal Council will not be proceeding with the proposed "Holdco Option"; and,
- d) the Board and staff of London Hydro Inc. and the Civic Administration of the City of London, BE THANKED for the work undertaken with respect to London Hydro Inc. restructuring;

it being noted that the Strategic Priorities and Policy Committee received a communication dated January 24, 2021 from Councillor M. van Holst with respect to this matter.

Motion Passed

Voting Record:

Moved by: J. Helmer

Seconded by: J. Morgan

Motion to approve parts a), b) and d):

That the following actions be taken with respect to the comparison of proposed London Hydro Inc. restructuring options:

- a) the report dated January 26, 2021 entitled "Comparison of Proposed London Hydro Restructuring Options", BE RECEIVED;
- b) the Civic Administration BE DIRECTED to report back to a future meeting of the Strategic Priorities and Policy Committee with the necessary by-laws and documentation to implement the proposed "Newco Option" with respect to London Hydro Inc. restructuring;
- d) the Board and staff of London Hydro Inc. and the Civic Administration of the City of London, BE THANKED for the work undertaken with respect to London Hydro Inc. restructuring;

it being noted that the Strategic Priorities and Policy Committee received a communication dated January 24, 2021 from Councillor M. van Holst with respect to this matter.

Yeas: (14): Mayor E. Holder, M. van Holst, S. Lewis, M. Salih, J. Helmer, M. Cassidy, P. Squire, J. Morgan, S. Lehman, A. Hopkins, P. Van Meerbergen, S. Turner, E. Pelosa, and S. Hillier

Absent: (1): A. Kayabaga

Motion Passed (14 to 0)

Moved by: J. Helmer

Seconded by: J. Morgan

Motion to approve part c):

c) the Civic Administration BE DIRECTED to advise the Board of London Hydro Inc. that the Municipal Council will not be proceeding with the proposed "Holdco Option"; and,

Yeas: (13): Mayor E. Holder, S. Lewis, M. Salih, J. Helmer, M. Cassidy, P. Squire, J. Morgan, S. Lehman, A. Hopkins, P. Van Meerbergen, S. Turner, E. Pelozo, and S. Hillier

Nays: (1): M. van Holst

Absent: (1): A. Kayabaga

Motion Passed (13 to 1)

4.2 Confirmation of Appointments to Downtown London

Moved by: S. Lewis

Seconded by: E. Pelozo

That the following BE APPOINTED to the London Downtown Business Association for the term ending November 15, 2022:

Jerry Pribil - Marienbad Restaurant

Scott Collyer - Emphyrean Communication Resources.

Yeas: (13): Mayor E. Holder, M. van Holst, S. Lewis, M. Salih, J. Helmer, M. Cassidy, P. Squire, J. Morgan, A. Hopkins, P. Van Meerbergen, S. Turner, E. Pelozo, and S. Hillier

Recuse: (1): S. Lehman

Absent: (1): A. Kayabaga

Motion Passed (13 to 0)

4.3 1st Report of the Governance Working Group

Moved by: J. Morgan

Seconded by: P. Van Meerbergen

That the following actions be taken with respect to the 1st Meeting of the Governance Working Group meeting held on January 11, 2021:

a) the following actions be taken with respect to the Advisory Committee Review:

i) the report dated January 11, 2021 entitled "Advisory Committee Review - Interim Report IV", BE RECEIVED;

ii) the Civic Administration BE DIRECTED to proceed with drafting revised Terms of References for Advisory Committees based on the proposed changes set out in staff report dated November 10, 2020 entitled "Advisory Committee Review - Interim Report III", incorporating additional direction from the Municipal Council and the Governance Working Group; and,

iii) the Civic Administration BE DIRECTED to circulate the draft revised Terms of References noted in b) above, to the Advisory Committees for input and to report back to the Governance Working Group with the draft revised Terms of Reference and comments received from the Advisory Committees;

b) the Civic Administration BE DIRECTED to prepare a draft revised Code of Conduct for Advisory Committees that would be similar in nature to the Code of Conduct for Council Members, including processes for both adjudication and enforcement of the revised Code of Conduct, and report back to the Governance Working Group with the draft revised Code of Conduct;

c) clause 1.1 BE RECEIVED for information;

d) the Additional Feedback from Current Advisory Committee Members BE RECEIVED; and

e) the communications dated March 15, 2019 and January 4, 2021 from the Transportation Advisory Committee BE RECEIVED.

Yeas: (14): Mayor E. Holder, M. van Holst, S. Lewis, M. Salih, J. Helmer, M. Cassidy, P. Squire, J. Morgan, S. Lehman, A. Hopkins, P. Van Meerbergen, S. Turner, E. Peloza, and S. Hillier

Absent: (1): A. Kayabaga

Motion Passed (14 to 0)

5. Deferred Matters/Additional Business

None.

6. Adjournment

Moved by: P. Squire

Seconded by: A. Hopkins

That the meeting BE ADJOURNED.

Motion Passed

The meeting adjourned at 6:25 PM.

Report to Strategic Priorities and Policy Committee

To: Chair and Members
Strategic Priorities and Policy Committee
From: Cheryl Smith, Managing Director, Neighbourhood, Children and Fire Services
Subject: London Community Grants Program Policy Update
Date: January 26, 2021

Recommendation

That, on the recommendation of the Managing Director, Neighbourhood, Children and Fire Services, the following actions be taken with respect to the London Community Grants Policy:

- a) the attached proposed by-law (Appendix A) **BE INTRODUCED** at the Municipal Council Meeting to be held on February 2, 2021, to repeal and replace By-law No. CPOL.-390-124, entitled London Community Grants Policy; and,
- b) that this report **BE RECEIVED** for information.

Executive Summary

This report presents changes to the London Community Grants Program proposed by Civic Administration in response to the resolutions from Council to: identify whether the municipality is the appropriate source of funding for requests; and introduce amendments that provide for a minimum of 25% of total funding to be directed toward anti-Black racism, anti-Indigenous racism, anti-oppression, diversity, inclusion and equity and remove barriers racialized and marginalized groups may face when applying to the London Community Grants Program.

Linkage to the Corporate Strategic Plan

The London Community Grants Program (LCGP) is aligned with two strategic areas of focus, as presented in the City of London Strategic Plan 2019-2023.

- Strengthening Our Community – Londoners are engaged and have a sense of belonging in their neighbourhoods and community.
- Creating a Safe London for Women and Girls – London has enhanced the potential for women and girls to live safe lives.

Analysis

1.0 Background Information

1.1 Previous Reports Related to this Matter

- [London Community Grants Program Allocations](#) (November 25, 2019)
- [London Community Grants Policy Update](#) (April 8, 2019)
- [London Community Grants Program: 2017 Annual Report & 2018 Innovation and Capital Stream Outcomes and Sustainability Plans](#) (March 26, 2018)

2.0 Discussion and Considerations

2.1 Background and Purpose

The London Community Grants Program ([LCGP](#)) impacts the lives of Londoners through targeted annual investments of approximately \$2.8 million for initiatives that align with the City of London's Strategic Plan. The LCGP includes a Multi-Year funding stream aligned with Council's multi-year budget cycle and an annual Innovation and Capital funding stream.

At its meeting held on November 26, 2019, Municipal Council resolved that the following actions be taken with respect to the London Community Grants Program allocations:

- a) the staff report dated November 25, 2019 entitled “London Community Grants Program Allocations” BE RECEIVED; and,
- b) the Civic Administration BE DIRECTED to review the London Community Grants Policy and report back on policy amendments that would identify if the municipality is the appropriate source of funding for requests, potentially limiting or removing eligibility for programs that receive funding through senior levels of government, such as the “Enabling Accessibility Fund”. (2.2/22/SPPC)

At its meeting held on August 25, 2020, Municipal Council resolved that the following actions be taken with respect to the London Community Grants Program, related Council Policy, and funding allocation:

- a) for the Multi-Year Funding Allocation for the period 2024-2027, the Civic Administration BE DIRECTED to provide for a minimum of 25% (\$500,000) of the total funding available to be allocated to applications whose proposals would support anti-Black racism, anti-Indigenous racism, anti-oppression, diversity, inclusion and equity; it being noted that if no applications are received that would support these initiatives, the funding may be allocated to those applications that meet the “London Community Grants Program Policy”;
- b) the Civic Administration BE DIRECTED to bring forward any necessary amendments to the “London Community Grants Policy” to implement a) above and to provide for applications that support the initiatives listed in a) above, to be eligible under the annual Innovation and Capital Funding Stream allocations; it being noted that such applications would be subject to the community panel review process as provided for in the Policy; and,
- c) the Civic Administration BE DIRECTED to remove any barriers that racialized and marginalized groups may face applying to the London Community Grants Program. (4.2/15/SPPC)

The purpose of this report is to:

1. Present recommended LCGP Policy changes related to identification of the City of London as an appropriate source of capital funding.
2. Present recommended LCGP Policy and administrative procedure changes that: provide for a minimum of 25% of total funding for requests that address anti-racism, anti-oppression, equity and inclusion; and begin to remove barriers racialized and marginalized groups may face when applying to the program.
3. Outline next steps for the LCGP.

The proposed by-law with the updated policy is provided in Appendix A, and the current policy is provided in Appendix B. Associated administrative procedure updates are provided in Appendix C.

2.2 City of London as an Appropriate Source of Funding

Process

To develop recommendations, Civic Administration: reviewed Innovation and Capital funding stream data from 2017 to 2020; conducted a scan of capital granting program criteria from other funding organizations; and interviewed four funders, three past Community Review Panel members, and 10 past capital grant recipients.

Civic Administration focused its research on capital funding as the Council resolution referenced the federal “Enabling Accessibility Fund” capital program specifically and because changes will apply to the next annual Innovation and Capital funding window.

Key Findings

Broadly, not-for-profit organizations that have applied for LCGP capital funding are leveraging other funding sources for capital requests. Key findings from the research include:

- Leveraging multiple grants for capital projects is common practice; however, partial investments can be challenging for organizations due to the need to align funding timelines
- Municipal investment in capital projects through the LCGP’s Innovation and Capital funding stream averaged 8% of total project costs for the period of 2017 to 2020
- Of the 24 not-for-profit organizations that have received capital funding through the LCGP, two have received it more than once (for different projects)
- Capital requests consistently exceed availability of capital funding
- Requests for accessibility-related capital grants have grown over time with increased accessibility requirements for buildings

Recommendations

Outlined below is a summary of recommended changes to the LCGP Policy based on the key findings. All policy changes recommended in this report, in addition to minor housekeeping items, are reflected in the proposed updated LCGP Policy provided in Appendix A.

2.0 Definitions

- 2.6 “Funders” – expand definition of “funder” to include other government sources, foundations, etc.

4.0 The Policy

- 4.2 Specific Program Requirements – add requirement that applicants must demonstrate they have applied to other relevant capital funding opportunities
- 4.3 Organization Eligibility – add clarity that organizations in receipt of City of London funding will not be eligible to receive additional City of London funding for the same project
- 4.4 Financial Eligibility – add requirement that organizations must identify the full cost of projects and all sources and amounts of confirmed and pending revenue

Administrative procedures for the LCGP will be updated to reflect these policy changes (see Appendix C).

2.3 Anti-Racism, Anti-Oppression, and Removing Barriers

Process

From August to October 2020, Civic Administration conducted research and targeted consultation to develop recommendations that remove barriers for racialized and marginalized groups when applying to the LCGP. The approach included:

- A cross-jurisdictional scan of equity and inclusion policies in other grant programs
- Utilization of the City of London’s Equity and Inclusion Lens
- One-on-one virtual conversations with 13 individuals from community organizations and grassroots groups that focus on anti-racism, anti-oppression, diversity, and inclusion

Civic Administration contacted other individuals as part of outreach efforts; however, the persistence of barriers to participation, coupled with the constraints of COVID-19, may have limited some individuals’ ability to participate during this consultation period.

Key Findings

Key findings are organized in three subsections that align with phases of the LCGP application process. Each subsection includes a short summary of the current state followed by key findings identified through research or consultation.

1. Awareness, Outreach and Relationships

Current state

- LCGP’s open application process is promoted in multiple ways, including Corporate communications, e-blasts, local media, community newsletters, and via community information sessions
- Civic Administration conducts targeted outreach to meet identified gaps

- Civic Administration cultivates ongoing relationships with individuals and organizations and is available for support throughout the funding cycle

What we heard

- Some groups do not see the LCGP as a viable opportunity; they may be unfamiliar with the program, unaware they are eligible, have been declined in the past, or may be uncomfortable seeking money from government
- Meet racialized and marginalized groups where they are at – go to the physical and virtual community spaces they use and are comfortable with
- Word of mouth and storytelling are important ways of sharing information within many racialized and marginalized communities
- Listening to a group’s history, ideas, and desires builds trust, understanding, compassion, and respect

2. Application Process

Current state

- Applicants must meet eligibility criteria – primarily, they must be located in London and be registered not-for-profit organizations (or have their application hosted by a not-for-profit organization)
- Applicants apply via the LCGP website during application windows
- During the application period, Civic Administration delivers information sessions and provides one-on-one supports upon request
- Supporting resources are available on the application portal

What we heard

- Some marginalized or racialized groups prefer to communicate their idea and their group’s history through other means, such as in-person and oral narrative
- Many groups have great ideas but do not always have the skill set or time to meet the expectations of the application process; others feel constrained by the application process (format, word count limits, etc.)
- A smooth application process relies on an understanding of the mainstream system’s expectations, processes, and terminology (e.g. development of outcome metrics), which may not be accessible to some marginalized and racialized groups
- The application process should be as simple and flexible as possible and include supportive feedback
- Many groups would like to receive additional capacity-building support to develop strong applications; in addition to building skills in areas such as grant agreement requirements, development of outcome metrics, and budgeting, this support helps strengthen relationships and build trust

3. Application Review and Funding

Current state

- Applications must be tied to advancing the City of London’s Strategic Plan
- A panel of up to 11 individuals makes decisions on allocations
- Panel composition includes: subject matter experts; funding, outcomes, and finance experts; members-at-large from the community; and 2-3 City staff
- The LCGP Policy states that “priority will be given to community members from diverse backgrounds, and staff will aim to have a cross representation of the community on the panel”
- Panel members are provided orientation on funding principles, the LCGP Policy, roles and responsibilities, decision-making processes, etc.
- Applications are reviewed according to standard criteria, and an appeals process is available for applicants

What we heard

- There needs to be funding for culturally specific programming
- Consider a smaller funding opportunity for grassroots groups who may not otherwise qualify
- Being marginalized creates systemic organizational challenges because an organization may not “fit” standards for grant programs; for example, they may not:

be incorporated non-profits; have audited financial statements; or have discretely articulated goals and outcomes to provide as part of the application process

- The application process, even if unsuccessful, can be a positive experience if applicants build relationships or learn new skills
- Panel representation should include minimum thresholds for diversity and include requirements for specific voices, such as Indigenous, Youth, and Socio-economic perspectives
- Panel members need to better understand how applications reflect culture and community; for example, some applications may be presented holistically rather than structured according to the expectations of the LCGP application process, which asks a series of targeted questions about organizational history, application goals, outcomes, metrics, budget, etc.
- Consider translating LCGP materials into other languages

Recommendations

Outlined below is a summary of recommended changes to the LCGP Policy based on the key findings. The recommendations are grouped by those that can be implemented immediately and those that will require further work to implement. All policy changes recommended in this report are reflected in the proposed updated LCGP Policy available in Appendix A.

Immediate Policy Changes (Effective for 2021 Funding Allocations)

- 3.0 Applicability: Funding Categories
 - 3.1 Multi-Year Grant – add language to accept proposals that align with Council-directed emerging priorities; for the purposes of this report, this includes proposals supporting anti-Black racism, anti-Indigenous racism, anti-oppression, diversity, inclusion, and equity
 - 3.2 Innovation and Capital – amend language on application categories within Innovation and Capital to align with language used in the LCGP application; add language to accept proposals that align with Council-directed emerging priorities
- 4.0 The Policy
 - 4.1 General Program Requirements: The Grant – add clause that a minimum of 25% of funding be directed toward projects that advance anti-Black racism, anti-Indigenous racism, anti-oppression, diversity, inclusion, and equity for both Multi-Year and Innovation and Capital funding streams
 - 4.5 Community Review Panel – add language on including expertise related to Council-directed emerging priorities
 - 4.5 Community Review Panel – increase number of subject matter experts by one and decrease number of City staff by one for panel composition
 - 4.6 Grant Appeal Process – add language on Council-directed emerging priorities

Administrative procedures for the LCGP will be updated to reflect these policy changes. Consultation feedback has prompted additional changes to administrative procedures, including:

- addition of question on experience with Anti-Racism and Anti-Oppression for Community Review Panel application process;
- initial Anti-Racism and Anti-Oppression training to current Community Review Panel members and City staff supports;
- expansion of equity and inclusion considerations in funding principles;
- increased targeted outreach to racialized and marginalized groups; and
- more detailed, supportive feedback for applicants who did not receive funding.

See Appendix C for more information.

Future Changes (Effective for 2022 and 2023 Funding Allocations)

To implement the following recommendations effectively, Civic Administration will need to undertake additional research, consultation, and analysis. These changes will be implemented as they are ready, and all changes will be fully implemented prior to the next Multi-Year funding cycle (2024 – 2027).

The table below outlines the proposed future changes, estimated timeline, and next steps.

Recommended Future Change	Estimated Completion	Next Steps
a. Work with community stakeholders to establish review panel composition targets	2021 (Q3)	Consult with community stakeholders; research approaches in other grant programs; decrease number of City staff and increase number of community experts on panel
b. Provide Anti-Racism, Anti-Oppression, Diversity, and Inclusion training for all current and future panel members and City staff supports	2021 (Q3)	Provide initial training to current panel members and City staff supports; develop new training curriculum and deliver to current panel members and City staff supports
c. Work with the City of London’s forthcoming Anti-Racism and Anti-Oppression unit to identify additional actions that reduce barriers to racialized and marginalized groups	2021 (Q4)	Engage Anti-Racism and Anti-Oppression unit once it has been formed
d. Conduct culturally responsive, plain language review of all LCGP materials, including potential translation opportunities	2021 (Q4)	Scope project and identify expert sources to lead review
e. Expand capacity-building opportunities for new and grassroots groups	2021 (Q4)	Consult with community stakeholders to identify needs; develop additional capacity-building resources
f. Identify further opportunities to increase flexibility and accepted formats for grant applications	2022 (Q4)	Consult with community stakeholders to develop new pilot application approach(es)
g. Investigate a ‘start-up’ funding stream for new and grassroots groups to support diverse perspectives and emerging needs	2022 (Q4)	Consult with community stakeholders to identify needs; research other start-up funding streams; conduct analysis on viability of new funding stream

Additional consultation is a common theme for future actions; community stakeholders provided valuable information and insight during the first consultation period, and Civic Administration is eager to continue engaging multiple perspectives in ongoing improvements to LCGP to remove barriers for racialized and marginalized groups.

3.0 Next Steps

Contingent on Council approval, Civic Administration will implement immediate changes to the LCGP Policy and associated administrative procedures; the updated policy and procedures will be in place for the next Innovation and Capital Funding application period, projected to begin February 2021.

Work on the recommendations identified in “future changes” will begin in 2021 and be implemented as they are ready. All future changes will be fully implemented by the next Multi-Year funding cycle (2024 – 2027).

4.0 Financial Impact/Considerations

Annual funding to support the LCGP exists in the Neighbourhood, Children and Fire Services operating budget, which was approved through the 2020-2023 Multi-Year Budget process. For 2021, \$2.3 million in funding will be allocated through the Multi-Year stream and \$496,000 will be allocated through the Innovation and Capital stream.

Conclusion

The London Community Grants program is an investment in community and in the power and potential of people. The recommendations in this report are responsive to Council's commitment to dismantling systems of racism and oppression in London and intended to begin building a more inclusive, barrier-free, effective London Community Grants Program.

The recommendations in this report are a start – an opportunity to act and begin the work of making the LCGP more inclusive and more impactful. Civic Administration recognizes that removing program barriers for racialized and marginalized groups requires sustained commitment over time.

Civic Administration wishes to thank the individuals and groups who participated in conversations on the LCGP for candidly and generously sharing the gifts of their time, perspectives, and knowledge. Their insights have been instrumental in the development of this report.

Prepared by: Elizabeth Gough, Specialist II, Municipal Policy
Janice Walter, Manager, Neighbourhood and Community Funding

Submitted by: Trevor Fowler, Manager, Neighbourhood Strategic Initiatives and Funding

Recommended by: Cheryl Smith, Managing Director, Neighbourhood, Children and Fire Services

Appendix A: Proposed Bylaw

Bill No.
2021

By-law No.

A by-law to repeal Council Policy related By-Law No. CPOL.-390-124 being “London Community Grants Policy” and replace it with a new Council policy entitled “London Community Grants Policy”.

WHEREAS section 5(3) of the *Municipal Act, 2001*, S.O. 2001, C.25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001*, S.O. 2001, C.25, as amended, provides a municipality with the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority;

AND WHEREAS the Council of The Corporation of the City of London wishes to repeal By-law No. CPOL.-390-124 being “London Community Grants Policy” and replace it with a new Council policy entitled “London Community Grants Policy”;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. By-law No. CPOL.-390-124 being “London Community Grants Policy” is hereby repealed.
2. The Policy entitled “London Community Grants Policy” attached as Schedule “A” is hereby adopted.
3. This by-law shall come into force and effect on the date it is passed.

PASSED in Open Council on February 2, 2021.

Ed Holder
Mayor

Catharine Saunders
City Clerk

First Reading – February 2, 2021
Second Reading – February 2, 2021
Third Reading – February 2, 2021

Schedule A



London
CANADA

London Community Grants Policy

Policy Name: London Community Grants Policy

Legislative History: Enacted June 13, 2017 (By-law No. CPOL.-38-234); Amended June 26, 2018 (By-law No. CPOL.-283-274); Amended April 23, 2019 (By-law No. CPOL.-390-124)

Last Review Date:

Service Area Lead: Manager, Neighbourhood, Strategic Initiatives and Funding
Neighbourhood, Children and Fire Services

1. Policy Statement

The objective of this Policy is to outline the criteria for the London Community Grants Program. Funding through this program will be aligned with the City of London's Strategic Plan and will grant funding to community organizations to advance the priorities of the Strategic Plan.

2. Definitions

- 2.1 **"Not-for-Profit"** refers to an organization incorporated without share capital under Part III of the *Corporations Act* or under the *Not-for-Profit Corporations Act*.
- 2.2 **"Grant Application"** refers to the application associated with each granting category.
- 2.3 **"Grant Agreement"** refers to the legal agreement that is signed after an application has been deemed successful under the City of London ("the City") Community Grants Program. The Grant Agreement defines the terms and conditions under which the City of London grant will be made and cannot be altered without prior approval.
- 2.4 **"Strategic Plan"** refers to the current City of London Strategic Plan.
- 2.5 **"Host Organization"** refers to an incorporated not-for-profit organization that may act as a sponsor to an unincorporated organization in order for the unincorporated organization to be eligible for this grant. The Host Organization will be issued funding associated with the funding activity and will assume financial and legal responsibility for the funded activity and adhere to associated reporting requirements to be outlined in the Grant Agreement.
- 2.6 **"Funder"** refers to an organization that provides money for a particular purpose. This includes foundations, other government sources (Federal and Provincial), etc.
- 2.7 **"Procedural Error"** in reference to the Appeals Process, refers to a mistake that may have been made as a result of not following the process for the allocation of grants as outlined in this Policy.

3. Applicability: Funding Categories

Applications for London Community Grants will be considered under the following categories:

3.1 Multi-Year Grants

Multi-Year Grants are up to four (4) year agreements with the City of London for community organizations pursuing initiatives in alignment with the City of London's Strategic Plan or through Council-directed emerging priorities.

3.2 Innovation and Capital Grants

- a) Innovation grants are provided to new, emerging organizations and/or initiatives that engage in one or more of the following:
 - **New idea** – proven or promising early stage innovations that need additional support to create the capacity and conditions to be effectively sustained;
 - **Collaboration** – new, emerging organizations, initiatives or collaborations that engage in dynamic community partnerships and innovative improvements to service delivery and system collaboration;
 - **Transformation of service delivery** – creative new approaches to social innovation that engage multiple stakeholders in creative collaboration to improve system delivery and/or coordination OR provide an opportunity for a sector to do things differently.
- b) Capital grants are provided for projects involving construction or purchase of physical assets, including, but not limited to, land, building and associated renovation costs. Applications to the Capital category will be considered for the following purposes:
 - Purchase of Land and Buildings: Grants are made in this category only when the purchase is required for the immediate capital project.
 - Construction Costs: Grants in this category will be for costs associated with new facilities or renovation costs associated with the provision of additional program/service space.

4. The Policy

4.1 General Program Requirements: The Grant

- a) The proposed initiative must meet the definition of the relevant funding category as outlined in Section 3 of this policy.
- b) Community need for the proposed project must clearly be demonstrated and indicate how the applicant organization is best suited to meet this need.
- c) The proposed initiative must be available to a broad cross-section of the London community.
- d) All projects must conform to all relevant legal standards and requirements and should be physically accessible to all persons.
- e) A minimum of 25% of the total funding for the Multi-Year and Innovation and Capital Funding Streams will be allocated to applications whose proposals would support anti-Black racism, anti-Indigenous racism, anti-oppression, diversity, inclusion and equity, it being noted that if no applications are received that would support these initiatives, the funding may be allocated to those applications that meet the London Community Grants Program Policy.

4.2 Specific Program Requirements

- a) Innovation
 - i) Considering the one-year term of funding for Innovation Grants, applications under this category will be strongly assessed for ongoing program sustainability. The Applicant must demonstrate a clear plan for how the proposed program will be funded after the term of the grant.
- b) Capital
 - i) The applicant must present information that demonstrates their long-term intent to remain in the building. If funding has been received to

make capital improvements to the property, the organization may be required to repay a portion of the grant back to the City in the event the property is vacated. The exact terms will be laid out in the Grant Agreement signed upon notification of the awarded grant.

- ii) All Capital projects must be either tendered or open to competitive bidding by two or more parties.
- iii) Rehabilitation and replacement of existing facilities will be preferred as opposed to projects involving the construction of new facilities.
- iv) Capital funding will not be granted for appliances or equipment. Funding will only be provided for construction costs for work that will be affixed to the building.
- v) Preference will be given to organizations that demonstrate a willingness to cooperate with the community and other organizations to share the space.
- vi) Unincorporated organizations will not be eligible to apply for Capital funding.
- vii) Applicant must demonstrate they have applied to relevant Federal and Provincial government funding streams that align with the capital project deliverables.

4.3 Eligibility

a) General Eligibility

- i) A City of London grant should not be considered as the sole source of funding for the organization. City of London grants are intended to be supplementary to other sources of funding. Organizations will be expected to leverage opportunities for funding from other funders and to provide information about other sources of funding, both received and applied to, to the City of London.
- ii) A grant made to an organization in any year is not to be regarded as a commitment by the City to continue the grant in future years.
- iii) In making grants, the City may impose conditions as it deems fit. Specific terms and conditions will be outlined in the Grant Agreement upon award of funding.
- iv) The amount of funding allocated to the municipal granting program will be confirmed each year as part of the annual budget process.

b) Organization Eligibility

- i) Organizations must be located in London (this means the organization must have an office located in London, but not necessarily the head office, and that grant supported projects must take place in London) and may be asked to provide proof of address for verification.
- ii) Only registered not-for-profit organizations, with some exclusions (noted in 4.3(c) below) will be considered for a grant through the London Community Grants Program.
- iii) Organizations in receipt of City of London funding (including, but not limited to Purchase of Service Agreements) will not be eligible to receive additional City of London funding for the same project.
- iv) Agencies, Boards, and Commissions of the City of London are not eligible for grants through this program.
- v) Organizations seeking development and capital funding to support the creation of new community based supportive housing initiatives are not eligible. Organizations seeking development and capital

costs to support new housing initiatives should contact the Housing Development Corporation, London (HDC) for more information.

- vi) Applicant organizations must have an active Board of Directors that is independent from senior staff of the organization.
- c) Eligibility Exclusions for Unincorporated Organizations
- i) An unincorporated organization may submit an application under the Innovation category of the Innovation and Capital stream, but must officially become incorporated before any funding can be allocated to the organization.
 - ii) An unincorporated organization may apply to the London Community Grants Program (Multi-Year or Innovation Category) in partnership with a Host Organization. Under these criteria, City funding will be allocated to the Host Organization in support of the funded activity, with the host organization held to accountable for the terms and conditions outlined in the Grant Agreement.
 - iii) There are no eligibility exclusions for an organization's not-for-profit status under the Capital category of this program.

4.4 Financial Eligibility

- a) The organization must demonstrate strong financial responsibility and capability in carrying out its service to this community.
- b) The City of London, through its grants process will not contribute to outstanding deficits.
- c) The financial state of the organization will be reviewed through the grant application process. The City of London will not fund organizations that have a structural deficit.
- d) The organization must indicate a clear financial plan and demonstrate efficient use of City funds in the project.
- e) The organization must show that it has thoroughly explored all other available sources of funding. The organization must identify the full cost of the project along with all sources and amounts of confirmed and pending revenue.
- f) The organization must demonstrate fund-raising capabilities and illustrate a future plan for the project.
- g) In conjunction with a comprehensive review of the proposed initiative, funding will be directed to organizations in greater need of financial support.
- g) The organization must indicate other City contributions that are made to the organization (purchase of service, tax exemptions, etc.).

4.5 Community Review Panel

- a) Grant applications will be assessed by the community review panel in accordance with the program's respective guidelines.
 - i) A community review panel of up to 11 individuals will be convened to make decisions regarding the allocation of London Community Grants. The community review panel will be comprised of the following members:
 - Community member (2-3)
 - Expert in subject matter (specific to priorities of the Strategic Plan or Council-directed emerging priorities) (3-4)
 - Funder (1)
 - Outcomes measurement expert (1)
 - Financial expert (1)

- City Staff (1-2).
- b) Selection
 - i) Civic Administration will seek qualified London residents to be part of the community review panel based on the composition of the Panel defined above.
 - ii) Priority will be given to community members from diverse backgrounds, and staff will aim to have a cross representation of the community on the panel.
 - c) Decision Making
 - i) Decisions about all funding allocations will be determined by the Community Review Panel in accordance with the relevant program guidelines with the exception of capital funding requests in excess of the approved budget for the Innovation and Capital Stream. Capital funding requests in excess of the available budget will be reviewed by the Community Review Panel and, if recommended, be referred to the budget process noting that a detailed business case must be submitted as part of the budget request.
 - ii) All applications, regardless of the granting category, will be assessed for both alignment with, and ability to advance the City's Strategic Plan and/or Council-directed emerging priorities.

4.6 Grant Appeal Process

- a) All decisions related to grant applications for the London Community Grants Program are open to appeal by the grant applicant.
- b) Applicants to the London Community Grants Program may appeal a decision based on two criteria:
 - i) New Information: From the time the grant application was initially submitted, new information that could impact the grant decision became available that, for good reason, was not available at the time of the initial application; or,
 - ii) A Procedural Error was made when assessing the grant application.
- c) The Manager of Neighbourhood Strategic Initiatives and Funding or designate will review all appeals in accordance with the Appeals Guideline to determine which appeals meet the criteria for further review.
- d) Legitimate appeals will be referred to the Managing Director, Neighbourhood, Children and Fire Services for consideration.
- e) The Managing Director, Neighbourhood, Children and Fire Services may refer the funding appeal to any member of the Senior Management Team, depending on the relevant area of the City's Strategic Plan or Council-directed emerging priorities under which the proposed initiative has been aligned.
- f) Decisions of all appeals will be final.

Appendix B: Current London Community Grants Policy



London
CANADA

Policy Name: London Community Grants Policy

Legislative History: Enacted June 13, 2017 (By-law No. CPOL.-38-234); Amended June 26, 2018 (By-law No. CPOL.-283-274); Amended April 23, 2019 (By-law No. CPOL.-390-124)

Last Review Date: April 1, 2019

Service Area Lead: Manager, Neighbourhood, Strategic Initiatives and Funding Neighbourhood, Children and Fire Services

1. Policy Statement

The objective of this Policy is to outline the criteria for the London Community Grants Program. Funding through this program will be aligned with the City of London's Strategic Plan, and will grant funding to community organizations to advance the priorities of the Strategic Plan.

2. Definitions

- 2.1 **"Not-for-Profit"** refers to an organization incorporated without share capital under Part III of the *Corporations Act* or under the *Not-for-Profit Corporations Act*.
- 2.2 **"Grant Application"** refers to the application associated with each granting category.
- 2.3 **"Grant Agreement"** refers to the legal agreement that is signed after an application has been deemed successful under the City of London ("the City") Community Grants Program. The Grant Agreement defines the terms and conditions under which the City of London grant will be made and cannot be altered without prior approval.
- 2.4 **"Strategic Plan"** refers to the current City of London Strategic Plan.
- 2.5 **"Host Organization"** refers to an incorporated not-for-profit organization that may act as a sponsor to an unincorporated organization in order for the unincorporated organization to be eligible for this grant. The Host Organization will be issued funding associated with the funding activity and will assume financial and legal responsibility for the funded activity and adhere to associated reporting requirements to be outlined in the Grant Agreement.
- 2.6 **"Funder"** an organization that provides money for a particular purpose.
- 2.7 **"Procedural Error"** in reference to the Appeals Process, refers to a mistake that may have been made a result of not following the process for the allocation of grants as outlined in this Policy.

3. Applicability: Funding Categories

Applications for London Community Grants will be considered under the following categories:

3.1 Multi-Year Grants

Multi-Year Grants are up to four (4) year agreements with the City of London for community organizations pursuing initiatives in alignment with the City of London's Strategic Plan.

3.2 Innovation and Capital

- a) Innovation grants are provided to new, emerging organizations and/or initiatives that engage in dynamic community partnerships, innovative improvements to service delivery and system collaboration, and/or generate new ideas. Applications to the Innovation category must be able to demonstrate:
- Proven or promising early stage innovations that need additional support to create the capacity and conditions to be effectively sustained; and/or,
 - Creative new approaches to social innovation that engage multiple stakeholders in creative collaboration to improve system delivery, coordination, and/or generate new ideas.
- b) Capital grants are provided for projects involving construction or purchase of physical assets, including, but not limited to, land, building and associated renovation costs. Applications to the Capital category will be considered for the following purposes:
- Purchase of Land and Buildings: Grants are made in this category only when the purchase is required for the immediate capital project.
 - Construction Costs: Grants in this category will be for costs associated with new facilities or renovation costs associated with the provision of additional program/service space.

4. **The Policy**

4.1 General Program Requirements: The Grant

- a) The proposed initiative must meet the definition of the relevant funding category as outlined in Section 3 of this policy.
- b) Community need for the proposed project must clearly be demonstrated and indicate how the applicant organization is best suited to meet this need.
- c) A grant application may not be awarded funding if it is determined the proposed project is superfluous to the requirements of the community.
- d) The proposed initiative must be available to a broad cross-section of the London community.
- e) All projects must conform to all relevant legal standards and requirements and should be physically accessible to all persons.

4.2 Specific Program Requirements

- a) Innovation
- i. Considering the one-year term of funding for Innovation Grants, applications under this category will be strongly assessed for ongoing program sustainability. The Applicant must demonstrate a clear plan for how the proposed program will be funded after the term of the grant.
- b) Capital
- i. The applicant must present information that demonstrates their long-term intent to remain in the building. If funding has been received to make capital improvements to the property, the organization may be required to repay a portion of the grant back to the City in the event the property is vacated. The exact terms will be laid out in the Grant Agreement signed upon notification of the awarded grant.

- ii. All Capital projects must be either tendered or open to competitive bidding by two or more parties.
- iii. Rehabilitation and replacement of existing facilities will be preferred as opposed to projects involving the construction of new facilities.
- iv. Capital funding will not be granted for appliances or equipment. Funding will only be provided for construction costs for work that will be affixed to the building.
- v. Preference will be given to organizations that demonstrate a willingness to cooperate with the community and other organizations to share the space.
- vi. Unincorporated organizations will not be eligible to apply for Capital funding.

4.3 Eligibility

a) General Eligibility

- i. A City of London grant should not be considered as the sole source of funding for the organization. City of London grants are intended to be supplementary to other sources of funding. Organizations will be expected to leverage opportunities for funding from other funders and to provide information about other sources of funding, both received and applied to, to the City of London.
- ii. A grant made to an organization in any year is not to be regarded as a commitment by the City to continue the grant in future years.
- iii. In making grants, the City may impose conditions as it deems fit. Specific terms and conditions will be outlined in the Grant Agreement upon award of funding.
- iv. The amount of funding allocated to the municipal granting program will be confirmed each year as part of the annual budget process.

b) Organization Eligibility

- i. Organizations must be located in London (this means the organization must have an office located in London, but not necessarily the head office, and that grant supported projects must take place in London) and may be asked to provide proof of address for verification.
- ii. Only registered not-for-profit organizations, with some exclusions (noted in 6.2.7) will be considered for a grant through the London Community Grants Program.
- iii. Organizations in receipt of City of London funding (including, but not limited to Purchase of Service Agreements) will not be eligible to receive additional funding for the same project.
- iv. Agencies, Boards, and Commissions of the City of London are not eligible for grants through this program.
- v. Organizations seeking development and capital funding to support the creation of new community based supportive housing initiatives are not eligible. Organizations seeking development and capital costs to support new housing initiatives should contact the Housing Development Corporation, London (HDC) for more information.
- vi. Applicant organizations must have an active Board of Directors that is independent from senior staff of the organization.

c) Eligibility Exclusions for Unincorporated Organizations

- i. An unincorporated organization may submit an application under the Innovation category of the Innovation and Capital stream, but must officially become incorporated before any funding can be allocated to the organization.
- ii. An unincorporated organization may apply to the London Community Grants Program (Multi-Year or Innovation Category) in partnership with a Host Organization. Under this criteria, City funding will be allocated to the Host Organization in support of the funded activity, with the host organization held to accountable for the terms and conditions outlined in the Grant Agreement.
- iii. There are no eligibility exclusions for an organization's not-for-profit status under the Capital category of this program.

4.4 Financial Eligibility

- a) The organization must demonstrate strong financial responsibility and capability in carrying out its service to this community.
- b) The City of London, through its grants process will not contribute to outstanding deficits.
- c) The financial state of the organization will be reviewed through the grant application process. The City of London will not fund organizations that have a structural deficit.
- d) The organization must indicate a clear financial plan and demonstrate efficient use of City funds in the project.
- e) The organization must show that it has thoroughly explored all other available sources of funding.
- f) The organization must demonstrate fund-raising capabilities and illustrate a future plan for the project.
- g) In conjunction with a comprehensive review of the proposed initiative, funding will be directed to organizations in greater need of financial support.
- h) The organization must indicate other City contributions that are made to the organization (purchase of service, tax exemptions, etc.).

4.5 Community Review Panel

- a) Grant applications will be assessed by the community review panel in accordance with the program's respective guidelines.
 - i. A community review panel of up to 11 individuals will be convened to make decisions regarding the allocation of London Community Grants. The community review panel will be comprised of the following members:
 - Community member (2-3)
 - Expert in subject matter (specific to priorities of the Strategic Plan) (2-3)
 - Funder (1)
 - Outcomes measurement expert (1)
 - Financial expert (1)
 - City Staff (2-3)
- b) Selection
 - i. Civic Administration will seek qualified London residents to be part of the community review panel based on the composition of the Panel defined above.

- ii. Priority will be given to community members from diverse backgrounds, and staff will aim to have a cross representation of the community on the panel.
- c) Decision Making
 - i. Decisions about all funding allocations will be determined by the Community Review Panel in accordance with the relevant program guidelines with the exception of capital funding requests in excess of the approved budget for the Innovation and Capital Stream. Capital funding requests in excess of the available budget will be reviewed by the Community Review Panel and, if recommended, be referred to the budget process noting that a detailed business case must be submitted as part of the budget request.
 - ii. All applications, regardless of the granting category, will be assessed for both alignment with, and ability to advance the City's Strategic Plan.

4.6 Grant Appeal Process

- a) All decisions related to grant applications for the London Community Grants Program are open to appeal by the grant applicant.
- b) Applicants to the London Community Grants Program may appeal a decision based on two criteria:
 - i. New Information: From the time the grant application was initially submitted, new information that could impact the grant decision became available that, for good reason, was not available at the time of the initial application; or,
 - ii. A Procedural Error was made when assessing the grant application.
- c) The Manager of Neighbourhood Strategic Initiatives and Funding or designate will review all appeals in accordance with the Appeals Guideline to determine which appeals meet the criteria for further review.
- d) Legitimate appeals will be referred to the Managing Director, Neighbourhood, Children and Fire Services for consideration.
- e) The Managing Director, Neighbourhood, Children and Fire Services may refer the funding appeal to any member of the Senior Management Team, depending on the relevant area of the City's Strategic Plan under which the proposed initiative has been aligned.
- f) Decisions of all appeals will be final.

Appendix C: Proposed Administrative Changes

2.0 Application Process

- a) 2.2 Principles of Funding – add further language on encouragement of applicants that address anti-Black racism, anti-Indigenous racism, anti-oppression, diversity, inclusion and equity
- b) 2.4 Call for Applications – include targeted outreach to marginalized and racialized groups using different formats and locations that are responsive to a variety of needs
- c) 2.4 Call for Applications – offer information sessions in multiple formats and at places in the community where people are comfortable
- d) 2.6 Notification - add language on providing more detailed feedback to applicants and connections to supportive resources
- e) 2.7 The Application – revise financial statement language to include a preference, rather than a requirement, for audited financial statements
- f) 2.7 The Application – include language on working with grassroots groups as an example of a partnership that will receive priority for Innovation applications

To support the above changes, staff will: revise the online application to ask for information on anti-Racism and anti-Oppression proposals; and provide individual contact information, rather than a general intake email and phone number, for applicants seeking support with the process.

Report to Strategic Priorities and Policy Committee

To: Chair and Members
Strategic Priorities and Policy Committee
From: Lynne Livingstone
Subject: Truth and Reconciliation Commission Recommendations
Update on City of London Efforts
Date: January 26, 2021

Recommendation

That, on the recommendation of the City Manager, the report dated January 26, 2021 entitled "Truth and Reconciliation Commissions – Update on City of London Efforts", **BE RECEIVED** for information.

Executive Summary

As part of Council's Strategic Plan, building relationships with Indigenous peoples that are respectful, transparent, responsive, and accountable has been identified. Within that, there is a commitment to developing regular mechanisms to report on City-led actions that support reconciliation. Council last received information about progress towards the Truth and Reconciliation Commission Calls to Action in 2017. With a commitment to more regular reporting in the current Strategic Plan, this report is coming forward to update Council on actions taken since the last report.

This report provides an overview of actions taken by Civic Administration in response to the Truth and Reconciliation Commission Calls to Action that were directed to municipalities, as well as an overview of opportunities to further reconciliation efforts in response to additional Calls to Action.

Linkage to the Corporate Strategic Plan

Council's *2019 - 2023 Strategic Plan* lays out the City's mission to be "a responsive and modern public service partner that fosters change to build a better London for all." Within the Strategic Plan, as part of the focus on Leading in Public Service, staff have identified the desired outcome of the 'City of London is trusted, open, and accountable in service of our community'. Building relationships with Indigenous peoples that are respectful, transparent, responsive and accountable is an expected result of that outcome.

The City's work with local communities and organizations contributes directly to achieving this mission. Strengthening relationships with First Nations communities advances this mission and contributes to all Strategic Areas of Focus.

Analysis

1.0 Background Information

1.1 Previous Reports Related to this Matter

December 7, 2015 – SPPC – Municipal Implications of the Truth and Reconciliation Commission

April 18, 2016 – SPPC – Follow-up on Municipal Implications of the Truth and Reconciliation Commission Report

May 15, 2017 – SPPC – Update on Municipal Implications of the Truth and Reconciliation Commission Report

2.0 Discussion and Considerations

2.1 Background

The final report of the Truth and Reconciliation Commission was released in December 2015 in a ceremony involving Commission Chair Justice Murray Sinclair and Prime Minister Justin Trudeau. The Prime Minister called for a “renewal of the relationship between Canada and Indigenous peoples” and full implementation of the Calls to Action of the Truth and Reconciliation Commission “in partnership with Indigenous communities, the provinces, territories, and other vital partners, starting with the implementation of the United Nations Declaration on the Rights of Indigenous Peoples”.

In response to the Truth and Reconciliation Commission’s report, City staff were directed to review all Calls to Action with implications for municipalities to determine how the City of London could proceed with implementing the recommendations.

At the December 8, 2015 meeting of Council, City staff were directed to advance three specific Calls to Action from the Truth and Reconciliation Commission report:

- c) *the Civic Administration BE DIRECTED to report back to Strategic Priorities and Policy Committee with a plan to act on two recommendations of the Truth and Reconciliation Commission Report being Recommendation 57, related to intercultural competency training for municipal employees; and Recommendation 77, related to municipal and community archives working with the National Centre for Truth and Reconciliation to identify and collect copies of all records relevant to the history and legacy of the residential school system; it being noted that this report should include a work plan and overview of the budgetary implications of completing the work plan;*
- d) *the Civic Administration BE DIRECTED to consult and collaborate with the London Public Library with respect to Recommendation 77 noted in part c) above;*
- e) *the Civic Administration BE DIRECTED to report back to the Strategic Priorities and Policy Committee on developing a prominent memorial in London, acknowledging the history of Canada’s residential school system and its former students.”*

An update was provided to Council through a report to the Strategic Planning and Priorities Committee on May 15, 2017, outlining progress to date on the TRC Calls to Action. In summary, the identification and submission of relevant archival records was completed; the training for staff on intercultural competency and history of residential schools was part of the diversity-themed staff update and subsequent training in October of 2017; and the London Arts Council is making progress towards the installation of a monument to the victims of the residential school system.

In response to the update report, at the May 16, 2017 meeting of Council, the following resolution was passed:

“That the following actions be taken with respect to the Truth and Reconciliation Commission Report:

- b) *the Civic Administration BE REQUESTED to explore items 40, 43, 47, 55, 75, 87 and 88 to see if further calls to action could be undertaken;*

3.0 Update on Actions

3.1 Relationship Building

Since the last report to Council, through 2018 and 2019, Civic Administration met with administrative representatives from Chippewas of the Thames First Nation, Oneida Nation of the Thames, and Munsee-Delaware Nation to strengthen relationships and

establish an understanding of how local First Nations see City to Nation relations moving forward. One such meeting included former Chief Jessica Hill from Oneida Nation of the Thames. These discussions raised important considerations as the City looks to advance working relationships with local First Nations.

Engagement made clear the fundamental importance of recognizing the Chippewas of the Thames First Nation, Oneida Nation of the Thames, and Munsee-Delaware Nation as distinct nations with independent Councils and unique structure, traditions, and outlooks. Any actions with respect to building relations with local First Nations should be approached in a way that respects the autonomy of each Nation.

During initial conversations with the three local First Nations informal, relationship building engagements were identified as an appropriate first step, with more formal mechanisms to follow once relationships are strengthened. All three First Nations expressed the need to afford sufficient time for the development of greater trust and understanding between governments. As a result, Civic Administration began the process of exploring a number of opportunities to being this process, including:

- i) Hosting a dinner between First Nations Councils and London's City Council to begin forming personal relationships;
- ii) Holding formal meetings with each Nation individually, to establish relationships between Councils and build trust on a direct City-to-Nation level;
- iii) Move towards a joint meeting between all three Nations and City Council, which could include all members or a few appointed representatives; and,
- iv) Once relationships are further developed, look to move towards more formal frameworks to outline how the City works with each Nation.

Initial plans were being developed in late 2019 and early into 2020. However, with COVID-19, these plans were put on hold. With Council's support, Civic Administration would revisit plans for an event to bring the City of London, Chippewas of the Thames First Nation, Oneida Nation of the Thames, and Munsee-Delaware First Nation Councils together for relationship-building events focused that would include a shared educational element. The timeline for an initial event will be dependent on COVID-19 restrictions, with a recommendation that any plans for this type of gathering be paused until it is safe to bring people together and COVID-19 health restrictions on gathering numbers are no longer in place.

3.2 Municipal Calls to Action

The following are the TRC Calls to Action that were directed specifically to municipalities, followed by information about actions taken by the City of London in response.

Call to Action #57

Call to Action #57 reads: "We call upon federal, provincial, territorial, and municipal governments to provide education to public servants on the history of Aboriginal peoples, including the history and legacy of residential schools, the United Nations Declaration on the Rights of Indigenous Peoples, Treaties and Aboriginal rights, Indigenous law, and Aboriginal–Crown relations. This will require skills-based training in intercultural competency, conflict resolution, human rights, and anti-racism."

Beginning in 2016, Human Resource began working with neighbouring First Nations communities to develop an intercultural competency training package for City of London staff. This training was completed and presented to approximately 2000 employees in 2017 and is included in the City of London's training program for all employees.

Call to Action #77

Call to Action #77 reads: “We call upon provincial, territorial, municipal, and community archives to work collaboratively with the National Centre for Truth and Reconciliation to identify and collect copies of all records relevant to the history and legacy of the residential school system, and to provide these to the National Centre for Truth and Reconciliation.”

Working with local First Nations communities and organizations, the London Public Library led the collection of records from local institutions relating to the residential school system. All relevant records have been forwarded to the National Centre for Truth and Reconciliation.

Call to Action #82

Call to Action #82 reads: “We call upon provincial and territorial governments, in collaboration with Survivors and their organizations, and other parties to the Settlement Agreement, to commission and install a publicly accessible, highly visible, Residential Schools Monument in each capital city to honour Survivors and all the children who were lost to their families and communities.”

The Residential School Survivors (RSS) Legacy Project Team has been working with the Residential Survivors Group of London that meets at the N’Amerind Friendship Centre. Throughout 2019/2020 the Project Team has been building trust, listening, participating in Indigenous ceremonies and conducting research about what other communities have been doing related to Indigenous public art and storytelling. The London Arts Council continues to work with Indigenous Artists to research and create Indigenous artworks and to consult about how to engage both Indigenous and non-Indigenous artists with this project.

This work is being supported by Tracey Whiteye, who is helping the RSS Legacy Project Team to understand traditional Indigenous methodology and holistic research methods for this consultation at the community level. The Project Team has begun to answer the following questions posed of the London Residential School Survivors:

- What do the Residential School Survivors want?
- How do they want their legacy honoured?
- How can their truth be heard?
- How can we educate the London community?

Members of the RSS Legacy Project Team are beginning to use videographers to capture the stories of the Residential School Survivors so that their truth will be heard. This included filming a panel of multi-generational Residential School Survivors at the N’Amerind Friendship Centre as part of Virtual Orange Shirt Day on September 30, 2020.

The RSS Legacy Project Team will focus on continuing to build positive relationships with the First Nations of the Chippewa of the Thames, Munsee-Delaware, Oneida of the Thames, and the Municipal Council of the City of London to keep everyone informed about this Project.

In October 2020, the London Arts Council hired a Curator, Indigenous Programming to join the RSS Legacy Project Team. This individual will be responsible for assisting the London Arts Council with writing and disseminating a call to Indigenous and non-Indigenous artists from London and surrounding area to form an artist collective through a fair juried selection process to co-create the artwork(s). Once the artist collective is in place, they will work with the RSS Legacy Project Team and the Residential School Survivors to determine how they would like their legacy to be honoured, which may or may not be through a prominent memorial.

3.3 Additional Calls to Action

Per Council’s direction, Civic Administration has undertaken a review of Calls to Action 40, 43, 47, 55, 75, 87 and 88 from the Truth and Reconciliation Commission’s Report.

An analysis of each item follows, with consideration for potential actions the City could take.

Call to Action #40

Call to Action #40 reads: “We call on all levels of government, in collaboration with Aboriginal people, to create adequately funded and accessible Aboriginal-specific victim programs and services with appropriate evaluation mechanisms.”

Victim services are predominantly funded by the provincial government, through the Ministry of the Attorney General and the Ministry of Community and Social Services, as well as the federal government in some cases. Although the municipality has a very limited role in the direct funding of community agencies providing social services, there are well established working relationships between the City and many of the agencies providing support services, including victim services, within the City.

While providing funding may not be within the City’s capacity, there may be an opportunity to provide support to community partners in advocating to the federal and provincial governments for increased funding for victim services. The level of support required and the potential benefits of this type of collaboration would need to be discussed with the community agencies themselves, but staff could be directed to begin these discussions and bring forward a plan to bring attention to the need for broadly available and culturally appropriate support services.

Call to Action #43

Call to Action #43 reads: “We call upon federal, provincial, territorial, and municipal governments to fully adopt and implement the United Nations Declaration on the Rights of Indigenous Peoples as the framework for reconciliation.”

The United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) was issued on September 13, 2007 for the purpose of acknowledging a list of rights and principles as between the “State” (all levels of government) and Indigenous peoples. The Federal Government adopted UNDRIP in May 2016, while the Province of Ontario has not committed to implementing UNDRIP, but instead relies on the Federal government’s implementation.

The actions that the City of London is taking, pursuant to the Calls to Action, are consistent with the principles reflected in the UNDRIP, rooted in a commitment to establish and maintain constructive, co-operative relationships based on mutual respect that lead to improved opportunities for all Indigenous peoples. The City will look forward to direction from the Province with respect to its role in considering additional action to address UNDRIP and requests that the Province identify specific provisions of UNDRIP that could be achieved by adopting UNDRIP at a Provincial level.

Call to Action #47

Call to Action #47 reads: “We call upon federal, provincial, territorial, and municipal governments to repudiate concepts used to justify European sovereignty over Indigenous peoples and lands, such as the Doctrine of Discovery and terra nullius, and to reform those laws, government policies, and litigation strategies that continue to rely on such concepts.”

The Doctrine of Discovery underlies the legal basis on which British Crown officials claimed sovereignty over Indigenous peoples and justified the extinguishment of their inherent rights to their territories, lands, and resources. A municipality has no jurisdiction over property and civil rights, and the very specific powers that it may exercise in those spheres involve the regulation of uses on the land, licenses, approvals, etc. A municipality does not have sovereignty over Indigenous people and lands, nor does it have sovereignty over any person or land. It is limited in its actions to those powers conferred on it by statute.

Further, a municipality has no ability to reform legislation. With respect to litigation strategy, any litigation with respect to land claims or other rights would occur in the

context of legislation and case law. It is not a litigation strategy to pursue a course of action that is not consistent with the established body of case law, notwithstanding changes to legislation that may affect the applicability of said case law.

As such, the City has no ability to reform legislation that historically formed the basis of settlements and property ownership. The City does not claim sovereignty over Indigenous peoples and lands, or any people and lands. The City continues to work to explore opportunities to acknowledge treaties and lands in a meaningful way.

Call to Action #55

Call to Action #55 reads: “We call upon all levels of government to provide annual reports or any current data requested by the National Council for Reconciliation so that it can report on the progress towards reconciliation. The reports or data would include, but not be limited to:

- i. The number of Aboriginal children—including Métis and Inuit children—in care compared with non-Aboriginal children, the reasons for apprehension, and the total spending on preventive and care services by child-welfare agencies.
- ii. Comparative funding for the education of First Nations children on and off reserves.
- iii. The educational and income attainments of Aboriginal peoples in Canada compared with non-Aboriginal people.
- iv. Progress on closing the gaps between Aboriginal and non-Aboriginal communities in a number of health indicators, such as infant mortality, maternal health, suicide, mental health, addictions, life expectancy, birth rates, infant and child health issues, chronic diseases, illness and injury incidence, and the availability of appropriate health services.
- v. Progress on eliminating the overrepresentation of Aboriginal children in youth custody over the next decade.
- vi. Progress on reducing the rate of criminal victimization of Aboriginal people, including data related to homicide and family violence victimization and other crimes.
- vii. Progress on reducing the overrepresentation of Aboriginal people in the justice and correctional systems.”

Critical to this Call to Action is the availability of accurate data. In the absence of this, the true scale and scope of the challenges faced by neighbouring First Nations and urban Indigenous residents in London is unclear. Action towards fulfilling Call to Action #55 could help to address this knowledge gap, by gathering information related to First Nations residents across any number of social indicators of health, including educational resources and attainment, health and wellness, economic wellbeing, social inclusion, and any number of other factors. As community capability to collect and aggregate accurate data increases, the City will work to ensure that data is used to inform future initiatives.

Call to Action #75

Call to Action #75 reads: “We call upon the federal government to work with provincial, territorial, and municipal governments, churches, Aboriginal communities, former residential school students, and current landowners to develop and implement strategies and procedures for the ongoing identification, documentation, maintenance, commemoration, and protection of residential school cemeteries or other sites at which residential school children were buried. This is to include the provision of appropriate memorial ceremonies and commemorative markers to honour the deceased children.”

Call to Action #75 calls on the federal government to take the lead on appropriately documenting, maintaining, and commemorating residential school cemeteries, and includes municipalities as potential partners in this work.

In the course of completing Call to Action #75, relating to identifying and collecting any historical archives related to residential schools, as well as in conversations with local First Nations, there has been no evidence to suggest that there has ever been a residential school cemetery or related burial site within the City of London.

In the event that a First Nations burial site is identified, the site will be addressed in consultation with the relevant First Nations communities. City staff stand ready to assist in the documentation, commemoration, and protection of First Nations burial sites which may be identified within London.

Call to Action #87

Call to Action #87 reads: “We call upon all levels of government, in collaboration with Aboriginal peoples, sports halls of fame, and other relevant organizations, to provide public education that tells the national story of Aboriginal athletes in history.”

Tourism London has bid on the Indigenous athletic games for London in recent years and will continue to work with local Indigenous groups to bid for these games and other Indigenous athletic events in the future. As well, staff will work with the Sports Council to explore opportunities to further education about Indigenous athletes, and to support public education that highlights Indigenous athletes in Canadian history.

Call to Action #88

Call to Action #88 reads: “We call upon all levels of government to take action to ensure long-term Aboriginal athlete development and growth, and continued support for the North American Indigenous Games, including funding to host the games and for provincial and territorial team preparation and travel.”

The first North American Indigenous Games were held in Edmonton, Alberta in 1990, although the games’ roots date back to at least 1971 when the “Native Summer Games” brought together 3,000 participants competing in a variety of sports and cultural events. The 2017 North American Indigenous Games were held in Toronto from July 16 - 23, bringing together over 5,000 athletes and 2,000 volunteers. The 2020 Games were scheduled for Kijipuktuk (Halifax) but did not happen because of COVID-19.

While providing funding to the North American Indigenous Games generally or subsidizing competing athletes would not typically be a municipal responsibility, Tourism London could be requested to research the potential for London to be a host city for the games in the future, and to submit an application if London would be an appropriate site. The 2017 games were held in Toronto, but past games have been held in smaller cities like Regina, Saskatchewan and Blaine, Minnesota.

3.4 Memo of Understanding and Declaration of Mutual Commitment

In January, 2020, the N’Amerind Friendship Centre and the City of London entered into a Memo of Understanding to formally strengthen the relationship between the administrations of N’Amerind and the City of London and to achieve greater impact in the lives of urban Indigenous people in the City of London through strategically partnering resources and sharing expertise when possible.

In August, 2020, the City of London and N’Amerind Friendship Centre joined Ontario Municipalities and Indigenous Friendship Centres throughout the Province in signing a Declaration of Mutual Commitment and Friendship, with a goal of improving the quality of life of indigenous people across Ontario’s municipalities, and reflecting a joint and ongoing commitment between signatories, led by the Association of Municipalities of Ontario (AMO), and the Ontario Federation of Indigenous Friendship Centres (OFIFC).

3.5 Additional Actions

The TRC makes very specific recommendations for municipalities. As an organization, the City of London is committed to continued work to support truth and reconciliation. As a result, additional actions, not identified through the TRC, have been taken and work is

being done to build and strengthen relations with the urban Indigenous community, the surrounding First Nations communities and people in and around London. Principles that have guided this work include the following:

- Indigenous led
- Focused on education and learning
- Committed to decolonizing
- Offering culturally appropriate services
- Intersectional approach that acknowledges the ways in which people's lives are shaped by their multiple and overlapping identities and social locations, which, together, can produce a unique and distinct experience for that individual or group.

Additional actions include:

- Including a commitment to building relationships with Indigenous peoples that are respectful, transparent, responsive, and accountable as an action in Council's Strategic Plan.
- Recruitment for the role of Indigenous Community Liaison Advisor.
- Establishment of the Anti-Racism, Anti-Oppression office. The Indigenous Community Liaison Advisor will be a part of this newly formed team.
- Creation of an Indigenous led child-care and family centre
- Investment in capacity-building opportunities for professionals to create culturally safe spaces in child-care and early years environments
- Provided targeted outreach and support to Indigenous-led organizations for the London Community Grants Program, resulting in two organizations receiving multi-year funding through the program for the first time
- Enhanced and meaningful engagement and consultation with Indigenous communities and peoples through the leadership of the Project Manager, Environmental Assessment, Sewer Engineering Division on City-led projects that have the potential to impact Aboriginal and Treaty Rights.

Conclusion

The City of London remains committed to taking actions that further truth and reconciliation with Indigenous people in the community and in neighbouring First Nations communities. Civic Administration has made progress in response to calls to action that are directed towards Municipal governments; Civic Administration will continue to work to implement recommendations of the Truth and Reconciliation Report and to further reconciliation.

Prepared by: Patti McKague, Director, Strategic Communications and Government Relations
Rosanna Wilcox, Director, Service, Innovation and Performance

Recommended by: Lynne Livingstone, City Manager

CC: Mary Alikakos, Project Manager, Environmental Assessment, Sewer Engineering Division

Report to Strategic Priorities and Policy Committee

To: Chair and Members
Strategic Priorities and Policy Committee
From: Lynne Livingstone, City Manager
Subject: Comparison of Proposed London Hydro Restructuring Options
Date: January 26, 2021

Recommendation

That, on the recommendation of the City Manager with the concurrence of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer and the Managing Director, Corporate Services and City Solicitor, the following actions be taken:

- a) the report dated January 26, 2021 titled "Comparison of Proposed London Hydro Restructuring Options" Be Received;
- b) Council consider the options for restructuring and if content to proceed, Civic Administration Be Directed to prepare a subsequent report with the content of the shareholder declaration, if required.

Executive Summary

Staff have, as directed, undertaken a comparison of the "Newco" and "Holdco" restructuring options.

The Newco option anticipates the incorporation of a new business corporation. The unregulated business of London Hydro would be transferred to and conducted by the Newco. Council would be the shareholder of each entity.

The Holdco option anticipates the incorporation of two new business corporations, a "Holdco" and a retail affiliate "LUSI". Under the Holdco structure, the City would be the shareholder of the Holdco and the Holdco would be the shareholder of LHI and LUSI.

We conclude that both options are equally suited to the goal of separating the regulated and unregulated businesses carried on by London Hydro, when conditions warrant this separation. That point is reached, when and if, in the opinion of London Hydro, the developing retail technology business expands beyond a scale that can be justified as ancillary to the electrical distribution function of London Hydro.

The primary difference between the options is one of control. Under the Holdco structure, the Council will have no direct involvement with either of the regulated and unregulated entities. The Council will have direct involvement with the Holdco itself. Under the Newco option, the regulated and unregulated businesses currently carried on by LHI are split between LHI and the Newco. The City would continue to have direct involvement as the shareholder of each.

There is no expected difference between the options with respect to taxation and net revenue. There may be a difference in dividends and liability risk to the City, depending upon the contents of the shareholder declarations. For example, dividends are determined by the Board of an entity. If a subsidiary of the Holdco determines that it should reinvest earnings in its business and not pay a dividend to the Holdco, the City will be so informed. As to direct risk, the risk to a shareholder increases if management powers are withdrawn from the control of the Board of Directors by the shareholder. On the other hand, if no powers are withdrawn from the Board, there is no shareholder liability. That can be considered at the next step.

Linkage to the Corporate Strategic Plan

Council's 2019-2023 Strategic Plan includes the Strategic Area of Focus 'Leading in Public Service', which outlines the following:

- Expected Result: Maintain London's finances in a transparent and well-planned manner to balance equity and affordability over the long term.
- Strategy: Continue to ensure the strength and sustainability of London's finances.

Analysis

1.0 Background Information

1.1 Previous Reports Related to this Matter

Strategic Priorities and Policy Committee, meeting on October 20, 2020, agenda item 4.1 - London Hydro Proposed Corporate Restructuring

<https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=75626>

Strategic Priorities and Policy Committee, meeting on January 23, 2020, agenda item 4.1 — London Hydro Proposed Corporate Restructuring

<https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=70435>

Strategic Priorities and Policy Committee, meeting on August 26, 2019, agenda item 4.2 – Delegation – V. Sharma, CEO, London Hydro Inc. – London Hydro Corporate Restructuring

<https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=66558>

1.2 Previous Municipal Council Actions

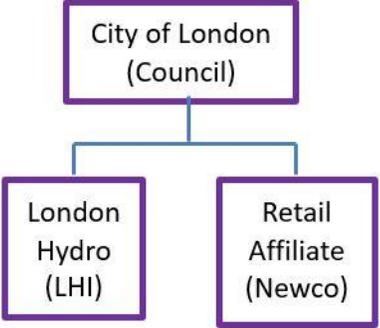
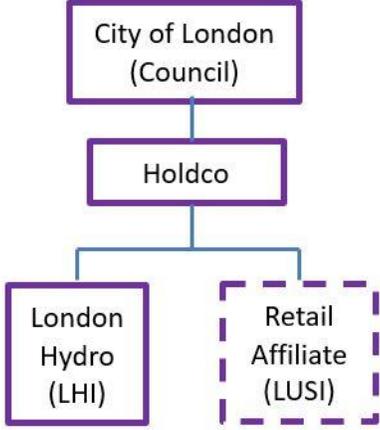
At its meeting of October 20, Municipal Council received a report that outlined, as recommended by KPMG in the January 23, 2020 Strategic Priorities and Policy Committee report, a detailed legal review and risk assessment of the draft Shareholder Declaration documents to ensure that key terms are aligned with City's objectives and interests, and do not create additional risk and exposure. Municipal Council requested further information with respect to options for the proposed London Hydro Restructuring and passed the following motion:

“That the following actions be taken with respect to proposed Corporate restructuring to London Hydro:

- a) the staff report dated October 20, 2020 with respect to the restructuring proposal by London Hydro Inc. (LHI) BE RECEIVED for information; and
- b) the Civic Administration BE DIRECTED to investigate the option of creating an unregulated company and bring forward a report that would compare this option with the options outlined in the above-noted report;”

In response to the direction above, Civic Administration and London Hydro have exchanged information with respect to the option of creating an unregulated retail affiliate entity. An evaluation framework was created to compare the option of a municipally owned LHI and retail subsidiary with the option proposed for the restructuring of London Hydro by the Board for a municipally owned Holdco Subsidiary with Holdco owned LHI and retail affiliate. Table 1 below depicts in graphical form the two options for an unregulated entity that will be compared later in the report.

Table 1: Alternatives for Municipally-Owned Retail Subsidiary

Option 1 Municipality Owned LHI and Retail Subsidiary	Option 2 Municipally Owned Holdco Subsidiary with Holdco-owned LHI and Retail Affiliates
 <pre> graph TD Council[City of London (Council)] --> LHI[London Hydro (LHI)] Council --> Newco[Retail Affiliate (Newco)] </pre>	 <pre> graph TD Council[City of London (Council)] --> Holdco[Holdco] Holdco --> LHI[London Hydro (LHI)] Holdco --> LUSI[Retail Affiliate (LUSI)] </pre>

2.0 Discussion and Considerations

2.1 Evaluation Framework for Comparison of Restructuring Options

The purpose of restructuring is to facilitate the continued development of the unregulated (“Green Button”) component of London Hydro’s business. The Green Button business has been developed (“incubated”) by London Hydro without restructuring. In its July 2018 submission to the OEB regarding rates, LHI said:

*“London Hydro would re-iterate, as we have in our application and response to the Board staff questions, that the business line we are promoting leverages existing open source technology emulated by London Hydro for our own customers and that our intent is only to expand the customer base to which capital and operational costs can be spread over therefore benefitting both London Hydro and external customers. **Section 71(4) provides us that ability without the complications of creating an affiliate. The genesis of Section 71(4) implementation was the result of Bill 112, Strengthening Consumer Protection and Electricity System Oversight Act, 2015. Obviously the government realized the limitations placed on electricity distributors in expanding its line of business outside of its franchise by requiring affiliates.** London Hydro would emphasize that the Green Button platform is an open source platform designed for the metered utility industry as a whole (i.e. natural gas, electricity and water and other) for the basic purpose of promoting energy conservation, consumer education, and increasing utility efficiency. London Hydro would suggest that this proposal is not intended to compete against private enterprise. In fact opening up the Green Button market should allow third parties to take advantage of the technology to create standard based applications for new market opportunities. (Emphasis added).*

There is no immediate need to restructure and as London Hydro notes, the creation of affiliates does cause “complications”. The comparison framework set out below is intended to facilitate the comparison exercise and identify the complications.

Civic Administration and London Hydro staff have developed a table for comparison of the two options for restructuring.

The two options for an unregulated entity comparison are as follows:

1. Municipally Owned Retail Subsidiary – “Newco”
2. Proposed Restructuring with a Holding Company – “Holdco”

The various items for consideration and contrast between the two options are shown in the table that follows:

Item	Newco	Holdco	Comments
OEB Regulatory Oversight	No oversight by the OEB.	No oversight by the OEB.	
Affiliate Relationships Code (ARC)	OEB Affiliate Relationships Code applies.	OEB Affiliate Relationships Code applies.	
Investment	Investment decisions made by Board of Newco guided by the shareholder declaration.	Investment decisions made by Board of Holdco guided by the shareholder declaration.	Under the Holdco structure, investment decisions affecting the subsidiaries, London Hydro and the new retail corporation, would be guided by the shareholder declaration for each, established by the Holdco as owner.
Liabilities	Liabilities can flow through to the owner (the City), when the shareholder declaration removes discretion concerning a matter from the Board of Directors.	Liabilities can flow through to the owner (the City), when the shareholder declaration removes discretion concerning a matter from the Board of Directors.	Under the Holdco structure, the City would not be the owner of the subsidiaries and would not be liable with respect to powers withdrawn by the shareholder declarations from the Boards of the subsidiaries.
Insurance	Insurance would be the responsibility of the Newco with the assistance of the City.	Insurance for all three entities would be arranged by the Holdco.	
Degree of Control by Council	Shareholder Declaration sets limits on Newco Board powers.	Shareholder Declaration sets limits on Holdco Board powers.	Under the Holdco structure, no direct Council control over shareholder declarations for the subsidiaries.
Appointment of Directors	Appointed by Council.	Appointed by Council.	Under the Holdco structure, no Council power to appoint Directors to Boards of the subsidiaries.
Business Focus	Council approved shareholder declaration for each of LHI and Newco.	Council approved Shareholder Declaration for Holdco: Holdco approved shareholder declaration for each of LHI and the new retail entity.	
Tax Implications	No material difference (to be confirmed*).	No material difference (to be confirmed).	*Expert tax advice will be required for Newco in particular as LHI did not examine this possibility.

Item	Newco	Holdco	Comments
Liability Risk to City	City assumes risk of decisions withdrawn from Boards of Newco and LHI.	Holdco assumes risk of decisions withdrawn from Boards of LHI and new retail entity.	
Dividend Considerations	Newco Board decision.	Holdco Board decision.	
Independence	Independent subsidiaries of the City.	Holdco affiliates can be less independent of each other, if desired.	
Impact on London Hydro	No impacts (status quo).	No immediate impacts expected as a result of the change of ownership.	
Confidentiality	More of a challenge with direct City ownership, due to transparency requirements of legislation.	Can conduct business as confidentially as the Board considers appropriate.	
LHI Management "Flexibility" to develop unregulated business	Constrained due to the potential for external scrutiny.	Such flexibility and discretion as the owner (Holdco) considers advisable.	
Timeline Implications	Newco can be incorporated immediately to own the generation assets and could be used in future as the retail subsidiary or as a holding company.	Much legwork has been done.	OEB approval required for any generation asset transfer from LHI. LHI can continue to develop its retail product in either case, on an interim basis. The establishment of a retail entity under the Holdco structure would require additional steps.

3.0 Key Issues and Considerations

3.1 Comparison of Restructuring Options

Civic Administration and LHI staff discussed and reviewed the various items contrasted between the two options for creating an unregulated business entity as shown in the table above. Both parties reached the conclusion that there is no material difference between the options, from a functional perspective.

The solar generation assets and retail business can readily, with OEB approval, be transferred to a new unregulated business entity owned by the City or the Holdco.

It is also believed that from a taxation perspective there is also no material difference between the two options, however, this would need to be confirmed with expert tax advice for Newco in particular as LHI did not examine this possibility in its restructuring work.

The Holdco approach clearly diminishes the Council's involvement in both London Hydro and the proposed retail entity, LUSI. The question is whether or not this change can be justified by the intangible benefit of the potential "business focus" brought to the Boardroom of each corporation by Directors that are not members of the Council.

Differences between the two options for an unregulated business entity are mainly related to the subtle consequences of direct municipal ownership (i.e, priorities, confidentiality and "business distance").

London Hydro has prepared a summary of what it describes as the advantages of the Holdco approach which are not apparent from the comparison table. This summary is attached as Appendix "A" to this report and cites the following:

1. The Holdco option will achieve stronger synergies and strategic coordination,
2. The Holdco option has relatively lower downside risk, and
3. The Holdco option is the norm among municipal electrical utilities.

As to the first "difference", Affiliates are subject to Rules under the OEB "Affiliate Relationships Code". These rules require that:

2.2.1 Where a utility provides a service, resource, product or use of asset to an affiliate or receives a service, resource, product or use of asset from an affiliate, it shall do so in accordance with a Services Agreement, the terms of which may be reviewed by the Board to ensure compliance with this Code. The Services Agreement shall include:

(a) the type, quantity and quality of service;

(b) pricing mechanisms;

(c) cost allocation mechanisms;

(d) confidentiality arrangements;

(e) the apportionment of risks (including risks related to under or over provision of service); and

(f) a dispute resolution process for any disagreement arising over the terms or implementation of the Services Agreement.

A services agreement is required in either case and consequently, the looked for "Synergies" should be possible under both scenarios.

Is there a difference in the level of risk to the City as a result of the Newco structure? As mentioned previously, there is no inherent legal risk to the shareholders of a business corporation. Subsection: 92(1) of the Business Corporations Act provides that "The shareholders of a corporation are not, as shareholders, liable for any act, default, obligation or liability of the corporation". There are a few exceptions. The exception which could apply (to each of the proposed entities and presently applies to LHI) is subsection 108(5) of the Act, which pertains to restrictions imposed by a shareholder agreement or declaration.

Section 108(5) says that: "A shareholder who is a party to a unanimous shareholder agreement has all the rights, powers, duties and liabilities of a director of a corporation... to the extent that the agreement restricts the discretion or powers of the directors to manage or supervise the management of the business and affairs of the corporation and the directors are relieved of their duties and liabilities, including any liabilities under section 131, to the same extent". Consequently, while shareholders are not generally liable for the actions of the corporation they own, they are responsible for actions they have directed by means of a shareholder agreement or declaration.

Under the Newco structure, the City would be responsible for the consequences of restrictions on the discretion or powers of the directors of the Newco, if these restrictions in a particular case interfere with the ability of the directors to supervise the management of the business of the Newco. The same is true under the Holdco structure: the City is responsible for the consequences of restrictions on the discretion or powers of the directors of the Holdco, if these restrictions interfere with the ability of the directors to supervise the management of the business of the Holdco.

The difference in risk is that under the Holdco structure, any shareholder declaration respecting LHI and LUSI will be imposed by the shareholder of those entities, which is the Holdco. If the Holdco restricts the powers of the directors of LUSI, the Holdco is answerable, not the City. If the City restricts the powers of the directors of Newco, the City is answerable. Needless to say, if there is no restriction of powers, there is no difference to the risk.

While the Holdco structure is a common form of municipal ownership, the statistic does not reveal an operational advantage of any type. The Holdco approach does offer flexibility for joint ownership and mergers, but that is not being considered in this case. The purpose of the proposed “restructuring” is to separate the regulated and unregulated businesses. That can be achieved through either structure. Under either structure, LHI would continue to pursue opportunities to develop its retail business on an interim basis as it has proposed. A new corporation can be created and ready to receive the generation assets and retail business when conditions warrant.

There is no business advantage to transferring ownership of LHI to the Holdco at this time, as the Holdco has no real purpose until the retail business has grown and requires separation from LHI.

As a note, the electricity regulator, the Ontario Energy Board, encourages electricity distributors, such as LHI, to maintain transparency with respect to the rates charged for electricity, regardless of the corporate structure adopted. The OEB, in its “Handbook to Utility Rate Applications”, comments that:

“There may be aspects of the corporate business plan that are not relevant to the OEB’s review of a rate application. The OEB will consider non-regulated activities and transactions with affiliates in the context of their effect on the regulated rates to customers to ensure there are no cross subsidies that negatively affect these regulated customers.

Depending on the corporate structure of the utility, this could include an assessment of:

- The reasonableness of the costs allocated to non-regulated activities within the regulated utility*
- The costs to be charged to the regulated utility from an affiliate*
- The revenues forecast to be received from an affiliate for services provided by the regulated utility*
- Whether these activities affect the quality of services to be delivered to the customers of the regulated utility*
- Whether non-regulated activities will affect the financial viability of the regulated utility or introduce a significant enough risk that it affects debt financing costs”.*

The separation of the regulated and unregulated businesses can assist the review process by segregating the income and expenses of each. Either structure can achieve that advantage.

3.2 Options and Next Steps for Council

Municipal Council has the following options to consider:

1. Leave the London Hydro structure as it is indefinitely, in which case, LHI will continue to develop the retail business within the parameters permitted by the OEB,
2. Approve the creation of a new Ontario Business Corporation, owned by the City, for the purpose of assuming and conducting the unregulated retail businesses and receiving ownership and control of the solar generation assets of LHI at such time as LHI may recommend, or;
3. Approve the proposed restructuring model originally suggested by LHI, which is to transfer ownership of LHI to a new holding corporation, owned by the City, where the holding corporation would thereafter own and control both the regulated and unregulated activities currently performed by LHI.

Civic Administration would need to return with a further report based on the option selected by Municipal Council including a draft shareholder declaration if applicable (not required for option one).

Should Council wish to obtain more information about the business for the proposed unregulated entity this information would need to be received in camera given the trade secret or scientific, technical, commercial, financial or labour relations information, supplied in confidence to the municipality, which if disclosed could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of London Hydro Inc.

Conclusion

Civic Administration and London Hydro staff have reached the conclusion that a Municipally Owned Retail Subsidiary (“Newco”) and the proposed LHI restructuring with a Holding Company (“Holdco”) are not materially different, provided that Newco takes the solar generation assets and qualifies as a Municipal Electricity Utility, regardless of the name it takes, who owns the shares, and whether Newco performs a holding function or the actual retail business. Differences between the two options for an unregulated retail affiliate entity are mainly related to the consequences of direct municipal ownership.

Recommended by: Lynne Livingstone, City Manager
Concurred by: Barry Card, Managing Director, Corporate Services and City Solicitor
Concurred by: Anna Lisa Barbon, Managing Director, Corporate Services and the City Treasurer, Chief Financial Officer

c. V. Sharma, CEO London Hydro
G. Valente, Chair London Hydro

Appendix “A”

To: Barry Card, City Solicitor, City of London
From: Vinay Sharma, CEO, London Hydro
Date: January 11, 2021
Subject: Evaluation Framework for Comparison of Two Options

This memo is a follow up to our recent meetings and exchange of emails regarding the comparison of the municipally-owned subsidiary “Newco” option and the London Hydro proposed “Holdco” option. Although there are many similarities between the two options as outlined in the Evaluation Framework, there are also some important differences between the two which are not so apparent in the framework, but which have implications for business challenges, performance and risks.

1. The Holdco option will achieve stronger synergies and strategic coordination

While in theory an independent corporation such as Newco could undertake the marketing of London Hydro-developed technologies, separating it from oversight of a Holdco would hinder ongoing coordination with London Hydro and limit the achievement of synergies between the two entities. One reason why firms in the private sector establish holding company structures is to ensure that separate businesses operating at different stages of the value chain – such as technology development and marketing – are centrally coordinated in their strategic planning and operational activities so that they pursue a set of common goals. Holdco management and directors are responsible for integrating the strategies of the different businesses, continuously monitoring joint performance, and resolving any differences that may occur.

An independent Newco, which would be overseen by and report to the Corporation of the City of London, would not be able to replicate the same degree of ongoing coordination and strategic integration with London Hydro as would be achieved under the Holdco option. The appointment of some common directors to the board of Newco could provide a channel for coordination but, ultimately, as an independent corporation its management and board would have to pursue their own strategy and could potentially diverge from that of London Hydro.

2. The Holdco option has relatively lower downside risk

Another difference between the two options is in the level of upfront investment costs and the approach to managing risk/reward as marketing and business development activities grow over time. The Holdco option pursues an incremental strategy in parallel with the growth of the Holdco’s market share, thus requiring minimum upfront investment. There are two incremental steps: in the first, new sales opportunities would be explored through the Holdco, which reduces the administrative cost of growing the business. Only if sales development is successful and achieves sufficient scale would the second step be taken – which would be to establish a new marketing subsidiary with its own employees.

Unlike the Holdco option (which is scalable and incremental), the Newco option would take on the risk of being fully independent right from its inception. This “step change” approach means that Newco would have to develop its own independent business strategy, marketing strategy as well as sales strategy from the onset, thus requiring a larger initial investment than that of the Holdco option.

3. The Holdco option is the norm among municipal hydros

Our recommendation of the Holdco option is consistent with best practice in Ontario’s electricity sector for structuring unregulated subsidiaries. There are 65 LDCs in Ontario,

of which a large majority (59%) have created Holdco's for their subsidiaries. Examples include LDCs in mid-sized cities such as Burlington, Oakville and Ottawa. We do not know of any municipality that has created an independent, free-standing corporation – as envisaged in the Newco option – to develop LDC-related businesses. We believe that the consensus choice of Holdco structures among other municipalities reflects the superior business risk/reward balance achieved by the Holdco option relative to other options.

We appreciate the fact that the Holdco option would introduce a governance entity between London Hydro and Council. Nevertheless, Holdco is directly accountable to Council, who can exert its control and oversight over London Hydro through various mechanisms enshrined in the Shareholder Agreements. To this end, we have proposed statutory rights as well as additional approval rights of the shareholder in the previously submitted draft shareholder agreements. Equally apropos to those rights, it is suggested to provide tools to allow for the growth of the unregulated business i.e. seeking partners to expand marketing opportunities. If needed, additional statutory rights of the shareholder could be considered for inclusion in the Shareholder Agreements while keeping in balance a measure of flexibility to allow Holdco to grow the unregulated business opportunities. In other words, the above mechanisms would ensure there is no less degree of control for Council under the Holdco option than the Newco option. It is important to emphasize that municipal control need not be a variable under the two options.

The major difference between the two options is the relatively larger business, operational and financial risk associated with the Newco option. Having been very close to the development of key London Hydro technologies and services and with experience in marketing these services, I believe that the Newco would be a high-risk business model. In spite of this, if the City of London elects to follow the Newco approach, then London Hydro would assist. However, as an independent, unregulated corporation, the Newco would be legally responsible for formulating its own business, marketing and sales strategies.

4. Summary

London Hydro has developed a strong technology and innovation culture over the last 10 years which has led to the creation of a new utility technology platform and process automation services. Commercializing these resources and capabilities can benefit all the stakeholders of London Hydro. However, given the symbiotic relationship between technology development and marketing, structural separation of marketing in an independent Newco would introduce considerable hurdles to its success. Thus, from my perspective, there are only two practical options for achieving the goal of continued growth of London Hydro's unique technologies: (i) the Holdco option proposed previously, or (ii) the status quo. In the status quo option, London Hydro would continue to sell its technologies and services in a limited manner in accordance with the OEB sanctioned Bill 112 approval – London Hydro would periodically seek renewal of this approval.

Holdco vs Newco

January 24, 2021

Dear Colleagues,

I am grateful for your confidence in our London Hydro team to deliver market-worthy services that meet demand in Ontario and Canada. With President Biden signing the Paris Accord, there will be increased demand for these specific services south of the border and, with an affiliate, LHI could deliver them.

I appreciate the work of our staff and London Hydro for preparing this report, but the best path forward still seemed unclear. Fortunately, when I reached out to councillors and Hydro CEOs who have already seen the successes we hope to achieve, they were very happy to share their experience (and would be willing to do so again). I hope their thoughts provide some valuable context.

The substantial increase in the dividends some municipalities have obtained is inspiring. Ottawa Holdco's dividend with their affiliates is 40% greater than their utility alone. Oakville has a dividend 100% greater with their affiliates, such as London-based G-Tel Engineering, whose services we use. There is a path common path to successes, which involves leveraging the strength of the utility through the Holdco to grow affiliates more quickly than otherwise possible. It was not felt that a Newco structure could accomplish the same.

The Holdco allows affiliates to **easily** piggyback their incremental investments onto those the utility is already making. For instance, when Ottawa Hydro laid 270 km of 10-strand data cable for their own use, an affiliate bought materials for an extra 134 strands and can now offer services for 5G. Economies of scale, opportunities for shared services and the utility's balance sheet were also described as reasons for choosing the Holdco.

One councillor felt it was "incredibly important" that the hydro utility and affiliates were able to operate independently of the city, as the organization will need to be nimble and respond to the market place in a way that a municipality never could. She felt that their council had adequate representation and oversight with members on the board of the Holdco.

CEOs I spoke with felt that the risks of a Holdco-owned-utility were amply mitigated by council's ability to appoint directors and create the terms of the shareholder declarations. Most of the significant decisions float up to the Holdco board which has council representation. To require council's approval to sell, purchase or invest in assets outside of the regular course of business for any affiliate was seen as an powerful way to mitigation of risk.

Since one CEO directs the whole operation, that too provides oversight and accountability to council. For example, since the only three directors of Ottawa Hydro are the CEO and Chair of the Holdco plus the VP of utility operations, there is little risk that they will deviate from plan.

The following page provides a list of the 35 Ontario utilities that use the Holdco structure while none have a Newco arrangement. If we are going to ask London Hydro to innovate technologies that can be competitive across North America, it would be counter-productive to ask them to also innovate a new corporate structure unused (and unrecommended) by their own industry.

Because a Newco is not seen as viable by London Hydro, and because there are individuals willing to share their time and expertise to advise our council in making a decision, I suggest two paths forward:

- A) Have staff begin to prepare shareholder agreements for the Holdco structure forthwith, and/or
- B) Strike a working group to invite and evaluate input from the councilor/board members and Hydro CEOs of other municipalities for the purpose of providing a recommendation to council.

Sincerely,

Michael van Holst
Councillor Ward 1

Ontario Local Distribution Companies with a Holding Company in 2019 (35 LDCs or 59% of Municipally Owned utilities)

Local Distribution Company	Holding Company
Alectra Utilities Corporation	Alectra Inc.
Bluewater Power Distribution Corporation	Bluewater Power Corporation
Brantford Power Inc.	Brantford Energy Corporation
Burlington Hydro Inc.	Burlington Enterprises Corporation
Centre Wellington Hydro Ltd.	Centre Wellington Energy Inc.
Elexicon Energy	Elexicon Corporation
Energy+ Inc.	Cambridge and North Dumfries Energy Plus Inc.
Entegrus Powerlines Inc.	Entegrus Inc.
ENWIN Utilities Ltd.	Windsor Canada Utilities Limited
Espanola Regional Hydro Distribution Corporation	Espanola Regional Hydro Holding Corporation
Essex Powerlines Corporation	Essex Power Corporation
Greater Sudbury Hydro Inc.	Greater Sudbury Utilities
Grimsby Power Incorporated	Niagara Power Incorporated
Guelph Hydro Electric Systems Inc.	Alectra Inc.
Halton Hills Hydro Inc.	Halton Hills Community Energy Corporation
Hydro Ottawa Limited	Hydro Ottawa Holdings Inc.
Kitchener-Wilmot Hydro Inc.	Kitchener Power Corp.
Lakefront Utilities Inc.	Town of Coburg Holdings
Lakeland Power Distribution Ltd.	Lakeland Holdings Ltd.
Milton Hydro Distribution Inc.	Milton Hydro Holding Inc.
Newmarket-Tay Power Distribution Ltd.	Newmarket Hydro Holdings Inc.
Niagara Peninsula Energy Inc.	(1) Niagara Falls Holding Company & (2) Peninsula West Power Inc.
Niagara-on-the-Lake Hydro Inc.	Niagara-on-the-Lake Energy Inc.
North Bay Hydro Distribution Limited	City of North Bay Holdings Ltd.
Oakville Hydro Electricity Distribution Inc.	Oakville Enterprises Corporation
Orillia Power Distribution Corporation	Orillia Power Corporation
Oshawa PUC Networks Inc.	Oshawa Power and Utilities Corporation
Peterborough Distribution Incorporated	Peterborough Utilities Group
PUC Distribution Inc.	PUC Inc.
Rideau St. Lawrence Distribution Inc.	Rideau St. Lawrence Holdings Inc.
Thunder Bay Hydro Electricity Distribution Inc.	Synergy North Corporation
Toronto Hydro-Electric System Limited	Toronto Hydro Corporation
Wasaga Distribution Inc.	Geosands Inc.
Waterloo North Hydro Inc.	Waterloo North Hydro Holding Corp.
Whitby Hydro Electric Corporation	Whitby Hydro Energy Corporation

On Thu, Dec 10, 2020 at 2:43 PM Vicki Smith <[vicki](#)> wrote:

Hi Cathy,

The London Downtown Business Association has 2 new board members that have been approved at our level, and now we would like them to go to council for approval. I'm not sure exactly what information you need for this so please let me know if you need anything further. Also, would you please let me know what day this will be on the agenda.

Board members to be approved for addition to our board:

Jerry Pribil - Marienbad Restaurant

Scott Collyer - Empyrean Communication Resources

This would make our new board composition as follows:

Jerry Pribil

Scott Collyer

Andrew McClenaghan

Asaad Naeeli

Lori Da Silva

Nick Vander Gulik

Bonnie Wludyka

David Kirwin

Jason Dickson

John Fyfe-Millar

Jordan Detmers

Michelle Giroux

Arielle Kayabaga

Thank you for your help.

Regards,

Vicki

Vicki Smith

MANAGER OF FINANCE AND ADMINISTRATION

Office 519 663-2002 |

Twitter: [@Downtown_London](#) | Facebook: www.fb.com/DowntownLondon | Instagram
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Downtown London | 123 KING STREET | LONDON, ON | N6A 1C3

Governance Working Group

Report

1st Meeting of the Governance Working Group
January 11, 2021

PRESENT: Councillors J. Morgan (Chair), S. Hillier, A. Kayabaga, S. Lewis, P. Squire, and M. van Holst

ALSO PRESENT: C. Saunders and M. Schulthess.
Remote Attendance: Councillors A. Hopkins and E. Peloza;
L. Livingstone, M. Balogun, J. Bunn, H. Lysynski and
B. Westlake-Power.

The meeting is called to order at 12:02 PM, with Councillor J. Morgan in the Chair with all Members participating; it being noted that the following Members attended the meeting remotely: M. van Holst, A. Kayabaga and S. Hillier.

1. Call to Order

1.1 Disclosures of Pecuniary Interest

That it BE NOTED that no pecuniary interests were disclosed.

2. Consent Items

None.

3. Items for Discussion

3.1 Advisory Committee Review – Interim Report IV

Moved by: S. Lewis

Seconded by: P. Squire

That, the following actions be taken with respect to the Advisory Committee Review:

a) the report dated January 11, 2021 entitled "Advisory Committee Review - Interim Report IV", BE RECEIVED;

b) the Civic Administration BE DIRECTED to proceed with drafting revised Terms of References for Advisory Committees based on the proposed changes set out in staff report dated November 10, 2020 entitled "Advisory Committee Review - Interim Report III", incorporating additional direction from the Municipal Council and the Governance Working Group; and,

c) the Civic Administration BE DIRECTED to circulate the draft revised Terms of References noted in b) above, to the Advisory Committees for input and to report back to the Governance Working Group with the draft revised Terms of Reference and comments received from the Advisory Committees.

Motion Passed

3.2 Submission - Code of Conduct for Advisory Committees - Councillor P. Squire

Moved by: P. Squire

Seconded by: S. Lewis

That Civic Administration BE DIRECTED to prepare a draft revised Code of Conduct for Advisory Committees that would be similar in nature to the Code of Conduct for Council Members, including processes for both adjudication and enforcement of the revised Code of Conduct, and report back to the Governance Working Group with the draft revised Code of Conduct.

Motion Passed

4. Deferred Matters/Additional Business

None.

5. Adjournment

Moved by: M. van Holst

Seconded by: P. Squire

That the meeting BE ADJOURNED.

Motion Passed

The meeting adjourned at 2:25 PM.

Additional Feedback from Current Advisory Committee Members

The City Clerk's office was tasked to bring forward for consideration, potential structure changes to the advisory committees that may reduce the number of committees, combine committees with areas of overlap, and additional potential changes. Following this, additional direction was provided with respect to potential advisory committee changes.

At this time, we would like to request your comments and feedback on the following, noting that no decisions have been made about the future state of the advisory committee structure at this time. Please note that while there is the [staff report](#) available related to this direction, not all of the proposed actions were endorsed by Municipal Council. As such, we are requesting your commentary specific to the following:

Advisory committees whose responsibilities would generally include the following, within the City of London:

1. Matters identified in the Accessibility for Ontarians with Disabilities Act
2. Matters identified under the Ontario Heritage Act, cultural heritage matters, heritage resources, agricultural and rural issues (including urban agriculture) and other land use planning matters; the consideration of these matters in the development of the Official Plan.
3. Mobility matters including policy, strategy and program development and initiatives
4. Environmental matters including conservation, climate change mitigation, tree planting/planning/protection and waste reduction
5. Childcare matters including intergovernmental information sharing and issues affecting early learning and child care
6. Matters related to diversity, inclusivity, equity and the elimination of discrimination
7. Matters related to animal welfare, excluding agricultural animals
8. Matters related to technical advice concerning natural areas, ESAs, environmental features and projects triggering environmental impact studies
9. Matters related to affordable housing, homelessness and issues affecting vulnerable populations

Noting that there is additional work that would define the terms of reference for the committees noted above, what are your comments and thoughts to this proposed structure?

[Click here to enter text.](#)

What would you expect to see contained in committee terms of reference for the above-noted proposed structure?

[Click here to enter text.](#)

How often do you feel that it is necessary for advisory committees to meet?

[Click here to enter text.](#)

The recent staff report (noted above) proposed the elimination of the requirement for advisory committee work plans, in favour of having "assignments" from the civic administration and/or directly from Council. By way of additional context, it was not the intent that 'new' initiatives would not be 'permitted' from the advisory committees, rather to better allow focus of work. What are your thoughts around this proposal?

[Click here to enter text.](#)

The Municipal Council has suggested that the committees remain in the form of "advisory committees" as opposed to consideration of expert panels. There has also been the broader discussion in terms of eliminating barriers to participate on the

advisory committees. As such, it is proposed that members be selected at random administratively, rather than through the Council appointment process (noting that in some cases there may be 'categories' of membership where applicants would be randomly selected from). What are your thoughts around this proposal?

[Click here to enter text.](#)

Are you a first-term advisory committee member?

Yes

What additional comments that you would like to provide for consideration?

Having only attended one Advisory Committee meeting before the pandemic, I do not have enough experience to offer an opinion to the questions above. I look forward to continue to participate in meetings in the future.

Noting that there is additional work that would define the terms of reference for the committees noted above, what are your comments and thoughts to this proposed structure?

Combining the CAC and TAC makes no sense and will undoubtedly result in a loss of voice for cycling in this city. The concerns of CAC and TAC are vastly different. Cycling is an underserved group in the City of London and needs a separate voice, with experts in this area. I have personally attended TAC meetings (as a CAC member) and can confidently assert that they do not have adequate knowledge to advise on matters relating to cycling. If this proposal were to be accepted, and these two committees merged, I would have no choice but to offer my immediate resignation.

What would you expect to see contained in committee terms of reference for the above-noted proposed structure?

Terms of reference need to be less constrained. It is well-understood that staff time is required to make advisory committees run. However, I believe that their structure could be modified in such a way that the AC members could undertake work that they are passionate about without imposing on staff as much. For example, rather than having staff attend all meetings, ACs could provide memos to staff about what was discussed.

How often do you feel that it is necessary for advisory committees to meet?

Monthly. Any less and momentum cannot be maintained.

The recent staff report (noted above) proposed the elimination of the requirement for advisory committee work plans, in favour of having "assignments" from the civic administration and/or directly from Council. By way of additional context, it was not the intent that 'new' initiatives would not be 'permitted' from the advisory committees, rather to better allow focus of work. What are your thoughts around this proposal?

If I were to be "assigned" work I would offer my prompt resignation. AC members are not free labour to be exploited. We have free will and should be allowed some autonomy. I am an extremely busy professional and I choose to donate my valuable time to something that I feel passionate about. This debate does not respect the fact that I am a volunteer who is generously spending my time in hopes of building a better city.

The Municipal Council has suggested that the committees remain in the form of "advisory committees" as opposed to consideration of expert panels. There has also been the broader discussion in terms of eliminating barriers to participate on the advisory committees. As such, it is proposed that members be selected at random administratively, rather than through the Council appointment process (noting that in

some cases there may be 'categories' of membership where applicants would be randomly selected from). What are your thoughts around this proposal?

ACs are much better than expert panels. Again, expert panels appears to me to be an exploitation of the generosity of volunteers. I strongly oppose random selection of AC members. There must be a vetting of candidates to ensure they have relevant expertise to bring to the committee. That being said, I do believe that an Equity, Diversity, and Inclusion lens should be included in the selection process. As a large employer, I am certain that city staff is already familiar with how to do this.

Are you a first-term advisory committee member?

Yes

What additional comments that you would like to provide for consideration?

I find this entire debate about ACs to be disingenuous. You have so many skilled individuals donating their time, while city councillors are complaining about the fact that \$60k needs to be spent to support the ACs. I run a consulting business and I can tell you that you do not want to be receiving a bill for my services. The city is getting an amazing bargain from their volunteers. They should be thanking each of us for our service, not insulting us in this manner. This whole process has left me sour on the whole experience.

Enhancing the Effectiveness of Advisory Committees - Executive Summary

Good governance in a municipality is heavily dependent upon the effective coordination between Municipal Council, Civic Administration and fully transparent, functional, effective & vibrant Advisory Committees. It is clear that there is a lack of trust, cooperation and coordination between these groups, which over time has rendered many AC's ineffective and underutilized.

The Clerk of the City of London's ongoing Review is the long overdue but critical first step towards rectifying this situation and needs to be supported and brought to a conclusion so that we can begin the hard work of repairing these relationships and providing value for the Citizens of London.

It is with this in mind that we respectfully submit the attached report as well as the following summary of recommendations and offer TAC as a potential test bed to pilot improvements.

Tariq Khan and Dan Foster
2019-03-15

Recommendations

A. Temporary Working Group:

1. A Working Group (WG) should be constituted to review the Clerks Interim Report on Advisory Committees, assist with further review and consultations and to work to finalize this review and report back to the CSC within 120 days. This WG should be fully mandated in terms of coordination with City Staff and external institutions and may be comprised as follows:
 - 2 City Councilors,
 - 2 Advisory Committee Members-At-Large,
 - A representative of the Office of the Mayor, and
 - 1 support person from the Clerk's office.

B. General:

1. Parent Standing Committees should take a more active role in mentoring their Advisory Committees including the introduction of a standard template for Work Plans and periodic presence at Advisory Committee meetings.
2. Standing Committees should also ensure their priorities and expectations are documented and communicated to their Advisory Committees annually in advance of the planning cycle and that senior Staff provide Standing Committees with formalized and timely updates on all relevant Work in Process.
3. Advisory Committee members should be encouraged to have departmental tours and project site visits guided and steered by concerned staff as a component of their ongoing orientation.
4. Standing Committee members should commit to periodic presence at Advisory Committee meetings.
5. The Advisory Committee Chair/Vice chair should be formally empowered to take a more active role in attendance management.

6. Advisory Committee voting members who fail to attend 3 consecutive meetings should be referred to their parent Standing Committee for review and action up to and including dismissal.
7. The format of the annual reception to recognize the services of Advisory Committee members may be modified. To add value to the event, the reception may be given more formal conference style look. An Advisory Committee Conference would provide an opportunity and platform for AC members to present their experiences and recommendations to their peers as well as receive recognition for outstanding performance. The following may be categories for specific recognition:
 - Sharing 'Best Practices' of best performing Advisory Committees,
 - Recognition awards/certificate to best performing Advisory Committees,
 - Recognition awards/certificate to best performing Chairs/Vice Chairs,
 - Recognition awards/certificate to best performing members, and
 - General attendance recognition awards.

C. TAC Specific

1. Do not merge Transportation (TAC) and the Cycling (CAC) Advisory Committees into the TMAC as recommended by the Clerk in June 2018.
2. Refer the following the following recommendations regarding the Transportation Advisory Committee (TAC) Terms of Reference to the above-mentioned Working Group for review and consideration:
 - a) **Mandate:** None
 - b) **Composition - Voting Members:** Increase the size of the At-Large contingent to at least 8 members. Remove the requirement of Members-At-Large to utilize active modes of Transportation and recruit more members with the capability to devote time to Sub-Committees and Working Groups.
 - c) **Composition - Non-Voting Members:** Invite all current special interest group representatives including CAC to participate in the Non-Voting Member group.
 - d) **Term of Office:** Formalize the current temporary extension by making Advisory Committee appointments effective June 1st of the year following a Municipal Election (4 year term) so as to allow for an improved recruitment cycle which is more reflective of the interests of the incoming Council.
 - e) **Appointment Policies:** City Staff should conduct exit interviews/surveys with all outgoing appointees and report the results to Council periodically.
 - f) **Conduct:** Voting Members who do not attend 3 consecutive meetings will be referred to Civic Works Committee for review and action up to and including dismissal. All Voting Members should expect to be called upon to chair at least one Sub-Committee and/or Working Group over the course of their term of appointment.

Enhancing the Effectiveness of Advisory Committees - Report

1. Background

Ongoing Review of Advisory Committees is defined in Article 2 of the City of London policy document; **General Policy for Advisory Committees**. This document is comprehensive in a

sense that it covers almost all topics from formation to operation of Advisory Committees and is currently under review. In last quarter of 2018, public forum sessions were arranged by the Clerk's office and consultations with all existing Advisory Committees related to their respective terms of references are continuing into 2019.

While preparing this document, efforts have been made to be brief, concise and to the point in order to avoid any replication/reproduction of any contents currently available in the **Terms of Reference** of Advisory Committees as well as in the **General Policy for Advisory Committees** document. The focus of this brief document is to discuss & highlight areas to be improved and provide recommendations for the improvement both in general and specific to the Transportation Advisory Committee.

2. The Role of Advisory Committees in Municipal Governance

Good governance in a municipality is heavily dependent on the effective coordination between Municipal Council, Civic Administration and transparent, fully functional, effective & vibrant Advisory Committees. From municipal government's perspective, an Advisory Committee is a group of concerned citizens who bring & contribute unique knowledge, expertise, vibrant public interface and skill sets in order to more effectively guide and steer the organization towards goals embedded in Council's vision and mission statements.

Each municipal council forms Advisory Committees as per their local requirements but unlike the structure for Commissions, there is no provincial oversight to ensure uniformity from municipality to municipality. A properly composed, structured & mandated advisory committee provides a gateway to municipal council for public interaction/relations and can be a tremendous complement to the reach & effectiveness of the council as it works to carry out a specific initiative.

That said, Advisory Committees have no authority to govern and therefore they must not issue directives to Council or Staff. Rather, being a resource, their role is to serve to make recommendations and/or provide key information, materials and public feedback. They also serve to promote municipal policies and programs which fall within their mandate.

Though mentoring is out of the normal ambit of functions of an Advisory committee, in ideal conditions, an Advisory committee comprising of key members with exceptional skill set, experience & exposure in public service programs/project in municipal settings can also offer guidance to staff in order to help them achieve their project/program's specific goals.

3. Advisory Committees - City of London

Advisory Committees in City of London are governed by the City Council's policy document: **General Policy for Advisory Committees**. The document has 23 sections and serves as the guiding document for the constitution and operations of ACs. Furthermore Terms of Reference (TOR) specific to each AC have been framed. The 13 Advisory Committees report to just 3 parent Standing Committees of Council as follows:

Community & Protective Services: Accessibility AC
 Animal Welfare AC
 Child Care AC
 Community Safety & Crime Prevention AC
 Diversity, Inclusion & Anti-Oppression AC
 Housing AC

Planning & Environment: AC on Heritage
 AC on the Environment
 Agricultural AC
 Environmental and Ecological Planning AC
 Trees and Forests AC

Civic Works: Cycling AC
 Transportation AC

3.1 Committee Effectiveness - TAC Case Study

In the backdrop of Transportation infrastructure improvement challenges, road safety and the projects conceived under Bus Rapid Transit, the Transportation Advisory Committee (TAC) was well positioned to play an important role for Council, Staff and the BRT Project Team.

Reporting to the standing Civic Works Committee (CWC) of Council, it consists of 20 members, including 7 Non-Voting members representing City Staff and 13 Voting members comprised as follows:

1. Four members-at-large
2. One representative from each of the following:
 - a) Cycling Advisory Committee
 - b) Advisory Committee on the Environment
 - c) Community Safety & Crime Prevention Advisory Committee
 - d) Accessibility Advisory Committee
 - e) London Middlesex Road Safety Committee
 - f) Canadian Automobile Association (CAA)
 - g) Urban League of London
 - h) Chamber of Commerce representative
 - i) London Development Institute

3.1.1 The above composition meets all of the requirements of an ideal municipal Advisory Committee: rich and diverse in experience & expertise and equipped with the required skill set to take on any theoretical challenge in the Transportation sector and provide its recommendations in the most efficient and effective way. For analysis of working efficiency purposes, let's apply this assumption by reviewing its role in the Bus Rapid Transit Project (BRT).

3.1.2 In view of the multi-year dialog on BRT (through two Council mandates) and keeping in view the mandate of TAC as per its **Terms of Reference**, the role of TAC was/is more important than generally perceived. TAC should have been able to focus narrowly on the project in order to advise/support the standing committee/council. In ideal conditions, TAC should have reviewed and evaluated the project, gathered input from public and provided feedback to the council through CWC by drafting number of proposals & presentations during 2016-2018. Somehow, we don't see any significant activity from TAC in this regard. Prima facie, from a BRT project perspective, TAC seems to be an ineffective Advisory Committee but in reality things are altogether different and the apparent 'ineffectiveness' of TAC may not be attributed to its present members by any means. In Sections 4-6 of this document, the root cause will be analyzed in more detail.

3.1.3 There may be similar situations/cases with other Advisory Committees as well. The quorum problems, poor performance on Work Plans, inability to provide timely input, lack of coordination among Advisory Committees, Staff and respective Standing Committees etc are just the

symptoms rather than the root causes of the apparent 'ineffectiveness' of Advisory Committees. Detailed analysis shows that this is a complex problem and there are many inter-related factors involved which need to be addressed in order to bring about the necessary reforms. The areas which need special attention from the Clerk are discussed in Section 4 of this document.

4. Sustainability and Continuous Improvement

Effective Advisory Committees have clearly defined terms of reference and an effective methodology for its interactions with its parent Standing Committee. This is very important to ensure that its members have a clear purpose and guidelines for their membership and so that they add value and stay aligned with the objectives of Council.

4.1 Recruitment and Selection Processes

People are the building blocks of an effective Civic Administration and likewise they are the main driver of value-added outcomes for Advisory Committees. The recruitment and selection processes need enhancements to make them more robust, transparent and free of political intrigue. This is especially true of TAC because the majority of the voting membership is recruited directly (or indirectly via cross-committee appointments) through these processes.

4.1.1 Timing: The establishment of Committees currently occurs too early in the mandate of a new council. Due to an anomaly in the new election format in 2018, the Clerk recommended to Council the extension of Committee mandates to June 1st, 2019 in order to allow her more time to execute the Recruitment and Selection processes. We think this was a good idea and should be adopted permanently. In addition to buying the Clerk time, it also allows the new Council to establish its financial and strategic priorities, and Standing Committees prior to the Recruitment Phase, thus improving the chances of success. The other benefit of an offset four-year cycle is that outgoing Committees can continue to add-value to ongoing projects being administered by City Staff and assist in the development of Year One Committee Work Plans.

4.1.2. Effective Advertisement: The Recruitment process needs to be more robust and should include but not be limited to, print, electronic & social media, automated calling, public places including shopping areas, libraries, community centres, university/college notice boards, setting up public booths at festivals/events, London Transit infrastructure like bus-stops/shelters, Bus & Railway stations, City Hall and city MP/MPP offices, worship places and so forth. The Recruitment phase should be ongoing and applications should be accepted at any time. *This is the key to the whole process.*

4.1.3 Tapping Retired Expert Resources: This is one of the most important and vital resources seemingly untapped so far as we see a very small fraction of retired experts in the Advisory Committees. London is rich in retirement community, if properly approached; retired experts may be willing to contribute their experience and expertise. Reaching out to professional organizations to identify local members might reap considerable benefits.

4.1.4 Redesign of the Application forms: The Present application form is too generic and needs to be redesigned to align with the Selection process. In order to have suitable candidates for specific fields, it is very important that the application form is designed in a way that an interested candidate may identify their strengths, experiences and skills in the context of the required field. A survey type design format may also be adopted in certain sections of form where each question may have certain weighting. The form should be able to help the selection board to allocate marks to candidates for each of the desired requirements during the selection phase.

In some cases an Advisory Committee may have its own customized form. If desired, we may help in the redesign of those application forms.

4.1.5 Desired Skill Sets: For certain specified Advisory Committees the Selection criteria should allow for a focus on technical expertise and experience of the candidate in the particular field/subject of the Advisory Committee. (See 4.1.7)

4.1.6 Selection Process - Vacancies – Application Waterfall: If application forms are properly redesigned, the selection process may be reduced significantly or even eliminated through criteria ranking. Council may elect the required slate of candidates and then establish an ongoing waiting list from the remaining candidates. New applications will be evaluated as per pre established criteria as received and placed on selection lists. This should provide an ongoing and immediate supply of potential candidates for appointments by Council to vacancies without being an administrative burden on City Staff.

4.1.7 University, College & Skill Development Institutions: Where applicable (See 4.1.5) it may be advisable to request a faculty member expert in a particular subject, to respective subject specific Advisory Committee. The assignment period may be from one year to four years as suited to the organization. It is general practice in the Universities and Colleges that all tenured staff do research work in their fields of expertise. A subject specific Advisory Committee is an ideal incubator for such research.

Each Advisory committee should have at least one post grad or fourth year student as its member. Board of Governors/Directors may develop an incentive of 2-5% marks for a student who actively contributes to their respective Advisory Committee. It is also observed that new comers have degrees from their country of origin but in most cases their credentials are not readily acceptable hence they go to placement centres and skill development institutes for certification. Recruitment of such students to an Advisory Committee by the concerned agencies at least for one year may be helpful for job placements. Students should be voting members and they will be expected to actively participate in Advisory committee meetings and its sub group meetings to add value to work of the Advisory committees.

Recommendation:

- A Working Group (WG) should be constituted to review the Clerks Interim Report on Advisory Committees, assist her with further review and consultations and to work to finalize this review and report back to the CSC within 120 days. This WG should be fully mandated in terms of coordination with City Staff and external institutions and may be comprised as follows:
 - 2 City Councilors,
 - 2 Advisory Committee Members-At-Large,
 - A representative of the Office of the Mayor, and
 - 1 support person from the Clerk's office.

5. Operations: The Business of Advisory Committees

Articles 3 & 15 of the **General Policy for Advisory Committees** describe the modus operandi for the business of Advisory Committees. Article 15 emphasizes that “The parliamentary rules outlined in the Council Procedure By-law shall be observed, as far as applicable, by each advisory committee”. Although observance of parliamentary rules are not mandatory for the business of Advisory committees, they are generally applied..

Articles 17-20 outline the Agenda and Reporting mechanisms. Article 19 provides the complete mechanism for Advisory Committee to follow when offering its opinions or recommendations on a particular subject/topic/project. Similarly Article 20 requires that Advisory Committee prepare and present their respective Annual Report and Work Plan to its parent standing committee.

Finally, Article 21 states that “Council recognizes the value of the impartial and objective advice received from committee members and the challenges and inherent restrictions facing committee members in assessing and recommending various options in a conscientious and ethical manner.”

Applying these articles within the context of the TAC Case Study reveals some very interesting but unusual observations.

5.1 Communication & Consultation: TAC prepared & submitted its 2018 Work Plan in February, but it was not approved by CWC. Rather, it was referred to Staff, in March 2018 for additional input. The Committee as constituted at that time was a group of capable, seasoned and informed members. This impasse and the resulting recommendations submitted by senior Staff may well have left CWC and Council with the unfounded impression the TAC was just another of several ‘inefficient and ineffective’ Advisory Committees. Further analysis will show this is hardly the case and that the root causes of this impasse were:

- a lack of timely **Leadership** on the part of CWC in that they failed to mentor TAC properly,
- the existence of a **Communications** gap - TAC was either unaware of or unwilling to bend to CWC priorities and expectations, and
- a marked lack of **Meaningful Consultation** between senior Staff and TAC.

It is clear that CWC failed in its responsibility to direct TAC by providing them with their priorities and expectations in the development of their annual Work Plan. Furthermore, senior Staff failed to share relevant project plans on an ongoing periodic basis, resulting in a TAC Work Plan which was developed in a vacuum with predictable results.

Further exacerbating the problem was the fact that there were unfilled vacancies amongst the Member-At-Large contingent. This was rectified by Council by March 2018 with the appointment of two new members.

TAC formed a Work Plan Working Group which properly communicated and consulted with all parties, resulting in revised Work Plan in the required template, which was submitted in June and approved by CWC later that fall. It also produced a Work In Process (WIP) document, which clearly communicated Staff project plans and consultation checkpoints and which is a project management stakeholder management best practice.

5.2 Time Boxing: Currently, Staff applies a very rigid form of Consultation with its Advisory Committees. It is very common that a project plan, an environmental assessment or a policy document which has been in the works for many months is presented at a monthly meeting with the expectation that Committee provide a response in a span of 4-6 weeks. It has also been observed from time to time that these documents were not provided by the specified Agenda mail-out cut-off and/or have referenced Public Information Centre (PIC) meetings which have already occurred. Whether by accident or design, ‘time boxing’ is disrespectful to Advisory Committees and makes it virtually impossible for them to add value. Furthermore, the rigidity of the current practice of Consultation is in direct conflict with Articles 17 & 21 of the **General Policy for Advisory Committees** which reinforce the value of dialogue and information sharing from the beginning of the consultative process. This too is a project management best practice.

Recommendations:

- Parent Standing Committees should take a more active role in mentoring their Advisory Committees including the introduction of a standard template for Work Plans and periodic presence at Advisory Committee meetings.
- Standing Committees should also ensure their priorities and expectations are documented and communicated to their Advisory Committees annually in advance of the planning cycle and that senior Staff provide Standing Committees with formalized and timely updates on all relevant Work in Process.
- Advisory Committee members should be encouraged to have departmental tours and project site visits guided and steered by concerned staff as a component of their ongoing orientation.

5.3 Quorum: This has been a concern for almost every Advisory Committee. The quorum problem needs to be properly diagnosed and addressed. There are many clues throughout the TAC case study and we are sure that other Committees have their own rationales but in our experience they can be synthesized into two main root causes:

- poor morale caused by the indifference often demonstrated by Council and senior Staff, and
- scheduling conflicts caused by personal/profession commitments and the inflexibility of the current meeting format.

Recommendations:

- Standing Committee members should commit to periodic presence at Advisory Committee meetings.
- Chair/Vice chair should be formally empowered to take a more active role in attendance management.
- Advisory Committee voting members who fail to attend 3 consecutive meetings should be referred to their parent Standing Committee for review and action up to and including dismissal.

5.4 Recognition & Rewards: Article 22 of the **General Policy for Advisory Committees** recognizes the services of members of Advisory committees: “The Municipal Council shall host an annual reception, subject to budget availability, to honour those members-at-large and those agency representatives who have served the Municipal Council, without remuneration by the Municipality, as a voting member of one or more of its advisory committees and whose attendance has been in keeping with set policy.” This is an excellent gesture on the part of Council which is designed to encourage members Advisory Committees. There is an opportunity for participants to take home more than just the value of a “meet & greet” experience. Such events may be made productive and interactive if a performance-highlight component is added which may be structured to recognize and reward high performing teams and allowing them to share their ‘Best

Practices' with their peers and Council. This would also reinforce the value of public service in general and Advisory Committees in particular.

Recommendation:

- The format of the annual reception to recognize the services of Advisory Committee members may be modified. To add value to the event, the reception may be given more formal i.e. conference-style look. An Advisory Committee Conference would provide an opportunity and platform for AC members to present their experiences and recommendations to their peers as well as receive recognition for outstanding performance. The following may be categories for specific recognition:
 - Sharing 'Best Practices' of best performing Advisory Committee,
 - Recognition awards/certificate to best performing Advisory Committees,
 - Recognition awards/certificate to best performing Chairs/Vice Chairs,
 - Recognition awards/certificate to best performing members, and
 - General attendance recognition awards.

6. Merger of TAC and CAC into TMAC

We do not think the merger of Transportation (TAC) and Cycling (CAC) Advisory Committees is in the public interest. It is our contention that the City of London benefits from a strong separate voice for Cycling, comprised of passionate advocates which has clearly added value for their community. To water this down in the recommended TMAC structure would be a mistake for cyclists, pedestrians, mobility-challenged citizens and motorists alike.

Similarly, as outlined in the analysis and recommendations flowing out of above mentioned TAC Case Study we feel strongly that TAC has much unrealized potential to add value. There is clearly a need for a voice for the other modes of Transportation. However, there also needs to be a greater commitment on the part of appointees to more actively participate in outside activities such as Sub-Committees and Working Groups.

Recommendations:

- Do not merge Transportation (TAC) and the Cycling (CAC) Advisory Committees into the TMAC as recommended by the Clerk in June 2018.
- Refer the following the following recommendations regarding the Transportation Advisory Committee (TAC) Terms of Reference to the above-mentioned Working Group for review and consideration:
 - **Mandate:** None
 - **Composition - Voting Members:** Increase the size of the At-Large contingent to at least 8 members. Remove the requirement of Members-At-Large to utilize active modes of Transportation and recruit more members with the capability to devote time to Sub-Committees and Working Groups.
 - **Composition - Non-Voting Members:** Invite all current special interest group representatives including CAC to participate in the Non-Voting Member group.
 - **Term of Office:** Formalize the current temporary extension by making Advisory Committee appointments effective June 1st of the year following a Municipal Election (4 year term) so as to allow for an improved recruitment cycle which is more reflective of the interests of the incoming Council.

- **Appointment Policies:** City Staff should conduct exit interviews/surveys with all outgoing appointees and report the results to Council periodically.
- **Conduct:** Voting Members who do not attend 3 consecutive meetings will be referred to Civic Works Committee for review and action up to and including dismissal. All Voting Members should expect to be called upon to chair at least one Sub-Committee and/or Working Group over the course of their term of appointment.

AC Review

Version: Jan. 4, 2021

Civic Administration Actions	TAC Responses	Council Actions
<p>On March 19, 2019 the Clerk submitted her AC Review - Interim Report to Coroprate Services Committee. Recommendations: 1. Non-voting Civic Admin AC members should assist AC's on Work Plan development. 2. No change to AC's or their TORs except to recruit "Members At Large" only for most AC's for an abbreviated term beginning July 1, 2019 and ending June 30, 2021.</p>	<p>On March 27, 2019 TAC submitted it's preliminary Working Group report which is subsequently tabled, debated, ammended & ratified by TAC on April 23, 2020. Recommendations: 1. Temporarily extend all AC's (1-2 years) and staff all current vacancies except for TAC and initiate a one-year pilot using TAC as a test bed. 2. Recruit a minimum 8 "At-Large" members and invite current Special Interest Groups to appoint Non-Voting members to TAC. 3. Strike a temporary Standing Committee of Council to direct the review, implementation and evaluation of the pilot. 4. Direct the Clerk to hold meaningful consultations with all other AC's, reporting her findings to the Temporary SC. 5. Report back to Council by February 28, 2021.</p>	<p>On March 27, 2019 the Council Resolved: 1. Non-voting Civic Admin AC members should assist AC's on Work Plan development. 2. No change to AC's or their TOCs except to recruit "Members At Large" only for most AC's for an abbreviated term beginning July 1, 2019 and ending June 30, 2021. 3. TAC Report "Enhancing the Effectiveness of AC's" be referred for consideration during the AC Review process. 4. Civic Admin meet with the Chairs of AC's (which to date has never occurred).</p>
<p>On August 24, 2020 the Clerk submitted her AC Review - Interim Report II to Governance Working Group (which reports to the Strategic Priorities and Policies Committee, a Standing Committee of Council). It is primarily a background report.</p>	<p>TAC was unaware of this development. Shawna Lewkowitz (Urban League) and Jim Kogelheide (TFAC Committee Member) submitted letters. Shawana made a presentation to SPPC at their Septemeber 22, 2020 meeting.</p>	<p>Governance WG recommended the SPPC & Council directed the Clerk to report back to the Governance WG with options for consideration: 1. Potential AC reductions, re-structures and mergers. 2. Alternative collaborative structure. 3. AC Work Plan development. 4. Further background on the "expert panels" concept. Motion Passed at SPPC Sept 22nd and at Council Sept 29th. (9 yea 5 nay)</p>
<p>On November 10, 2020, the Clerk submitted her AC Review - Interim Report III to the Governance Work Group. On December 7, 2020 the Clerk issued a questionnaire to a AC members with a deadline for response of December 23rd.</p>	<p>TAC remained unaware of these developments until the London Free Press article of November 11th. TAC met in Sub-Committee on December 7th, 9th and 14th to discuss its options and a quorum of the membership decided to recommend against individual TAC responses to the questionnaire in favour of a joint response to be sent directly to the Chairs of the Governace WG and the CWC in advance of their next scheduled meetings in January. TAC Chair to liaise with both Chairs and develop a response to be circulated to all TAC members for comment and final approval.</p>	<p>Governance WG recommended that the SPPC & Council directthe Clerk to develop an implementation plan (modified as listed below) which has been consulted upon with all AC's for presentation to the Governance WG. These motions passed at SPPC November 17th and were referred to Council and approved on November 24th.</p>
AC Interim Report III - Detailed Recommendations	TAC Sub-Committee Proposed Responses	Council Modifications to Clerks Recommendations
<p>Item 1.0 - Background Information</p>	<p>TAC will respectfully remind Council of our report dated March 15, 2019 entitled "Enhancing the Effectiveness of Advisory Committees" which was received and refered for consideration by Civic Administration by Council on March 26, 2019. We recommend that Section 1.1 of the Clerks Interim Reports II and III be ammended to make reference to this report and that all future reports should likewise contain this reference.</p>	
<p>Item 2.5 - Option chosen should allow for a phased approach which facilitates ongoing process evaluation.</p>	<p>The Clerk has had 3 years to consult with AC and other stakeholders and formulate a comprehensive set of recommendations. The phased approach unnecessarily draws out this process even further, making it impossible for Council to assess the full extent of the long -term impacts of the change.</p>	<p>Comments provided by the Gov WG are to be considered. The City Clerk is directed to consult with the current AC's with respect the these proposals and modifications and report back to the Gov WG.</p>

<p>Item 3.1 - Modified Status-Quo. 14 AC's reduced to 7 with 2 Expert Panels and Housing AC alternative TBD. Of specific interest, TAC and CAC are to combined.</p>	<p>The recombination of TAC and CAC (TMAC) was proposed to CWC on June 19, 2018. Council voted 13-1 on June 26, 2018 to put this on hold pending consultation with AC's and development of the promised comprehensive review of Terms of Reference for all AC's. Since neither of these things has occurred, this recommendation is premature and should be delayed until such time as this is complete. We recommend a further extension of current TAC and CAC pilots to March 2023.</p>	<p>Modified Status-Quo is the preferred option. 14 AC's reduced to 9. (Environmental & Ecological AC Childcare AC will remain as AC's) The concept of Expert Panels is to be clarified.</p>
<p>Items 3.2/3.3 - A future report would deal with changes to Terms of Reference including: new reporting relationships to Standing Committees, elimination of work plans, introduction of "as required" vs. "specific" meeting dates, sunset clauses for committees and/or appointments. TOR's of the Urban Design Review Panel and Community Diversity and Inclusion Strategy would be used as guides.</p>	<p>TAC establish a Work Group in 2021 to review the TMAC proposal of 2018 which we expect would be the basis of any new TOR for TAC. We recommend continuing or reporting relationship to Civic Works Standing Committee. We do not agree with the elimination of Work Plans or scheduled meeting dates. Monthly meeting dates continue to be our preference due to the sheer volume of the workload.</p>	<p>A minimum number of meetings will be provided for.</p>
<p>Item 3.4 - Recruiting channels will be similar to 2019 and in accordance with the revised TOR mentioned in 3.2/3.3. A future report outlining appointment procedures is forthcoming a randomized selection from submitted applications is recommended. Appointments under the new structure will begin July 1, 2021, extending to March 2023.</p>	<p>Moving forward with any changes without a review of the impact(s) of the 2019 recruiting and approval processes for the current pilot is not recommended. As there is insufficient time to accomplish this prior to the expiration of the current pilot program on June 30, 2021, hence the recommendation to extend the current pilot to March 2023. We suggest Council pay particular attention to the role of the Striking Committee and provide greater oversight than was the experience in the 2019 pilot recruitment process. We see no practical rationale for term limits as evidenced by the high number of exceptions to section 4.6 of the General Policy for AC's which were requested in 2019 (12)</p>	