

Parameters for Councillor Constituency Offices

Date:	October 23, 2012
To:	City Council
From:	Ulli S. Watkiss, City Clerk
Wards:	All Wards
Reference Number:	

SUMMARY

This report proposes parameters for Councillor constituency offices in response to City Council's direction during its consideration of EX21.9 "Policy Changes to Facilitate Councillor Office Operations" that each Councillor be provided with a constituency office funded from the Council General Expense Budget and that staff develop the appropriate parameters for these spaces.

RECOMMENDATIONS

The City Clerk recommends that:

1. City Council approve the parameters for Councillor constituency offices contained in Attachment 1 to this report.
2. City Council direct the City Clerk to adjust the City Council 2013 operating budget submission to include funding required to provide Councillor constituency offices to be considered as part of the 2013 operating budget process.

Implementation Points

City Clerk's Office staff will arrange for the transfer of expenses related to existing Councillor constituency offices since July 14, 2012, to the Council General Expense Budget upon City Council consideration and adoption of this report.

Future Councillor constituency office expenses that fall within the parameters in Attachment 1 will be charged directly against the Council General Expense Budget.

Financial Impact

As it takes approximately three to six months to search for and set up a new constituency office, the financial impact on the Council General Expense Budget in 2012 will be limited to the leasing and operating expenses for those Councillors already with constituency offices. This is estimated to be \$60,000.

The City Council operating budget is currently showing an under-spending in both Councillors' Staffing Budget and Councillor Constituency Services and Office Budgets. The City Council 2012 operating budget should be able to absorb the additional constituency office expenses within the current budget envelope.

Based on the parameters proposed in Attachment 1 and Councillor canvassing results, the financial impact on the City Council 2013 operating budget will be approximately \$650,000, broken down as follows:

Annual leasing and operating costs for existing offices	\$125,000
One-time set-up costs for new offices	\$360,000
Annual leasing and operating costs for new offices	\$165,000

If Council adopts this proposal, the City Council 2013 operating budget will be adjusted to reflect these requirements and will be considered as part of the 2013 operating budget process.

The financial impact for 2014 and future years is dependent on the transition requirements in the new term of Council and are yet to be determined.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

At its meeting on January 30 and 31, and February 1, 2001, Toronto City Council considered Report #1 of Administration Committee, titled "*Options for Constituency Offices and Reallocation of Vacant Second Floor Office Space at City Hall*" and approved that "the rent/lease costs for constituency offices located in former Civic Centres or other City of Toronto buildings, including Toronto City Hall, be set at the same rate, and that the rate be set at \$400.00 per month for a maximum total of 500 square feet, the amount to be charged back to the Councillor's Global office budget."

<http://www.toronto.ca/legdocs/2001/agendas/council/cc010130/adm1rpt/cl001.pdf>

At its meeting on July 11, 12 and 13, 2012, Toronto City Council considered Report EX21.9, "*Policy Changes to Facilitate Councillor Office Operations*" and approved "the provision of a constituency office, within a civic centre (including City Hall) or within the Councillors' respective wards, to be funded from the General Council Account, and further, that staff develop appropriate parameters for these spaces."

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.EX21.9>

ISSUE BACKGROUND

There are currently 30 City Councillors who have constituency offices and these expenses are charged to their Constituency Services and Office Budget. Of the 30 Councillors, 13 Councillors have expanded space at City Hall, 9 Councillors have constituency offices at East York, Etobicoke, North York and Scarborough Civic Centres, 1 Councillor has a constituency office at an agency/corporation-owned space, 6 Councillors have constituency offices in private sector space, and 1 Councillor has both expanded space at City hall and permitted space at an agency.

In August 2012, the City Clerk canvassed City Councillors on their intent with regard to constituency offices. A total of 39 Councillors responded. Councillors who did not respond were advised that they would be considered as not wanting any change with their current constituency office arrangements.

The results of the canvassing are as follows:

<u>Councillors Intentions</u>	<u>Number of Councillors</u>
Intend to keep current constituency office with no change	22
Intend to expand existing constituency office at City Hall or civic centre	2
Intend to have new constituency office at City Hall or civic centre	3
Intend to have new constituency office in ward (includes one Councillor who intends to have touch-down space at City facility in ward)	6
Do not need a constituency office	11

Councillors may use space at different City-owned facilities on an as-required basis. For example:

- a Councillor uses a number of community centres for meetings with constituents in the public space of these centres; or
- a Councillor may permit a community centre meeting room for a constituency meeting.

These one-off meetings are covered in the Councillor Use of Civic Space policy, approved by City Council in July 2012, and are not part of the proposed parameters for Councillor constituency offices.

Councillors were invited to comment on the proposed parameters at three drop-in sessions held at the end of September. One-on-one briefings were also held upon request. Twelve Councillor offices provided feedback on the proposed constituency office parameters. All consulted Councillors indicated that the proposed parameters meet their requirements and are comprehensive, fair and reasonable, providing the right balance between Councillor space needs, fiscal prudence, accountability and transparency.

COMMENTS

City Clerk's Office staff set up a working team with staff from Facilities Management and Real Estate Services to develop the parameters on Councillor constituency offices. The proposed parameters are included in Attachment 1.

A number of important provisions in the proposed parameters and the rationale behind these provisions are highlighted as follows:

1. *City negotiates leases*

In compliance with the Council accountability framework, all leases for constituency offices in private sector space must be negotiated and administered by City staff and the lease must be in the name of the City of Toronto. Councillors should not communicate with the landlord directly concerning any lease arrangements or leasehold improvements.

Landlords of space where Councillors may locate their constituency offices may also be developers with active applications or lobbyists on other matters. A clear separation between Councillors and landlords will avoid potential conflict of interest situations or the optics of a Councillor receiving a benefit from a landlord. The lease agreement for Councillor constituency offices will include a clause to this effect.

Staff have consulted with the Integrity Commissioner and Lobbyist Registrar on this provision. Both accountability officers advised that the proposed parameters would provide the separation required under the Council accountability framework.

2. *Balance between right to location and fiscal prudence*

In order to balance between the Councillors' right to locate in their wards and City staff's attempt to provide constituency offices for Councillors in the most cost effective manner, Councillors whose ward includes City Hall or a civic centre will be strongly encouraged to locate their constituency offices at one of these buildings.

In searching for constituency offices, City staff will investigate the availability of City-owned space first before searching for locations in private sector space.

3. *Only one constituency office per Councillor paid from Council General Expense Budget*

Space above the standard City Hall allocation is considered a constituency office. A Councillor who has expanded space at City Hall and a constituency office in their ward or at a civic centre will need to declare the constituency office that is to be funded from the Council General Expense Budget. Expenses for the other constituency office(s) will continue to be paid for by the Councillor's Constituency Services and Office Budget.

Home Offices are not considered Constituency Offices. Home Offices will continue to be funded in accordance with the Constituency Services and Office Budget Policy.

4. *Size, configuration, furniture and equipment*

The recommended benchmark size for a constituency office is 600 square feet, comprised of a Councillor private office, space for two staff work stations, and some general space for a printer and a filing cabinet. The final size of each constituency office will vary, dependent upon the space that is available and negotiated. Furniture, telecommunications and information technology equipment will be provided. Details of the furniture and equipment to be provided are in 3.7 of Attachment 1.

5. *Transition between Council Terms*

Because of the potential for higher costs of setting up a constituency office in private sector space, a returning Councillor who already has a constituency office set up in private sector space will not be able to move their constituency office to another private sector location, unless the landlord terminates the lease or the lease rate has risen significantly as determined by Real Estate Service staff.

New Councillors can request City staff to renew the lease of the constituency office set up for the outgoing Councillor, or request a new constituency office to be set up at another location.

Councillors who currently have a constituency office in private sector space are provided a one-time exemption, as no set-up costs were incurred initially with their

constituency offices. In the 2014 Council term transition, these Councillors can request to move their constituency office in private sector space.

6. *Allocations from Council General Expense Budget*

Real Estate Services staff surveyed the lease rates of properties suitable for constituency offices across the City and recommend using \$30 per square foot as the benchmark rate to calculate the annual lease entitlement for Councillor constituency offices.

This rate would be applied consistently across all City wards. Real estate value is location-based with many variables within each ward that affect the lease rate. Real Estate Services staff are confident that they would be able to successfully identify locations for Councillor constituency offices within the benchmarked rate.

To reflect real estate market conditions, the parameters also include an inflationary adjustment of the annual lease entitlement.

Other one-time and annual cost allocations for Councillor constituency offices paid for by the Council General Expense Budget are detailed in 3.8 in Attachment 1.

CONTACT

Winnie Li
Director, Council and Support Services
416-392-8676
wli@toronto.ca

SIGNATURE

Ulli S. Watkiss
City Clerk

ATTACHMENTS

Attachment 1 – Parameters for Councillor Constituency Offices