April 17, 2015

Mayor John Tory  
Chair, Executive Committee  
100 Queen Street West  
Toronto, ON M5H 2N2

Community Benefits Agreements (CBAs)

Background:

Recently across the United States and in Canada, community advocates, developers and local governments are working together to develop a legacy of Community Benefits Agreements (CBAs). CBAs are achieved through a series of negotiations and contractual agreements where all invested parties work together to ensure publicly funded capital projects and private developments provide to the community such benefits as assurances of local jobs, living wages, affordable housing, community facilities and environmental enhancements. Benefits offered and secured through CBAs can vary with each particular development and the communities affected.

In California, the $4.2 billion Los Angeles Sports and Entertainment District abutting the Staples Centre produced a Community Benefits Agreement involving the participation of the local government, a coalition of community groups and labour unions. Some of the benefits secured included community and park improvements, 70% of the anticipated 5500 permanent jobs be "living wage jobs" and a "first source" hiring program that gives preference to target groups such as low-income individuals living within the development proximity.

In 2014, Premier Kathleen Wynne endorsed the concept of CBAs as a mechanism to address youth unemployment, job creation, apprentice training and local economic development. The construction of the Metrolinx Eglinton Crosstown Light Rail Transit project is a multi-year $5.3 billion dollar project now subject to a CBA with discussions led by a key stakeholder, the Toronto Community Benefit Network (TCBN) and other key government partners such as the Ministry of Training, Colleges and Universities (MTCU) with the potential to create thousands of jobs, increase apprenticeship training and opportunities for local companies.

It is anticipated that CBAs can become a standard part of all land use regulation, infrastructure and real estate development above a certain size threshold. Development proposals that require government approval can produce social development tangibles for the local communities affected by the development and construction.
Recommendations:

1. City Council direct the Executive Director, Social Development, Finance and Administration; the Director, Purchasing & Materials Management; the General Manager, Employment and Social Services; the General Manager, Economic Development and Culture; and Chief Planner and Executive Director, City Planning Division to work together to:

   a. establish a City of Toronto Community Benefits Working Group whose membership is to be comprised of Toronto Transit Commission, Metrolinx, Toronto Community Housing, Toronto Community Benefits Network, Toronto Workforce Innovation Group, Ministry of Training, Colleges and Universities and other appropriate stakeholders such as employers, community organizations, labour unions to inform the work of Toronto's Workforce Development Leadership Table and Community of Practice on Public Sector Social Procurement in Toronto, and to identify and improve the economic opportunities for Toronto residents, resulting in improved social and health outcomes by advancing a streamlined and coordinated community benefits protocol.

   b. align a focus on Community Benefits Agreements with the work currently underway to develop a Toronto Social Procurement Policy, and create a Community Benefits Agreements protocol to achieve social, economic and environmental benefits for the local communities impacted by proposed developments and infrastructure projects, and to support the employment objectives of Toronto's Workforce Development Strategy including that of the Youth Employment Action Plan, Youth Equity Strategy and Newcomer Strategy and to report back on progress to the Executive Committee in the fourth quarter of 2015.

Sincerely,

Councillor Kristyn Wong-Tam
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