

Amendment to Non-Competitive Blanket Contract Number 47024284 with Canadian Red Cross Society

Date: June 23, 2023

To: General Government Committee

From: General Manager, Shelter, Support and Housing Administration and Chief Procurement Officer

Wards: All

SUMMARY

This report is to request authority from the General Government Committee to amend Non-Competitive Blanket Contract Number 47024284 issued to Canadian Red Cross Society for the provision of emergency services, including emergency lodging; staff and volunteers to conduct initial contact, assessment and service delivery; and subcontractor costs for security.

The Canadian Red Cross provides shelter services at a Toronto hotel site near the airport (hereafter referred to as “site”) for Ukrainian arrivals needing emergency shelter. The site currently has a block of 70 rooms. As of June 16, 2023 there are 181 individuals from 68 households at the Toronto hotel site.

On April 25, 2022, the City of Toronto issued an Emergency Non-Competitive Blanket Contract 47024284 (NCPR #WS3559160342) to Canadian Red Cross Society for these services in the amount of \$5,137,629 net of Harmonized Sales Tax for the period ending June 30, 2022. This contract was then amended to extend the term to December 31, 2022. To continue to support the Ukraine response, SSHA needs to amend and extend the non-competitive blanket contract to December 31, 2023. SSHA will review the program in Q3 and Q4 of 2023, including options for a competitive process moving forward.

The total value of the Non-Competitive Blanket Contract amendment being requested is \$10,000,000 net of Harmonized Sales Tax (\$10,176,000 net of Harmonized Sales Tax recoveries), increasing the contract value from \$5,137,629 net of Harmonized Sales Tax (\$5,228,051 net of Harmonized Sales Tax Recoveries) to \$15,137,629 net of Harmonized Sales Tax (\$15,404,051 net of Harmonized Sales Tax recoveries) and extending the term to December 31, 2023.

RECOMMENDATIONS

The General Manager, Shelter, Support and Housing Administration and the Chief Procurement Officer recommends that:

- nn. City Council authorize the General Manager, Shelter, Support and Housing Administration, in consultation with Purchasing & Materials Management, to enter into the necessary amending agreements on terms and conditions satisfactory to the General Manager, Shelter, Support and Housing Administration, and in a form satisfactory to the City Solicitor to increase the value and extend the term of the following contract contingent on funding in the 2023 budget:
 - a. Blanket Contract Number 47024284 with Canadian Red Cross Society for the provision of emergency lodging and associated costs by amount of \$10,000,000 net of Harmonized Sales Tax (\$10,176,000 net of Harmonized Sales Tax recoveries), increasing the contract value from \$5,137,629 net of Harmonized Sales Tax (\$5,228,051 net of Harmonized Sales Tax Recoveries) to \$15,137,629 net of Harmonized Sales Tax (\$15,404,051 net of Harmonized Sales Tax recoveries) and extending the term to December 31, 2023.

FINANCIAL IMPACT

This report requests Council authority to amend and extend the existing non-competitive blanket contract for emergency lodging and associated costs to support the operational response for the City's Ukrainian response at a total estimated cost of up to \$10 million net of HST recoveries in 2023. This is a blanket value based on an actual estimated cost of \$8.8 million. Including an additional \$1.2 million in the blanket value ensures there is approval in place to accommodate fluctuations in costs.

The target value of the blanket contract is non-committed and will be expensed at time of commitment to allow the City to continue to pay the vendor. The actual spending against this agreement will be limited to the Council approved budget and SSHA's 2023 Operating Budget.

In total, the current funding requirement for the City's Refugee Response Initiative is \$97 million for 2023. In the absence of timely and sufficient funding support commitments from the federal government, the City will need to review current programming levels and be prepared to adjust or reduce programming in advance of 2024. The City does not have adequate funding provisions to continue to deliver the Refugee Response Initiative without sustainable funding commitments from the federal government. It is important to note that use of the City's emergency provisions will fully exhaust the City's one-time backstop strategy and will mean funds are no longer available for other ongoing commitments, COVID-19 impacts or service delivery in 2024.

The Chief Financial Officer and Treasurer has reviewed this report and has been informed of the financial implications associated with this report as contained in the Financial Impact Section.

Table 1: Amendment to Non-Competitive Blanket Contract and Financial Impact Summary

No.	Vendor	Services	Blanket Contract Number	Current Value Net of All Taxes	Amendment Value Req. Net of All Taxes	Total Value Net of All Taxes	Cost Centre/Cost Element/GL Code	Total Amendment Value 2023 Net of All Taxes
1	Canadian Red Cross Society	Emergency Lodging, Associated operational costs	47024284	\$5,137,629	\$10,000,000	\$15,137,629	F00060	\$15,137,629
Sub-total Net of HST Recoveries								\$15,404,051

DECISION HISTORY

Emergency Non-Competitive Blanket Contract 47024284 (NCPR #WS3559160342) was issued on April 25, 2022 to the Canadian Red Cross Society in the amount of \$5,137,629 net of Harmonized Sales Tax for the provision of emergency lodging and associated costs for the period ending June, 30, 2022. This was amended to extend to the term to December 31, 2022.

At its meeting on February 7, 2023, City Council adopted 2023.EC1.5 “COVID-19 Shelter Transition and Relocation Plan Update”. It provides an overview of measures in place to address the City’s Ukrainian response.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.EC1.5>

COMMENTS

Between June 6, 2022 and June 15, 2023, in collaboration with the Greater Toronto and Hamilton Area, approximately 2,224 individuals (921 households) have been supported to move to longer-term accommodation. However, the vacancy rate at this and other sites has been between 0% since April 2023.

Despite the City’s extensive engagement with Immigration, Refugees and Citizenship Canada, the Toronto hotel site continues to be funded by the City of Toronto. The City of Toronto and Greater Toronto and Hamilton Area partners continue to engage the Federal and Provincial governments to provide funding for these services.

CONTACT

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SIGNATURE

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Geneviève Sharkey
Chief Procurement Officer