

Amendment to Authority to Execute Blanket Contract with Salesforce.com Canada Corporation for Cloud-Based Services

Date: November 24, 2025

To: General Government Committee

From: Chief Technology Officer and Chief Procurement Officer

Wards: All

SUMMARY

The purpose of this report is to request an amendment to the City's existing authority with Salesforce.com Canada Corporation, a Canadian business subsidiary. This report recommends that City Council grant authority to increase the contract amount in the value of \$6,751,001 net of taxes and applicable charges (\$6,869,819 net of Harmonized Sales Tax (HST) recoveries) within the five (5)-year term from January 1, 2026, to December 31, 2030, under the same pricing, terms, and conditions of the existing agreement.

Although the City received authority under the consolidated maintenance report [GG24.9](#) in October 2025 to continue existing services, this increase is necessary to obtain additional licenses and subscriptions that will support the expanded licensing required to realize several Council-directed transformation initiatives for the Municipal Licensing and Standards Division and the Customer Experience Division, respectively.

Salesforce is the City of Toronto's Enterprise Customer Relationship Management platform. It centralizes, tracks, and manages many customer interactions with the City, including by phone, email, or online portals. The platform supports customers to get the information they need regarding City services, while providing City staff with a centralized location to access information – making it easier to manage interactions with customers.

RECOMMENDATIONS

The Chief Technology Officer and Chief Procurement Officer recommend that:

1. City Council, in accordance with Section 71-11.1.C of the City of Toronto Municipal Code Chapter 71 (Financial Control By-Law), grant authority to the Chief Technology

Officer, to amend and increase the authority for the Chief Technology Officer under [GG24.9](#) with Salesforce.com Canada Corporation by \$6,751,001 net of taxes and charges (\$6,869,819 net of HST recoveries) to procure and renew new licences and support services as required until December 31, 2030, under the same pricing, terms and conditions as the existing agreement, and in a form satisfactory to the City Solicitor.

FINANCIAL IMPACT

The total value of the requested amendment to the authority to execute a blanket contract with Salesforce.com Canada Corporation is \$6,751,001 net of taxes and charges (\$6,869,819 net of HST recoveries).

This will increase the authority value from \$10,000,000 net of taxes and charges (\$10,176,000 net of HST recoveries) to \$16,751,001 net of taxes and charges (\$17,045,819 net of HST recoveries).

Funding for this contract is available in the 2026 to 2035 Capital Budget and Plan of Technology Services Division. As shown in Table 1, budget for this recommended additional authority will be included in the respective 2027 to 2030 Operating Budget Submissions of Technology Services Division and Municipal Licensing and Standards.

Table 1 – Financial Impact Summary of Recommended Additional Authority to Execute Blanket Contract (net of HST recoveries)

Division	Cost Element	Cost Centre	2026	2027	2028	2029	2030	Total
Technology Services Division	CIT045-49	3420	\$152,640	-	-	-	-	\$152,640
	CIT061-14	3420	\$722,496	-	-	-	-	\$722,496
	IT2176	3420	-	\$805,939	\$900,576	\$1,008,442	\$1,130,554	\$3,845,511
Municipal Licensing and Standards	MS1012	3420	-	\$537,293	\$537,293	\$537,293	\$537,293	\$2,149,172
Total Net of HST Recoveries			\$875,136	\$1,343,232	\$1,437,869	\$1,545,735	\$1,667,847	\$6,869,819

The Chief Financial Officer and Treasurer has reviewed and agrees with the financial impact presented in this report.

DECISION HISTORY

On October 8 and 9, 2025, under GG24.9, City Council approved the review and renewal of Technology Maintenance Contracts for Sustainment of City Services from 2026-2030, including but not limited to the maintenance contract for Salesforce, subject to budget approval each year.

<https://secure.toronto.ca/council/agenda-item.do?item=2025.GG24.9>

On September 29, 2025, under EX26.7, the Executive Committee directed Customer Experience, Parks and Recreation, Toronto Water, Transportation Services, Solid Waste Management Services, Municipal Licensing and Standards, and Environment, Climate and Forestry to develop a phased plan to simplify the 311 service request intake process.

<https://secure.toronto.ca/council/agenda-item.do?item=2025.EX26.7>

On September 12, 2025, under SE9.2, the Service Excellence Committee requested the Executive Director, Customer Experience, the General Manager, Parks and Recreation, the General Manager, Toronto Water, the General Manager, Transportation Services, the General Manager, Solid Waste Management Services, the Executive Director, Municipal Licensing and Standards, and the Executive Director, Environment, Climate and Forestry, to report back by Q2 2026 with a plan and phased approach to simplify the 311 service intake process.

<https://secure.toronto.ca/council/agenda-item.do?item=2025.SE9.2>

On April 23 and 24, 2025, under GG20.10, City Council requested the Chief Procurement Officer, in consultation with the Chief Technology Officer and relevant City Divisions, to explore opportunities for the procurement process to support the procurement of Artificial Intelligence innovation.

<https://secure.toronto.ca/council/agenda-item.do?item=2025.GG20.10>

On February 25, 2025, under GG19.25, the General Government Committee requested the Executive Director, Customer Experience to assess the feasibility of permitting residents to create and sign into a 311 account on their app or portal to see their history of complaints and to make filing a complaint easier.

<https://secure.toronto.ca/council/agenda-item.do?item=2025.GG19.25>

On December 17 and 18, 2024, under AU7.2, City Council requested that the Chief Technology Officer, in consultation with the Chief Procurement Officer and the City Solicitor, evaluate whether future software subscription contracts can include provisions to allow the City to defer licence purchases or adjust the contracted volume of software subscriptions, in situations where projects are delayed; or the requirement for software subscription volume changes.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.AU7.2>

On July 24 and 25, 2024, under EC14.14, City Council directed the Executive Director, Municipal Licensing and Standards and the Chief Technology Officer to report back to the Economic and Community Development Committee by the second quarter of 2025 with a Business Licence and Permit Applications Action Plan, which was to include but was not limited to accelerated plans for technology improvements to modernize Municipal Licensing and Standards' licensing and permit issuance and enforcement systems.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.EC14.14>

On July 10, 2023, under GG5.5, the General Government Committee renewed the Master Services Agreement with Salesforce.com Canada Corporation from August 1, 2023 to July 31, 2028; and amended Blanket Contract 47023379 with an increase in value by \$1,643,621.00 net of taxes and charges (\$1,672,549 net of HST recoveries) to

procure and renew new licences and support services as required until December 31, 2025.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.GG5.5>

On May 27, 2021, City Council granted authority under GL23.15 to amend Blanket Contract 47023379 with Salesforce.com Canada Corporation to procure additional Salesforce licences, to maintain subscriptions until December 31, 2025, and to increase the value of the contract by \$1,250,000 net of taxes and charges (\$1,272,000 net of HST recoveries).

<https://secure.toronto.ca/council/agenda-item.do?item=2021.GL23.15>

On October 27, 28, and 30, 2020, City Council granted authority under GL16.5 to negotiate, enter into, and execute new contracts or to renew and extend existing contracts that pertain to Proprietary Technology Maintenance Contracts that support the City from 2021-2025. A new Blanket Contract 47023379 for Salesforce.com Canada Corporation was issued for a five (5)-year period from January 1, 2021, to December 31, 2025.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.GL16.5>

On June 18 and 19, 2019, City Council granted additional authority under GL5.10 to amend Blanket Contract 47021645 with Salesforce.com Canada Corporation and increase the value of the contract by \$1,037,061 net of taxes and charges (\$1,055,314 net of HST recoveries). Blanket Contract 47021645 was amended on July 28, 2020, for the period August 1, 2020, until December 31, 2020.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.GL5.10>

On June 14, 2017, the Bid Award Panel granted authority under BA27.3 to award a contract for Request for Proposal Number 3407-17-0066 to Salesforce.com Canada Corporation for the City's Phase 1 implementation of an Enterprise Customer Relationship Management solution to support the City's Customer Service Strategy. As a result, Blanket Contract 47021645 was issued at a value of \$972,865 net of taxes and charges (\$1,528,298 net of HST recoveries).

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.BA27.3>

COMMENTS

Leveraging the City's Existing Salesforce Master Services Agreement

The City of Toronto has a Master Services Agreement with Salesforce.com Canada Corporation, which is valid until July 31, 2028. Since 2017, the City has contracted Salesforce to implement an enterprise-wide customer relationship management solution ([GG5.5](#), [GL23.15](#), [GL16.5](#), [GL5.10](#), [BA27.3](#)).

The Master Services Agreement with Salesforce.com Canada Corporation is structured with an enterprise focus for anticipated future use of the platform, especially as the City expands and adds new programs. To support the City's changing needs and priorities, the City has the flexibility through this Agreement to leverage a pay-as-you-go subscription model, swap subscription types, and turn on/off licences as required on a yearly renewal basis within the overall term.

This flexibility aligns with the Auditor General's recommendations under [AU7.2](#) to manage and optimize value from software licences. This Agreement also provides the necessary framework to coordinate implementation, optimize licensing flexibility and pricing, ensure direct access to supplier support, while keeping operations under a single contract for streamlined management and legal clarity.

The recommendation outlined in this report will support the expanded licensing required for the respective Council-directed transformation initiatives of Municipal Licensing and Standards and Customer Experience Division, which are described further below.

Municipal Licensing and Standards

Municipal Licensing and Standards currently uses Salesforce for the Division's noise and short-term rental programs. Overall, Municipal Licensing and Standards is expanding the use of the platform across the Division and will replace all but one of its legacy systems with Salesforce, creating a unified solution for case management, investigations, enforcement, and business permit and licence issuance.

Funding for additional Salesforce licences is critical to support this transformation and will enable Municipal Licensing and Standards to properly manage the extensive scope of the Division's technology modernization initiative, which is being implemented as a multi-year and multi-phased approach.

The first phase of the transformation will begin in Q1 2026 and will consolidate all legacy systems regarding case management, investigations, and enforcement activities related to bylaws enforced by Municipal Licensing and Standards (except Chapter 349, Animals) into the Salesforce platform.

The first phase of the transformation supports the generation of operational, performance, and management reports, enabling effective monitoring of service delivery, customer service standards, and reporting to the public.

Future phases of Municipal Licensing and Standards' transformation and modernization journey will also help to meet several City Council directives, namely [EC14.14](#) and [EX26.7](#). For example, [EC14.14](#) directed staff to accelerate technology improvements to modernize Municipal Licensing and Standards' business licence and permit administration and enforcement. The Division's online business licence application and renewal portals are not yet integrated with the Division's existing licensing system. Staff must download application documents manually and conduct extensive data entry, which contributes to prolonged processing times experienced by applicants.

The transition to Salesforce will mean complete end-to-end integration of the online business licence and permit application and renewal portals, removing manual data entry for staff and allowing residents to more effectively apply and renew their business licences and permits.

Further, Municipal Licensing and Standards' transition to Salesforce will support efforts to improve the end-to-end customer experience and meet directives in [EX26.7](#). Service request types being transitioned to Salesforce will eventually be fully integrated with

311's online intake portal, enabling the public to receive updates on the status of their service request throughout the lifecycle. Residents will also receive more standardized quality notes and updates related to how their service request was completed.

Customer Experience Division (311 Toronto)

As directed by Council via [SE9.2](#) and [EX26.7](#), Customer Experience Division is advancing planned improvements to make it easier for customers to engage with 311.

The ability to procure additional Salesforce licences until 2030 will enable the Division to remain agile to any future changes that may be required for continuously improving the user experience of residents, businesses, and visitors who use 311.

For example, to increase user uptake of the City's 311 online self-service portal and mobile application, the Division is redesigning and improving the self-serve experience to make it more intuitive and user-friendly. In 2024, 311 received nearly half a million service requests. However, only one quarter of such requests were submitted through 311's self-serve channels. This indicates an opportunity to enhance the 311 online portal and 311 mobile application to better meet the needs and expectations of residents, businesses and visitors.

Furthermore, in alignment with [GG20.10](#), wherein City Council requested staff to explore opportunities for Artificial Intelligence (AI) innovation, Customer Experience Division has initiated a multi-phased project with a long-term goal of launching a public-facing AI-enabled 311 Virtual Assistant for customers.

The first phase of this initiative, which will begin in Q1 2026, comprises of the launch and assessment of a pilot for an internal-facing and AI-enabled assistant, which will allow 311 Customer Service Representatives to quickly access various resources required when supporting customers, including but not limited to the City's Knowledge Base. The pilot will be user-tested by a select group of 311 Customer Service Representatives.

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