

LEGAL SERVICES

PROGRAM MAP

Legal Services

Prosecution

Civil Litigation

Solicitor

The goal of Legal Services is to provide responsive and cost-effective legal support to Toronto City Council and its local boards and staff on governance, strategic initiatives, legislative compliance, risk management and operational issues. Legal Services do their best to ensure that actions undertaken by the municipality comply with applicable laws and have the desired legal effect. Some specific objectives include:

- Meeting the needs of council, division heads and staff for timely, accurate and effective legal advice;
- Protecting, advocating for, and advancing the legal interests of the municipality and the general public interest;
- Providing cost-effective representation of the municipality before the courts and boards/tribunals;
- Preparing, negotiating and reviewing contracts and agreements to protect the municipality's interests; and
- Overseeing the delivery of services under the *Provincial Offences Act* consisting of administrative, prosecutorial and court support functions.

Toronto's Legal Services division is comprised of more than 100 practicing lawyers, more than 15 law clerks, 11 conveyance staff and more than 30 prosecutions staff, providing services to Council, its local boards and staff in the following areas:

- Municipal Law – providing legal advice and opinions on issues relating to governance, service delivery, operations and corporate initiatives, including contract negotiations and drafting agreements.
- Real Estate Law – providing assistance and advice on a wide range of diverse and sophisticated real estate transactions dealing with the City's property interests.
- Planning and Development Law – providing advice on the use and development of land and policy related matters, including matters relating to the Ontario Municipal Board and the Alcohol and Gaming Commission.
- Employment Law – providing advice and assistance in matters related to employment law and dealing with issues arising from collective agreements between the City and its unions. Includes dealings with the Ontario Labour Relations Board, Workplace Safety and Insurance Appeals Tribunal and the Ontario Human Rights Tribunal.

- Litigation – representing and defending in litigious matters at all levels of courts and administrative tribunals.
- Prosecutions – prosecuting of a wide range of offences committed under City bylaws and provincial

SUMMARY OF PERFORMANCE MEASUREMENT RESULTS

Question	Indicator/Measure	Internal Comparison of Toronto's 2016 vs. 2015 Results	External Comparison to Other Municipalities (MBNC) By Quartile for 2016	Chart & Page Ref.
Service Level Indicator				
How much internal legal work is required to support municipal services?	Legal Services Cost (Internal) per 1,000 Dollars Municipal Capital and Operating Expenditures - (Efficiency)	Increase Internal legal expenditures in proportion to operating and capital expenditures increased (service level indicator) (No Graph)	1 Highest amount of legal work compared to other municipalities in proportion to operating and capital expenditures (service level indicator)	17.1 pg. 4
Efficiency Measures				
How much does it cost per hour for internal lawyers, including overhead costs?	Legal Costs per In-house Lawyer Hour - (Efficiency)	Increase Legal Costs per In-house Lawyer Hour increased in 2016 (No Graph)	4 Higher cost per hour for internal (in-house) legal services compared to others (more complex work may be done by internal lawyers in Toronto that more expensive external lawyers would be doing in other municipalities)	17.2 pg. 5
Overall Results	Service Level Indicators (Resources)	Performance Measures (Results)	Service Level Indicators (Resources)	Performance Measures (Results)
	1 - Increased 0 - Stable 0 - Decreased	0 - Favourable 0 - Stable 1 - Unfavourable	1- 1st quartile 0 - 2 nd quartile 0 - 3 rd quartile 0 - 4th quartile	0 - 1st quartile 0 - 2nd quartile 0 - 3rd quartile 1 - 4th quartile
	100% increased or stable	0% favourable or stable	100% in 1st and 2nd quartiles	0% in 1st and 2nd quartiles

For an explanation of how to interpret this summary and the supporting charts, please see the Guide to Toronto's Performance Results. These quartile results are based on a maximum sample size of 14 municipalities.

SERVICE LEVEL

One way of comparing the volume of legal services (service levels) provided is to relate internal legal expenditures to the operating and capital expenditures of the municipal services they support. In 2016, Toronto spent \$6.03 per \$1,000 of municipal operating and capital expenditures of the services they support, which was an increase from \$5.27 in 2015. Figures exclude decentralized legal costs incurred directly by divisions.

17.1 – HOW MUCH LEGAL WORK DONE BY INTERNAL STAFF IS REQUIRED TO SUPPORT MUNICIPAL SERVICES?

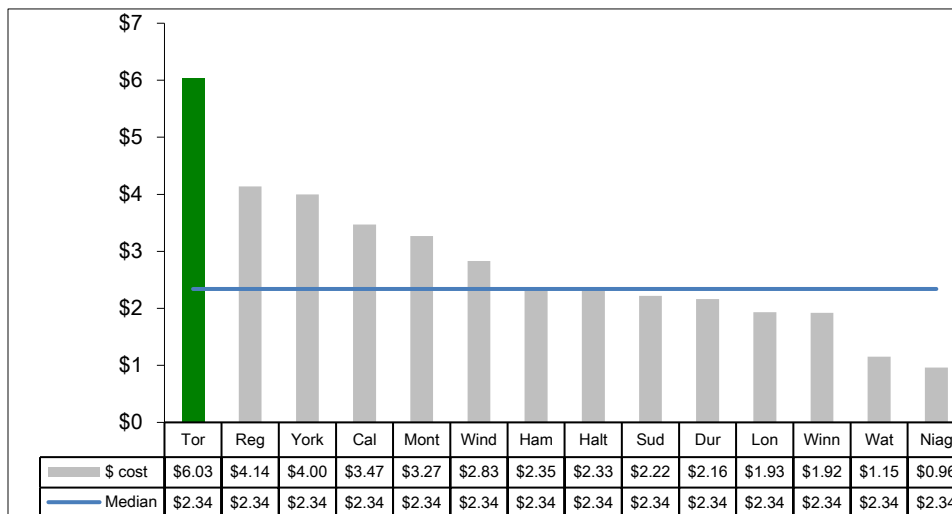


Chart 17.1 compares Toronto 2016 result for this measure to other municipalities.

Chart 17.1 (MBNC 2016) Internal Legal Services Operating Cost per 1,000 Dollars Municipal Capital and Operating Expenses

Toronto ranks first of fourteen (first quartile) in terms of having the highest expenditure/service level. Note these costs exclude those of external lawyers retained directly by Toronto's divisions.

Toronto's high ranking is likely due to the fact that:

- Toronto's urban environment leads to a greater complexity of files, greater volumes and higher dollar values;
- Many municipalities do not undertake new initiatives until Toronto has done it and withstood legal challenges; and
- Other municipalities may be placing greater reliance on external legal services that are not captured in this measure.

EFFICIENCY

17.2 – HOW MUCH DOES IT COST PER HOUR FOR INTERNAL LAWYERS, INCLUDING OVERHEAD COSTS?

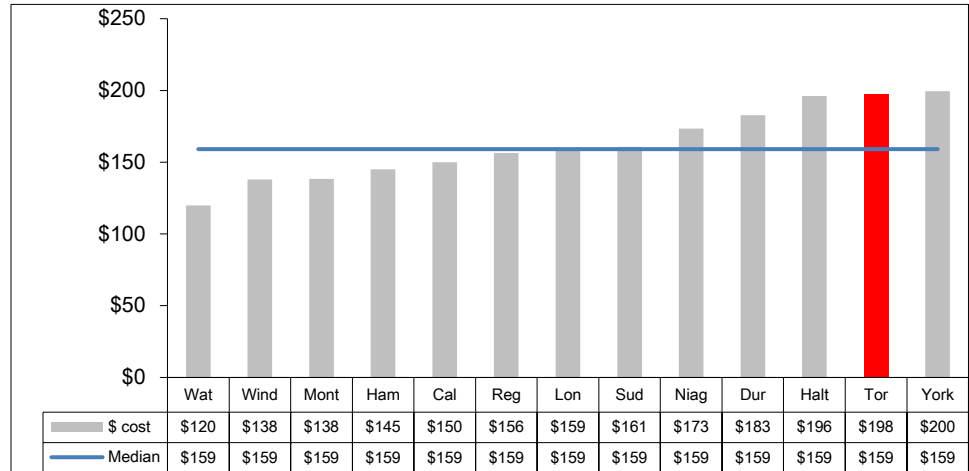


Chart 17.2 compares Toronto's 2016 cost per hour for internal (in-house) lawyers to other Ontario municipalities.

Chart 17.2 (MBNC 2016) Legal Operating Costs per in-House Lawyer Hour

This cost includes all overhead and legal staff supporting lawyers. Toronto ranks twelfth of thirteen (fourth quartile) in terms of having the lowest cost per hour. On a year-over-year basis, Toronto's legal services costs per lawyer hour of \$198 in 2016 was up from \$183 in 2015.

There are a number of factors that lead to Toronto's higher costs per hour in relation to others:

- Toronto has a greater proportion of costs for paralegal staff (included in the measure). Although their time is not considered as "lawyer hours", their work (such as preparing standard form agreements) is less costly compared to other municipalities, where such work is done by lawyers.
- Toronto provides full in-house legal services for matters that are often complex. Outside legal counsel are only used in extremely specialized matters. External legal expertise is much more expensive. Similar legal matters dealt with by in-house lawyers in Toronto may be handled in another municipality by an external lawyer at a higher cost.

2016 ACHIEVEMENTS AND 2017 PLANNED INITIATIVES

The following achievements and initiatives demonstrate the division's contribution to municipal government effectiveness.

2016 Accomplishments

Prosecutions

- Worked with Court Services and Revenue Services to move parking violations into an administrative penalty system by May 2017
- Secured significant fines in relation to Fire Code charges
- Undertaken major training of various enforcement staff with regards to By-Law enforcement and procedures
- Providing strategic advice to MLS on a variety of enforcement initiatives
- Carriage of over 1,500 charges against unlicensed private transportation related matters and 250 marijuana dispensary charges

Civil Litigation

- Provided strategic legal advice on funding issues related to Blue Box Arbitration Decision
- Provided strategic legal advice and support for Taxi/Uber review including drafting of new regulatory By-Law
- Provided legal representation for the Toronto Police Services Board on several complex Coroner's inquests
- Provided legal representation on several large claims files
- Represented the City at over 700 tribunal hearing dates as of October 2016
- Completion and registration of Phase 3 of the Regent Park Revitalization subdivision
- Settled large appeal of the Scarborough Development Charges By-Law
- Settled multi-party appeal to the Dupont Street Corridor Study Area Official Plan and Zoning By-Law Amendments

Solicitor Services

- Provided strategic legal advice to both the Gardiner Rehabilitation Project and The Project Under The Gardiner
- Provided strategic legal advice to the Basement Flooding Project Achievement
- Provided advice and drafting support on transit and transportation matters (i.e. SmartTrack, Metrolinx, LRTs, Scarborough Subway, traffic congestion measures), including construction co-ordination and cost-sharing
- Provided strategic legal advice to the Weston Community/Cultural Hub Project
- Provided strategic legal advice to the Bayside Waterfront Development in East Bayfront Project
- Provided advice on Municipal Elections Act review by the Province and Ward Boundaries reviews by the City
- Provided advice on amendments to unique COTA regulations to remove investment restrictions and establish a "prudent investor regime" for the City of Toronto, including implementation of a new investor board to advise and approve investment decisions
- Provided advice on available revenue tools for funding City initiatives, including taxes, fees, charges and development levies

- Provided Advice and drafting support in respect of the “Open Doors” Affordable Housing strategy and numerous individual affordable housing projects and transactions
- Provided advice on the Mayor's Task Force on the Toronto Community Housing Corporation and the implementation of the Task Force recommendations

2017 Initiatives Planned

- Attend Committee/Community Councils and City Council meetings.
- Continue working with Finance and Risk Management Division to increase claims work capacity.
- Maximize court room trial time by rebalancing caseloads.
- Continue successful implementation of the early resolution process.
- Educate clients in the various practice areas to minimize City liabilities.
- Educate clients in enforcement divisions in proper court process and procedures
- Prosecute a wide range of City by-laws and Provincial statute violations, including:
 - Sewer pollution, tree destruction, parking offences, Fire Code and Building violations and zoning.
- Inspector training and agreement negotiations relating to provincial offences.
- Represent and defend the City at all levels of courts and tribunals which include the Ontario Municipal Board, the Alcohol and Gaming Commission, the Labour Relations Board, the Human Rights Tribunal, the Workplace Safety and the Insurance Appeals Tribunal.
- Implement the new Administrative Penalty System, allowing for faster resolution of parking tag offences.

Factors Influencing Results of Municipalities

The results of each municipality found in the charts included in this report are influenced to varying degrees by factors such as:

- Organizational form - determines whether all legal costs are controlled centrally by Legal Services as well as the mix of external vs. in-house lawyer hours.
- Staffing model - the ratio of paralegal and administrative staff to lawyers affects the cost per lawyer hour, as only lawyer hours are reflected in the cost per hour calculations.
- Litigation costs - the nature and volume of legal claims (including civil claims, human rights matters, contractual disputes, by-law challenges, and applications for Judicial review), drive legal costs.
- Council philosophy - cost benefit of settling claims at different stages.
- Municipal services - different services can demand varying levels of legal support.
- Client initiatives - new initiatives (i.e. re-organization or restructuring, bylaw amendments , introduction of new bylaws, official plan review, major infrastructure projects) often generate a considerable amount of legal work and may impact both internal and external legal hours as well as cost per hour.
- Reimbursement of legal fees to municipal staff and Council members – staff and Council members may be reimbursed for legal costs incurred to retain external lawyers when they are not represented by in-house lawyers.
- The rates of pay for lawyers in municipalities.