



# 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 130 practicing lawyers, more than 25 law clerks, 10 conveyance staff and more than 50 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 legislation.

## SUMMARY OF PERFORMANCE MEASUREMENT RESULTS

Question	Indicator/Measure	Internal Comparison of Toronto's 2017 vs. 2016 Results	External Comparison to Other Municipalities (MBNC) By Quartile for 2017	Chart & Page Ref.
How much internal legal work is required to support municipal services?	Legal Services Cost (Internal) per 1,000 Dollars Municipal Capital and Operating Expenditures - (service level indicator)	<p style="text-align: center;"><b>Stable</b></p> <p style="text-align: center;">Internal legal expenditures in proportion to operating and capital expenditures was relatively stable (service level indicator)</p>	<p style="text-align: center;"><b>1</b></p> <p style="text-align: center;">Highest amount of legal work compared to other municipalities in proportion to operating and capital expenditures (service level indicator)</p>	17.1 17.2  pg. 4/5
How much does it cost per hour for internal lawyers, including overhead costs?	Legal Costs per In-house Lawyer Hour - (Efficiency)	<p style="text-align: center;"><b>Increase</b></p> <p style="text-align: center;">Legal Costs per In-house Lawyer Hour increased (Efficiency)</p>	<p style="text-align: center;"><b>4</b></p> <p style="text-align: center;">Higher cost per hour for internal (in-house) legal services compared to others</p> <p style="text-align: center;">(more complex work may be done by internal lawyers in Toronto that more expensive external lawyers would be doing in other municipalities) (Efficiency)</p>	17.3 17.4  pg. 6

## SUMMARY OF OVERALL RESULTS

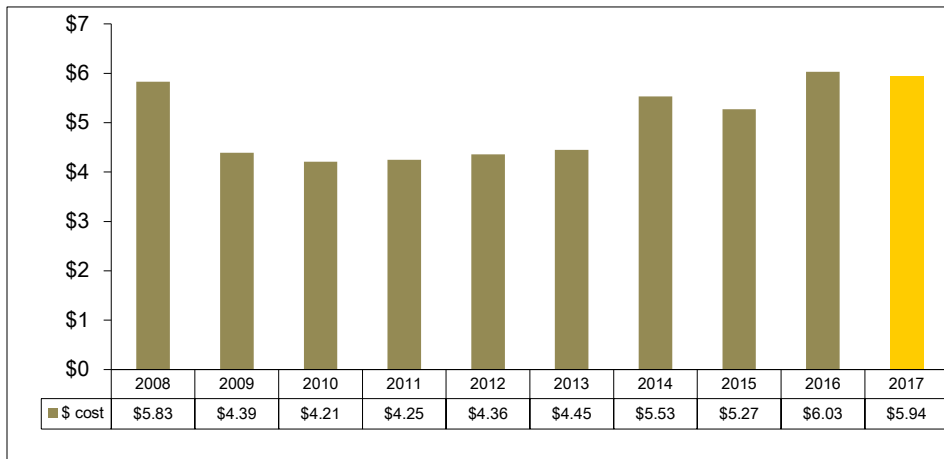
Internal Comparison of Toronto's 2017 vs. 2016 Results	Internal Comparison of Toronto's 2017 vs. 2016 Results	External Comparison to Other Municipalities (MBNC) By Quartile for 2017	External Comparison to Other Municipalities (MBNC) By Quartile for 2017
<p style="text-align: center;">Service Level Indicators (Resources)</p> <div style="background-color: #008000; width: 100%; height: 10px; margin-bottom: 2px;"></div> <div style="background-color: #ffff00; width: 100%; height: 10px; margin-bottom: 2px;"></div> <div style="background-color: #ff0000; width: 100%; height: 10px;"></div> <p>0 - Increased 1 - Stable 0 - Decreased</p> <p style="font-size: small;">100% increased or stable</p>	<p style="text-align: center;">Performance Measures (Results)</p> <div style="background-color: #008000; width: 100%; height: 10px; margin-bottom: 2px;"></div> <div style="background-color: #ffff00; width: 100%; height: 10px; margin-bottom: 2px;"></div> <div style="background-color: #ff0000; width: 100%; height: 10px;"></div> <p>0 - Favourable 0 - Stable 1 - Unfavourable</p> <p style="font-size: small;">0% favourable or stable</p>	<p style="text-align: center;">Service Level Indicators (Resources)</p> <div style="background-color: #008000; width: 100%; height: 10px; margin-bottom: 2px;"></div> <div style="background-color: #92d050; width: 100%; height: 10px; margin-bottom: 2px;"></div> <div style="background-color: #ffff00; width: 100%; height: 10px; margin-bottom: 2px;"></div> <div style="background-color: #ff0000; width: 100%; height: 10px;"></div> <p>1- 1st quartile 0 - 2nd quartile 0 - 3rd quartile 0 - 4th quartile</p> <p style="font-size: small;">100% in 1st and 2nd quartiles</p>	<p style="text-align: center;">Performance Measures (Results)</p> <div style="background-color: #008000; width: 100%; height: 10px; margin-bottom: 2px;"></div> <div style="background-color: #92d050; width: 100%; height: 10px; margin-bottom: 2px;"></div> <div style="background-color: #ffff00; width: 100%; height: 10px; margin-bottom: 2px;"></div> <div style="background-color: #ff0000; width: 100%; height: 10px;"></div> <p>0 - 1st quartile 0 - 2nd quartile 0 - 3rd quartile 1 - 4th quartile</p> <p style="font-size: small;">0% in 1st and 2nd quartiles</p>

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 15 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 2017, Toronto spent \$5.94 per \$1,000 of municipal operating and capital expenditures of the services they support, which was a slight decrease from \$6.03 in 2016. Figures exclude decentralized legal costs incurred directly by agencies and divisions.

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

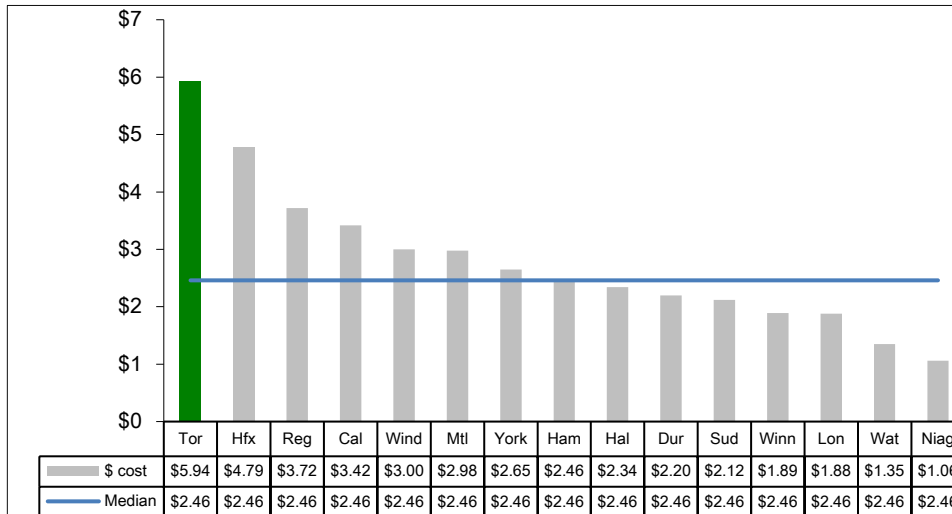


**Chart 17.1**  
compares Toronto 2017 result for this measure to previous years.

**Chart 17.1 (City of Toronto) Internal Legal Services Operating Cost per 1,000 Dollars Municipal Capital and Operating Expenses**

Internal legal services operating cost per \$1,000 capital and operating expenses was relatively stable in 2017.

**17.2 – HOW MUCH LEGAL WORK DONE BY INTERNAL STAFF IS REQUIRED TO SUPPORT MUNICIPAL SERVICES COMPARED TO OTHERS?**



**Chart 17.2** compares Toronto 2017 result for this measure to other municipalities.

**Chart 17.2 (MBNC 2017) Internal Legal Services Operating Cost per 1,000 Dollars Municipal Capital and Operating Expenses**

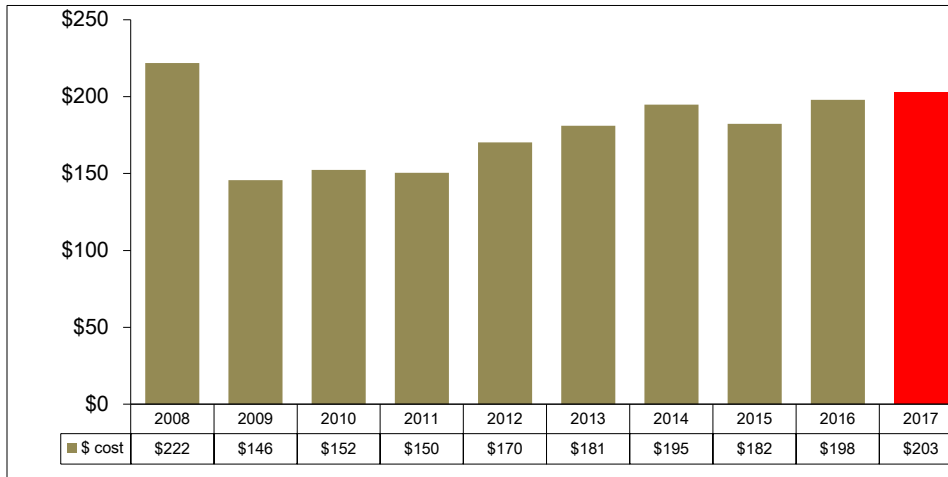
Toronto ranks first of fifteen (first quartile) in terms of having the highest expenditure/service level. Note these costs exclude those of external lawyers retained directly by Toronto's agencies and divisions.

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

### 17.3 – HOW MUCH DOES IT COST PER HOUR FOR INTERNAL LAWYERS, INCLUDING OVERHEAD COSTS IN TORONTO?



**Chart 17.3** compares Toronto's 2017 cost per hour for internal (in-house) lawyers to previous years.

**Chart 17.3 (City of Toronto) Legal Operating Costs per in-House Lawyer Hour**

In 2017, legal operating costs per in-house lawyer hour increased by 2.4%. On a year-over-year basis, Toronto's legal services costs per lawyer hour of \$203 in 2017 was up from \$198 in 2016. It should be noted that this figure relates to the cost required to operate all legal services, and includes salaries, as well as overhead costs.

### 17.4 – HOW MUCH DOES IT COST PER HOUR FOR INTERNAL LAWYERS, INCLUDING OVERHEAD COSTS COMPARED TO OTHERS?



**Chart 17.4** compares Toronto's 2017 cost per hour for internal (in-house) lawyers to other municipalities.

**Chart 17.4 (MBNC 2017) Legal Operating Costs per in-House Lawyer Hour**

This cost includes all overhead and legal staff supporting lawyers. Toronto ranks thirteenth of fourteen (fourth quartile) in terms of having the lowest cost per hour.

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.

## 2017 ACHIEVEMENTS AND 2018 PLANNED INITIATIVES

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

### 2017 Accomplishments

#### Civil Litigation

- Advanced the approval of the City's comprehensive zoning by-law at the OMB.
- Represented the City in ward boundary hearings at the OMB.
- Provided advice on OMB reform.
- Provided advice to City Staff on TLAB hearing procedures
- Provided legal support to ML&S and other City Divisions in the review and recommendations for dealing with short term rental accommodations.
- Provided litigation services to defend various complex claims arising from purchasing issues.
- Represented the Toronto Police Services Board on a Coroner's inquest.
- Successfully obtained an injunction to prevent operation of certain marijuana dispensaries pending full hearing on the constitutional challenges to the City's by-law and federal marijuana legislation.
- Successfully defended a challenge to the City's hookah by-law at the Superior Court and Ontario Court of Appeal.

#### Prosecutions

- Commenced implementation of the Council approved Administrative Penalty System on August 28, 2017. The new APS program provides more efficient resolution of parking disputes than the POA court system. It provides increased avenues for service by permitting members of the public to dispute matters on-line, as well as in person.
- Worked with various divisions on complex enforcement initiatives including Vehicles for Hire and PTC's, illegal rooming houses, the Safe Rent Program, marijuana dispensary prosecutions, Fire Protection and Prevention Act matters, as well as and various Dog Owner Liability Act matters.

#### Solicitor

- Provided legal advice and support for the approval by Council of the City-Wide Real Estate strategy and the establishing of the Toronto Realty Agency Board and governance structure, including the amendment of various City authorities.
- Prepared legal documentation with respect to numerous Affordable Housing projects ("Open Doors" Initiative)
- Negotiated Phase I services agreement with Infrastructure Ontario for the George Street Revitalization P3 Project
- Coordinated and drafted the City's response to the Provincial Construction Lien Act Review



- Provided advice on the establishment of the Investment Board.
- Provided strategic legal services to Metrolinx to acquire by transfer or expropriation all property interests required for construction of the Eglinton Crosstown LRT
- Provided strategic legal advice and property acquisition services to TTC with respect to the Scarborough Subway Extension, including participation in various working groups related to property matters and completion title searches
- Provided advice on the Mayor's Task Force on the Toronto Community Housing Corporation and the implementation of the Task Force recommendations

## 2018 Initiatives Planned

- Attend Committee/Community Councils and City Council meetings.
- Continue working with Finance and Risk Management Division to increase claims work capacity.
- Maximize courtroom 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.
- Manage/administer 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.