



**STAFF REPORT  
ACTION REQUIRED  
with Confidential Attachment**

**Leased Space to Meet Toronto Employment & Social Services Recession Plan Requirements**

<b>Date:</b>	November 4, 2009
<b>To:</b>	Government Management Committee
<b>From:</b>	Chief Corporate Officer
<b>Wards:</b>	<b>02, 07, 14, 15, 20, 29, 31, 36, 37, 38</b>
<b>Reason for Confidential Information:</b>	This report involves the security of property belonging to the City or one of its agencies, boards, and commissions.
<b>Reference Number:</b>	P:\2009\Internal Services\F&re\Gm09104F&re – (AFS 10750)

**SUMMARY**

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This report seeks Council approval to enter into lease agreements for space at seven locations to accommodate an expansion of service capacity for Toronto Employment and Social Services. The additional space will enable Toronto Employment and Social Services to accommodate the required new case workers needed to support the increased demand for Ontario Works.

**RECOMMENDATIONS**

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**The Chief Corporate Officer recommends that:**

1. City Council authorize lease agreements for the premises described in, and on terms and conditions not to exceed those outlined in, Confidential Attachment 1 and on such other terms and conditions as may be acceptable to the Chief Corporate Officer, in consultation with the General Manager of Toronto Employment and Social Services (TESS), and in a form acceptable to the City Solicitor.

2. City Council authorize the Chief Corporate Officer to administer and manage the lease agreements, including the provision of any consents, approvals, notices and notices of termination provided that the Chief Corporate Officer may, at any time, refer consideration of such matters (including their content) to City Council for its determination and direction.
3. City Council authorize the City Solicitor to complete the transaction(s) on behalf of the City, including making payment of any necessary expenses and amending any relevant dates to such earlier or later date(s) and on such terms and conditions as she may from time to time consider reasonable.
4. City Council authorize the public release of the confidential information contained in Attachment 1 of this report upon the commencement of the occupancy of the last of the leased locations.

## **FINANCIAL IMPACT**

Details of Financial Impact are provided in Attachment 1.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the Financial Impact information.

## **DECISION HISTORY**

In 2001 Council adopted a report from Community Services Committee, entitled “Toronto Social Services Facilities Requirements”. This report discussed the then current physical plant strategy, a Physical Plant Capacity Review undertaken and future physical plant capacity requirements associated with further consolidation of Division offices. At that time there were approximately 63,000 cases. The physical plant strategy envisioned a maximum caseload of 75,000.

[http://tss.toronto.ca/tss/commreps/2001/2001\\_facilities.htm](http://tss.toronto.ca/tss/commreps/2001/2001_facilities.htm)

## **ISSUE BACKGROUND**

In 14 community based locations, TESS staff provide residents with the necessary employment services, financial benefits and social supports to help improve their lives. Access to these services and supports is vital to the social and economic well-being of tens of thousands of Torontonians. In an average year TESS staff process 60,000 applications for financial benefits alone. As well, they engage in over ½ million face to face interactions with some of the City’s most vulnerable residents.

Each of TESS' Employment Resource Centres (ERCs) offers a range of employment and career planning services. Over the course of a year, approximately 185,000 visits are made to the ERCs by residents seeking services and supports to find and secure employment.

The last time TESS altered its physical plant capacity was in 2003, when there was an average monthly caseload of 66,500. From 2003 to 2007 TESS experienced a moderate caseload growth to 75,000, at which point it reached its physical plant capacity. The 2009 approved operating budget projected a December 2009 caseload of 100,000. TESS is on target to meet this projection.

Since reaching capacity, TESS has addressed its physical plant space by:

- densifying existing capacity through the retrofitting of workspaces, boardrooms, and storage rooms, for direct client service delivery such as interview space, without compromising occupational health and safety requirements;
- introducing business process redesigns; and,
- implementing technology solutions.

During the current recession, TESS has experienced a caseload growth of over 22%. The ability to manage this growth and effectively deliver critical services to Toronto residents is unsustainable given the current physical plant capacity.

## **COMMENTS**

This report outlines a real estate strategy to address the current physical plant demands experienced by TESS. This strategy has been reviewed and agreed upon by the City Manager, Deputy City Manager for Cluster A and Deputy City Manager and Chief Financial Officer.

The overall objective of this strategy is to align the physical plant capacity with caseload growth in the most cost effective manner. TESS in conjunction with Facilities & Real Estate has established a systematic approach to identifying the best physical plant options for the City. This approach includes:

- identifying the most immediate physical plant needs,
- identifying available space-leveraging opportunities in City facilities where appropriate,
- relocating existing leased space to more suitable locations and facilities
- updating, retrofitting or opening facilities that meet the physical plant needs of TESS in locations where service demands are greatest (e.g., in priority neighbourhoods), so as to meet service gaps and improve access to City services; and,
- accessible by TTC and with parking available in proximity to other City services and community partners.

In order to maintain effective service delivery, the locations identified through this approach will allow for the realignment of service catchment areas across the City. The following specific components are required in all Toronto Employment and Social Service direct service sites in order to fulfill its responsibilities:

- Employment Resource Centre (ERC)
- Dedicated Client Reception Waiting Area, including registration and space for children's play area
- Community and Training Room
- Interview booths
- Workstations (large enough to accommodate storage, writing space as well as computer per person)
- Offices for Management staff
- Substantial filing space for both active and inactive clients as well as ODSP transfers
- Accessible offices and amenities
- Public washrooms (wheelchair accessible).

Given the current pressure on existing facilities and the projected caseload growth, TESS recognizes that short term strategies, while required, are not sufficient to address physical plant capacity issues. Proceeding with the proposed approach will ensure that the City is able to meet the ongoing needs of vulnerable residents in their communities. Failure to meet these pressures could result in additional unintended impacts such as:

- inability to meet the needs of vulnerable clients in a timely manner;
- inability to meet provincial program requirements, that may result in audit and compliance costs / issues (e.g., rendering eligibility decision within a specific time frame); and,
- potentially compromising provincial and City occupational health and safety standards.

The strategy outlined in this report reflects a physical plant capacity to effectively serve a caseload of up to 100,000. Based on an analysis undertaken by TESS and F&RE staff, a number of office space locations were identified to meet the requirements to accommodate TESS. At the time of this report, F&RE staff has engaged landlords for each of the subject sites respecting space availability, timing, leasing rates, leasehold improvements and other related matters to further confirm the suitability of those properties in relation to the requirements. Negotiations have not yet been concluded.

The General Manager for TESS concurs with this report.

## **CONTACT**

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## **SIGNATURE**

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Bruce Bowes, P. Eng.  
Chief Corporate Officer

## **ATTACHMENTS**

Confidential Attachment 1 – Confidential Information  
Appendices A - G