

Community Benefits Framework

Date: June 11, 2019

To: Economic and Community Development Committee

From: Executive Director, Social Development, Finance and Administration

Wards: All

SUMMARY

Toronto is a prosperous economic engine of the region and country, yet it also suffers from high rates of poverty, growing income inequality, and a rise in precarious work¹. Youth, immigrants, racialized people and women are particularly disadvantaged, and face significant barriers to opportunity². The Community Benefits Framework responds to these social and economic conditions by utilizing City community benefits levers to create targeted hiring and training opportunities, provide economic opportunities, reduce poverty, and support community priorities among Indigenous peoples and equity-seeking groups in Toronto.

Community benefits processes offer a way for government and other institutions to multiply the impact of their spending. Community benefits can be leveraged by infrastructure projects that are funded through City procurement processes, or incentivized by the City. In this report, community benefits outcomes are focussed on: 1) inclusive workforce development, 2) supply chain diversity, and 3) other community-identified priorities. At this time, it is not recommended that the Community Benefits Framework apply to private developments although, Economic Development and Culture Division has recently recommended a pilot program be implemented, which would further encourage community benefits activities through private development projects that receive grants³.

The community benefits concept has gained significant attention at the City of Toronto. City Divisions, Agencies, and Corporations increasingly seek guidance and subject-matter expertise on how to integrate community benefits into their programs and projects.

1 United Way Greater Toronto. 2019. Rebalancing the Opportunity Equation.

https://unitedwaygt.org/file/2019_OE_fullreport_FINAL.pdf

2 Ibid.

3 EC5.13 Improving the Imagination, Manufacturing, Innovation and Technology Local Employment Requirement

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EC5.13>

The Community Benefits Framework sets out a clear goal, guiding principles, and implementation plan, which will build the City of Toronto's capacity to create and implement community benefits opportunities within City programs and projects.

To maximize the impact of community benefit initiatives and facilitate simple and efficient implementation, the Community Benefits Framework intends to bring the City's community benefits initiatives under a common umbrella to: 1) achieve better coordination across initiatives, 2) implement consistent approaches, 3) support community engagement, and 4) develop a data tracking system to monitor outcomes.

The Community Benefits Framework will not replace the existing administrative role of Divisional programs. Community benefits initiatives will continue to be administered and maintained through respective City Divisions, Agencies, and Corporations.

The recommendations in this report support the City of Toronto to maximize the social and economic impacts of community benefits initiatives when it buys, builds, or provides financial incentives for construction or remediation.

RECOMMENDATIONS

The Executive Director, Social Development, Finance and Administration recommends that:

1. City Council adopt the Community Benefits Framework Goal and Principles, and Implementation Plan as set out in Attachment 1.
2. City Council direct the Executive Director, Social Development, Finance and Administration, to submit a budget proposal in the 2020 budget process for 1.0 Full Time Equivalent to support the Community Benefits Framework.
3. City Council direct the Executive Director, Social Development, Finance and Administration, in consultation with the General Manager, Toronto Employment and Social Services, and General Manager, Economic Development and Culture, to convene a Community Benefits Advisory Group, with consideration for stakeholder membership categories as set out in Attachment 2.
4. City Council direct the Executive Director, Social Development, Finance and Administration to report back to Economic and Community Development Committee in Q1 2022 with a status update on the Community Benefits Framework Implementation Plan, and recommendations for Community Benefits Framework future direction.

FINANCIAL IMPACT

There are no financial impacts in 2019 from the recommendations in this report.

The financial impact from recommendation #2 will be considered as part of the 2020 budget process. It is estimated that the request, through the 2020 budget process, will be \$153,000 annually for 1.0 permanent Community Benefits Coordinator position to support the Community Benefits Framework.

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

EQUITY IMPACT STATEMENT

The Community Benefits Framework aims to coordinate and maximize the social and economic impacts of community benefits initiatives when the City buys, builds or provides financial incentives for construction or remediation. Community benefits initiatives aim to create inclusive workforce development opportunities and other economic opportunities for people from equity-seeking groups and Indigenous peoples. Currently, the City of Toronto prioritizes the following groups as equity-seeking: Black and racialized communities, immigrants and refugees, LGBTQ2S communities, persons with disabilities, persons with low income, vulnerable seniors, vulnerable youth, undocumented Torontonians, and women.

The Community Benefits Framework addresses specific barriers to employment and economic opportunities faced by many equity-seeking groups and Indigenous peoples, and therefore has a positive equity impact.

DECISION HISTORY

May 27, 2019 - EC5.13 Improving the Imagination, Manufacturing, Innovation and Technology Local Employment Requirement

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EC5.13>

City Council directed staff to consult with relevant stakeholders to determine what additional steps can be taken to ensure that those developments that receive Imagination, Manufacturing, Innovation and Technology Program incentives provide quality employment opportunities for Toronto residents. This report proposes a new administrative approach to the Local Employment Requirement component. It outlines a new points-based system which recipient companies and their property users can use to develop, implement and report on activities and outcomes for local employment plans in partnership with City-endorsed programs. The points-based system provides a guideline for expected levels of activities from companies.

March 26, 2019 – EX4.4 Expanded Gaming at Woodbine Racetrack – Follow Up

<https://www.toronto.ca/legdocs/mmis/2019/ex/bgrd/backgroundfile-131271.pdf>

The Community Benefits Agreement and the governance and accountability framework as adopted by City Council in April 2018 includes a number of mechanisms to monitor and oversee implementation of requirements, including the meeting of targets to ensure transparency and ultimately promote accountability and compliance by both the City of Toronto and One Toronto Gaming. The accountability framework emphasizes the need for robust working relationships between the City, One Toronto Gaming, Ontario Lottery

and Gaming Corporation, and all partners to ensure that the community benefits from this significant economic development opportunity are realized.

April 24, 2018 – EX33.2 Expanded Gaming at Woodbine Racetrack – City Conditions
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.EX33.2>

City Council authorized a Community Benefits Agreement with One Toronto Gaming that contained a range of social and economic community benefits for the Rexdale community, including 40% local or social hiring, 50% full-time employment, 10% of construction hours through local or social hiring, 10% annual procurement through local or diverse suppliers, \$5 million towards construction of a child care centre, and one large-scale event per month for community use in the entertainment venue.

January 31, 2018 – EX29.12 TO Prosperity: Toronto Poverty Reduction Strategy 2017 Report and 2018 Work Plan
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.EX29.12>

City Council adopted the TO Prosperity 2018 Annual Work Plan. City Council also requested the Executive Director, Social Development, Finance & Administration to report back on the development of a City of Toronto Community Benefits Framework that would include ways to maximize community benefits from City processes.

April 4, 2016 – EX14.8 City of Toronto Social Procurement Program
<https://www.toronto.ca/legdocs/mmis/2016/ex/bgrd/backgroundfile-91818.pdf>

City Council adopted the City of Toronto Social Procurement Program which implemented a new purchasing policy that authorizes staff to embed supply chain diversity and workforce development in City procurement. The Social Procurement Program also included the development of tools, guides and support systems to engagement in social procurement.

April 22, 2015 – EX5.20 Community Benefits Agreements
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.EX5.20>

Executive Committee requested the Deputy City Manager, Cluster A consider as part of the development of the Social Procurement Policy, a focus on Community Benefits Agreements and a protocol to achieve social, economic and environmental benefits for the local communities impacted by proposed developments and infrastructure projects.

COMMENTS

Issue Background

Toronto is a prosperous economic engine of the region and country, yet it also suffers from high rates of poverty, growing income inequality, and a rise in precarious work⁴. A

⁴ United Way Greater Toronto. 2019. Rebalancing the Opportunity Equation.
https://unitedwaygt.org/file/2019_OE_fullreport_FINAL.pdf

recent United Way report stated a racialized person earns just 52.1 cents for every dollar a white person earns in Toronto. When it comes to income inequality, the racial divide in the Greater Toronto Area has reached a historic high⁵.

The City of Toronto is committed to addressing systemic discrimination and removing barriers that prevent Indigenous peoples and equity-seeking groups from fully contributing to, and participating in, the social, cultural, economic and political life of the City, and from accessing the benefits that are available to others. As a program and service delivery agent and major economic actor in its own right, the City can take steps to eliminate these barriers and address systemic discrimination.

The Community Benefits Framework can build upon and align with current City of Toronto strategies and policies that promote equity and inclusion. They include the Action Plan to Confront Anti-Black Racism, Poverty Reduction Strategy, Social Procurement Policy, Toronto Newcomer Strategy, Toronto Seniors Strategy, Toronto Youth Equity Strategy, and Workforce Development Strategy. The Framework can also support poverty reduction and economic development efforts with and for Indigenous peoples.

What are Community Benefits?

Community benefits processes are a way for government (and other institutions) to multiply the impact of their spending. When the City of Toronto buys, builds or provides financial incentives for construction or remediation, it can do so with conditions that create community benefits opportunities. These conditions can create economic opportunities to benefit people from equity-seeking groups and Indigenous peoples⁶.

Also, community benefits processes can be used to connect job seekers from equity-seeking groups and Indigenous peoples to high demand employment sectors where there is low labour supply. For example, community benefits hiring pathways for skilled trade apprenticeships in the construction sector are effective ways to address the looming skilled labour shortage in Ontario and Canada. Other examples of high demand labour market sectors include hospitality and information and technology.

In the Community Benefits Framework, community benefits outcomes are focussed on: 1) inclusive workforce development, 2) supply chain diversity, and 3) other community-identified priorities. These community benefits outcomes can be leveraged through City-funded infrastructure projects. At this time, the Community Benefits Framework will not apply to private developments, although a pilot has been recommended in relation to the Imagination, Manufacturing, Innovation and Technology Program which could

5 Ibid.

6 Indigenous peoples are those who self-identify as First Nations (status, non-status, treaty or non-treaty), Métis, Inuit, or Indigenous/First People from other countries. In the context of the Community Benefits Framework, equity-seeking groups include Black and racialized groups, LGBTQ2S people, newcomer immigrants and refugees, people with disabilities, people of low income, vulnerable youth, women, and other groups the City identifies as historically underrepresented. All of these groups can experience barriers to access and equal opportunity, unfair treatment and/or discrimination.

further encourage community benefits activities through private development projects that receive grants⁷.

Inclusive Workforce Development

People from equity-seeking groups and Indigenous peoples often face systemic barriers and discrimination, and are often underrepresented in the labour market in particular employment sectors. Inclusive workforce development supports job seekers to obtain and retain employment. Inclusive workforce development is characterized by the approaches outlined below.

- Develop and deliver integrated and targeted employment services that provide wraparound social supports, essential skills, and sector-focused training to ensure multiple needs of job seekers are met.
- Actively involve employers and industry leaders to identify workforce requirements and build strategies that remove or reduce barriers to entry, retention and progression for people from equity-seeking groups.

An example of inclusive workforce development is connecting Indigenous peoples and people from equity-seeking groups to skilled trade apprenticeship opportunities on City construction projects.

Attachment 3 provides an overview of Construction Connections, a construction sector-focused inclusive workforce development pathway led by Toronto Employment and Social Services Division, in partnership with the Ministry of Training, Colleges and Universities and other key community and industry stakeholders.

Supply Chain Diversity

A growing number of governments and other anchor institutions have demonstrated the potential of leveraging institutional purchasing power to create economic opportunities for diverse suppliers and social enterprises⁸. This is sometimes referred to as diversifying the supply chain, or supplier diversity.

The City's Social Procurement Program relies on third party "Supplier Councils" to certify diverse suppliers, who are then placed on the City's master list of diverse suppliers, which is accessible to City Divisions. The Community Benefits Framework will support Divisions, Agencies, and Corporations to expand supply chain diversity across community benefits initiatives.

⁷ EC5.13 Improving the Imagination, Manufacturing, Innovation and Technology Local Employment Requirement

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EC5.13>

⁸ A diverse supplier is any business or enterprise that is more than 50% (majority) owned, managed and controlled by people from equity-seeking groups or Indigenous peoples. An Indigenous-owned print shop or a woman-owned construction company are two examples of diverse suppliers. A social enterprise is a business whose primary purpose is to create social, environmental or cultural value and impact, and where more than 50% of the persons who are full-time equivalent employees, are participating in, or have completed, transitional employment training, and experience economic disadvantage. For example, a coffee catering business that trains and employs people who have come out of incarceration. Taken from City of Toronto Social Procurement Program.

Local Community Priorities

In jurisdictions across North America, including Toronto, communities want to be involved when governments or other institutions develop community benefits initiatives. For example, in the development of the Rexdale - Casino Woodbine Community Benefits Agreement, Rexdale residents identified a childcare centre as a benefit they wanted prioritized in the Agreement between the City and One Toronto Gaming.

At present, there is limited opportunity for direct community engagement in the City's Social Procurement Program and the Imagination, Manufacturing, Innovation and Technology Program. These two programs currently focus on workforce development and supply chain diversity.

However, large-scale City-funded infrastructure projects may offer more opportunities to involve local residents and groups in identifying community priorities, particularly at the stage when the scope of work is being developed. In addition to creating pathways for an inclusive workforce and supply chain diversity, other social and economic development opportunities could include social finance approaches to fund worker-owned co-operatives and social enterprises that could train and employ people from equity-seeking groups and Indigenous peoples.

Current City of Toronto Community Benefits Initiatives

The City of Toronto has a range of community benefits initiatives across City Divisions, Agencies, and Corporations. While these initiatives are significant, they do not share a consistent approach to defining and implementing community benefits, coordinating common data, engaging and involving community, and measuring outcomes. This undermines the potential social and economic impacts of community benefits initiatives.

- The Social Procurement Policy and Program, adopted by City Council in 2016 and implemented in 2017, aims to leverage the City's \$2 billion annual procurement spend to incorporate and create opportunities for inclusive workforce development and supply chain diversity. To date, the Program has identified more than 40 large-scale City contracts to potentially include workforce development and supply chain diversity requirements when awarded. (Led by Purchasing and Materials Management Division)
- The Imagination, Manufacturing, Innovation and Technology Program is a grant program to incentivize development in targeted sectors and uses across Toronto. As of 2019, the IMIT Program has 46 approved recipients and approximately 150 property users. A pilot program has been recommended which would further encourage community benefits activities⁹. (Led by Economic Development and Culture Division)

⁹ See EC5.13 Improving the Imagination, Manufacturing, Innovation and Technology Local Employment Requirement

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EC5.13>

- The Rexdale – Casino Woodbine Community Benefits Agreement established in 2018, contains a range of community benefits targets such as 40% local or social employment, 50% full-time jobs, 10% of construction hours for registered apprenticeships through local or social hiring, \$5 million towards a child care centre, and community space¹⁰. The Casino Woodbine expansion is estimated to create approximately 4,600 new jobs by 2025. (Led by Social Development, Finance and Administration Division)
- Toronto Community Housing Corporation implements a community economic development mandate on all neighbourhood revitalization sites, which focuses on local economic opportunities for tenants. (Led by Toronto Community Housing Corporation)
- AnchorTO is a network of public sector institutions in Toronto working together to embed social procurement and other inclusive economic development practices in their operations. AnchorTO members include Humber College, Metrolinx, University of Toronto Scarborough, York University and others. (Led by Social Development, Finance and Administration Division)
- Future opportunities may also include City-funded transit development projects, CreateTO projects, Toronto Public Library infrastructure projects, and affordable housing development as part of the Housing Now program.

Toronto Employment and Social Services Division plays a lead role in supporting inclusive workforce development efforts across the above-mentioned range of City of Toronto community benefits initiatives. The Youth Employment Partnership in Social Development, Finance and Administration Division contributes a specialized approach to inclusive workforce development with vulnerable youth in Toronto. This approach includes sector-specific employer engagement and youth-centred pre-employment and employment support.

Development of the Community Benefits Framework

In 2015, City staff received direction from City Council to create a community benefits protocol to achieve social and economic benefits through developments and infrastructure projects. Soon thereafter, a series of policies that promote inclusive economic development were adopted by City Council. It began with the Poverty Reduction Strategy (2015), followed by Social Procurement Policy and Program (2016), and the Rexdale – Casino Woodbine Community Benefits Agreement (2018). During this period, there was active community organizing campaigns by local residents, community advocates, funders, labour, and community organizations. These efforts catalyzed the community benefits movement and brought the concept of community benefits to the forefront of social policy discussions in Ontario and across Canada. See Attachment 4 for a jurisdictional overview on community benefits policies and programs in Canada.

¹⁰ Rexdale - Casino Woodbine Community Benefits Agreement, City of Toronto.
<https://www.toronto.ca/city-government/accountability-operations-customer-service/long-term-vision-plans-and-strategies/community-benefits-agreements/>

In 2018, City staff focused on the development of a broader Community Benefits Framework. An interdivisional team was led by Social Development, Finance and Administration and included City Planning, Economic Development and Culture, Legal Services, Purchasing and Materials Management Division, and Toronto Employment and Social Services.

Consultations

In spring 2019, feedback and knowledge from internal and external stakeholders further informed the development of the Community Benefits Framework. Social Development, Finance and Administration conducted a series of consultation sessions with City Divisions, Agencies, and Corporations, as well as external stakeholders. External stakeholders included representatives from non-profit, research and policy organizations, community benefits advocates, funders, and construction sector stakeholders such as unions, contractor associations, developers, and pre-apprenticeship training programs.

A number of key themes were heard through consultation sessions, including: 1) City of Toronto should focus on strengthening its own internal community benefits levers and initiatives before creating a community benefits programs for private development projects; 2) enhance community engagement opportunities; 3) develop and implement a data tracking system; and 4) deepen the City's understanding of how to integrate community benefits hiring into the construction sector. A summary of key themes is provided in Attachment 5. Attachment 6 lists participating City Divisions, Agencies, Corporations, and external stakeholder organizations.

City of Toronto Community Benefits Framework

The Community Benefits Framework aims to bring the City's community benefits initiatives under a common umbrella to: 1) ensure consistency and coordination across initiatives; 2) strengthen community engagement, and; 3) monitor outcomes relying on a coordinated data tracking system.

The Community Benefits Framework will not replace existing program administration. Community benefits initiatives will continue to be administered and maintained through respective City Divisions, Agencies, and Corporations. For example, the Social Procurement Program will continue to be administered through Purchasing and Materials Management Division, but a data tracking system to be used by the Social Procurement Program and other community benefits initiatives will be developed as part of the Community Benefits Framework Implementation Plan.

Goal and Principles

The Community Benefits Framework consists of a clear goal and three guiding principles for City Divisions, Agencies, and Corporations as they create and implement community benefits opportunities.

Goal

The goal of the Community Benefits Framework is to maximize social and economic impacts when the City buys, builds, or provides financial incentive for construction or remediation.

Guiding Principles

1. Promote social and economic inclusion. City of Toronto has an opportunity and responsibility to maximize the social and economic impacts of its economic levers, particularly when it comes to investing in the construction of public infrastructure. These levers can generate economic opportunities for Indigenous peoples, people from equity-seeking groups, and diverse suppliers to share in the City's growth and prosperity.

2. Engage and involve community. The City of Toronto will continuously strive to incorporate community engagement in community benefits initiatives, to understand the needs and priorities of equity-seeking groups and Indigenous peoples.

3. Achieve accountability. The City of Toronto's community benefits processes will be consistent, transparent, and accountable to its stakeholders.

Implementation Plan

The following actions are required to launch the Community Benefits Framework:

1. Establish a Community Benefits Coordinator

A Community Benefits Coordinator is required to oversee the Implementation Plan. The Coordinator will be supported by an interdivisional working group comprised of Economic Development and Culture Division, Purchasing and Materials Management Division, Social Development, Finance and Administration Division, and Toronto Employment and Social Services Division.

2. Coordinate and Support City of Toronto Community Benefits Initiatives

The Community Benefits Coordinator will coordinate, and provide community benefits subject-matter expertise and support to current community benefits initiatives across City Divisions, Agencies, and Corporations. Comparative analysis across current initiatives will identify opportunities to create consistent processes that will maximize the social and economic impacts across these initiatives. Key priorities will include developing common definitions and establishing consistent data collection through a data system.

3. Develop and Implement a Community Benefits Data Tracking System

The Community Benefits Coordinator will work with a Data Analyst to develop and implement a corporate-wide community benefits data system to monitor, track and report on the outcomes generated by City community benefits initiatives. The data system will be designed to track activities and outputs (e.g. number of hires, type of job,

location), as well as social and economic impacts (e.g. equity-seeking group, job retention, career trajectory). Opportunities to contribute to the City of Toronto Open Data Catalogue will be considered. Development and implementation of a data system will require collaboration with a range of stakeholders including employers, job seekers, employment agencies, community organizations, contractors, unions, pre-apprenticeship training programs, and others.

4. Enhance Community Engagement and Involvement

An important factor in maximizing social and economic impacts of community benefits initiatives at the City of Toronto is engaging communities to identify local residents' perspectives on community needs and priorities. The Community Benefits Coordinator will prioritize enhancing community engagement and involvement.

5. Establish and Convene a Community Benefits Advisory Group

The Community Benefits Framework will establish and convene a multi-stakeholder Advisory Group to provide expertise, address real-time community benefits implementation challenges and solutions, and promote transparency and accountability in the City's community benefits activities. The Advisory Group will include representation from equity-seeking groups. Attachment 2 provides a list of stakeholder membership categories.

6. Optimize Community Benefits Hiring Pathways

Building upon models developed through the workforce development component of the Social Procurement Program and Construction Connections, the Community Benefits Coordinator will work with internal and external stakeholders, and the Community Benefits Advisory Group to enhance and optimize community benefits hiring pathways that can be replicated and scaled up across the City's community benefits initiatives.

Next Steps

Through the Implementation Plan, City staff will effectively monitor and coordinate community benefits initiatives across City Divisions, Agencies, and Corporations, optimize community benefits hiring pathways, and begin to track community benefits data and measure outcomes. A report will be provided to City Council in Q1 2022 with a status report on the implementation of the Community Benefits Framework and early outcomes. This report will also include recommendations for the future direction of the Community Benefits Framework.

Conclusion

The Community Benefits Framework is introduced at a time when there is growing interest in community benefits across City Divisions, Agencies, and Corporations. The City of Toronto has a range of community benefits initiatives, however, they do not share consistent approaches to defining and implementing community benefits, conducting data collection and outcome measurement, or engaging community. This undermines the potential social and economic impacts of community benefits initiatives.

The Community Benefits Framework aims to bring the City's community benefits initiatives under a common umbrella to coordinate across initiatives, strengthen community engagement, and begin to monitor common data outcomes through a shared tracking system. A Community Benefits Coordinator will be established to coordinate community benefits initiatives across the City of Toronto, and support internal and external stakeholders.

The Community Benefits Framework will help to maximize social and economic impacts when the City buys, builds or provide financial incentives for construction or remediation.

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ATTACHMENTS

- Attachment 1: Community Benefits Framework
- Attachment 2: Community Benefits Advisory Group
- Attachment 3: Construction Connections
- Attachment 4: Jurisdictional Overview: Community Benefits in Toronto, Ontario and Canada
- Attachment 5: 2019 Consultation Sessions
- Attachment 6: Consultation Participants

ATTACHMENT 1

COMMUNITY BENEFITS FRAMEWORK

The Community Benefits Framework consists of a clear goal and three guiding principles for City Divisions, Agencies, and Corporations as they create and implement community benefits opportunities. To launch the Community Benefits Framework, an implementation plan has been developed, which includes the creation of a Community Benefits Coordinator to oversee a range of actions and outcomes.

Goal

The goal of the Community Benefits Framework is to maximize social and economic impacts when the City buys, builds, or provides financial incentive for construction or remediation.

Guiding Principles

- 1. Promote social and economic inclusion.** City of Toronto has an opportunity and responsibility to maximize the social and economic impacts of its economic levers, particularly when it comes to investing in the construction of public infrastructure. These levers can generate economic opportunities for Indigenous peoples, people from equity-seeking groups, and diverse suppliers to share in the City's growth and prosperity.
- 2. Engage and involve community.** The City of Toronto will continuously strive to incorporate community engagement in community benefits initiatives, to understand the needs and priorities of equity-seeking groups and Indigenous peoples.
- 3. Achieve accountability.** The City of Toronto's community benefits processes will be consistent, transparent, and accountable to its stakeholders.

Implementation Plan

The following actions are required to launch the Community Benefits Framework:

1. Establish a Community Benefits Coordinator

A Community Benefits Coordinator is required to oversee the Implementation Plan. The Coordinator will be supported by an interdivisional working group comprised of Economic Development and Culture Division, Purchasing and Materials Management Division, Social Development, Finance and Administration Division, and Toronto Employment and Social Services Division.

2. Coordinate and Support City of Toronto Community Benefits Initiatives

The Community Benefits Coordinator will coordinate, and provide community benefits subject-matter expertise and support to current community benefits initiatives across City Divisions, Agencies, and Corporations. Comparative analysis across current initiatives will identify opportunities to create consistent processes that will maximize the

social and economic impacts across these initiatives. Key priorities will include developing common definitions and establishing consistent data collection through a data system.

3. Develop and Implement a Community Benefits Data Tracking System

The Community Benefits Coordinator will work with a Data Analyst to develop and implement a corporate-wide community benefits data system to monitor, track and report on the outcomes generated by City community benefits initiatives. The data system will be designed to track activities and outputs (e.g. number of hires, type of job, location), as well as social and economic impacts (e.g. equity-seeking group, job retention, career trajectory). Opportunities to contribute to the City of Toronto Open Data Catalogue will be considered. Development and implementation of a data system will require collaboration with a range of stakeholders including employers, job seekers, employment agencies, community organizations, contractors, unions, pre-apprenticeship training programs, and others.

4. Enhance Community Engagement and Involvement

An important factor in maximizing social and economic impacts of community benefits initiatives at the City of Toronto is engaging communities to identify local residents' perspectives on community needs and priorities. The Community Benefits Coordinator will prioritize enhancing community engagement and involvement.

5. Establish and Convene a Community Benefits Advisory Group

The Community Benefits Framework will establish and convene a multi-stakeholder Advisory Group to provide expertise, address real-time community benefits implementation challenges and solutions, and promote transparency and accountability in the City's community benefits activities. The Advisory Group will include representation from equity-seeking groups. Attachment 2 provides a list of stakeholder membership categories.

6. Optimize Community Benefits Hiring Pathways

Building upon models developed through the workforce development component of the Social Procurement Program and Construction Connections, the Community Benefits Coordinator will work with internal and external stakeholders, and the Community Benefits Advisory Group to enhance and optimize community benefits hiring pathways that can be replicated and scaled up across the City's community benefits initiatives.

ATTACHMENT 2

COMMUNITY BENEFITS ADVISORY GROUP

Through the Community Benefits Coordinator, a City of Toronto-convened multi-stakeholder Advisory Group will be established to provide expertise and guidance for implementing community benefits at the City of Toronto.

The creation of sub-groups may be considered. For example, a sub-group to address challenges and opportunities specific to skilled trade apprenticeships in City infrastructure projects may be useful.

Membership categories for the Community Benefits Advisory Group may include:

- City of Toronto Divisions, Agencies, and Corporations
- Community organizations
- Community representatives who Indigenous peoples and/or equity-seeking Torontonians
- Contractor associations
- Developers
- Employment agencies
- Government of Ontario
- Unionized labour
- Other groups

ATTACHMENT 3

CONSTRUCTION CONNECTIONS

Since 2017, Toronto Employment and Social Services, on behalf of the City of Toronto, has partnered with a wide range of stakeholders, including government, non-profit, charitable, private sector, labour and community organizations to develop and deliver a construction sector workforce development pathway called Construction Connections.

Construction Connections is a sector-focused, inclusive workforce development initiative that links job seekers from across the city with training, employment and career supports, while providing construction sector employers with suitable, qualified candidates for apprenticeships to meet associated community benefits-related hiring requirements.

Located at the Toronto Employment and Social Services Access and Resource Centre at Yonge and Eglinton, Construction Connection staff provide a full suite of career planning and employment preparation services to job seekers. To date, Construction Connections has served over 200 residents, leading to the completion of construction pre-apprenticeship and apprenticeship training, acquiring union memberships, and obtaining placements in jobs as part of registered apprenticeships in a number of trades, including general labour, painting/glazing, iron work, masonry, carpentry, and others.

Table 1 identifies and describes the roles played by key stakeholders in the Construction Connections hiring pathway.

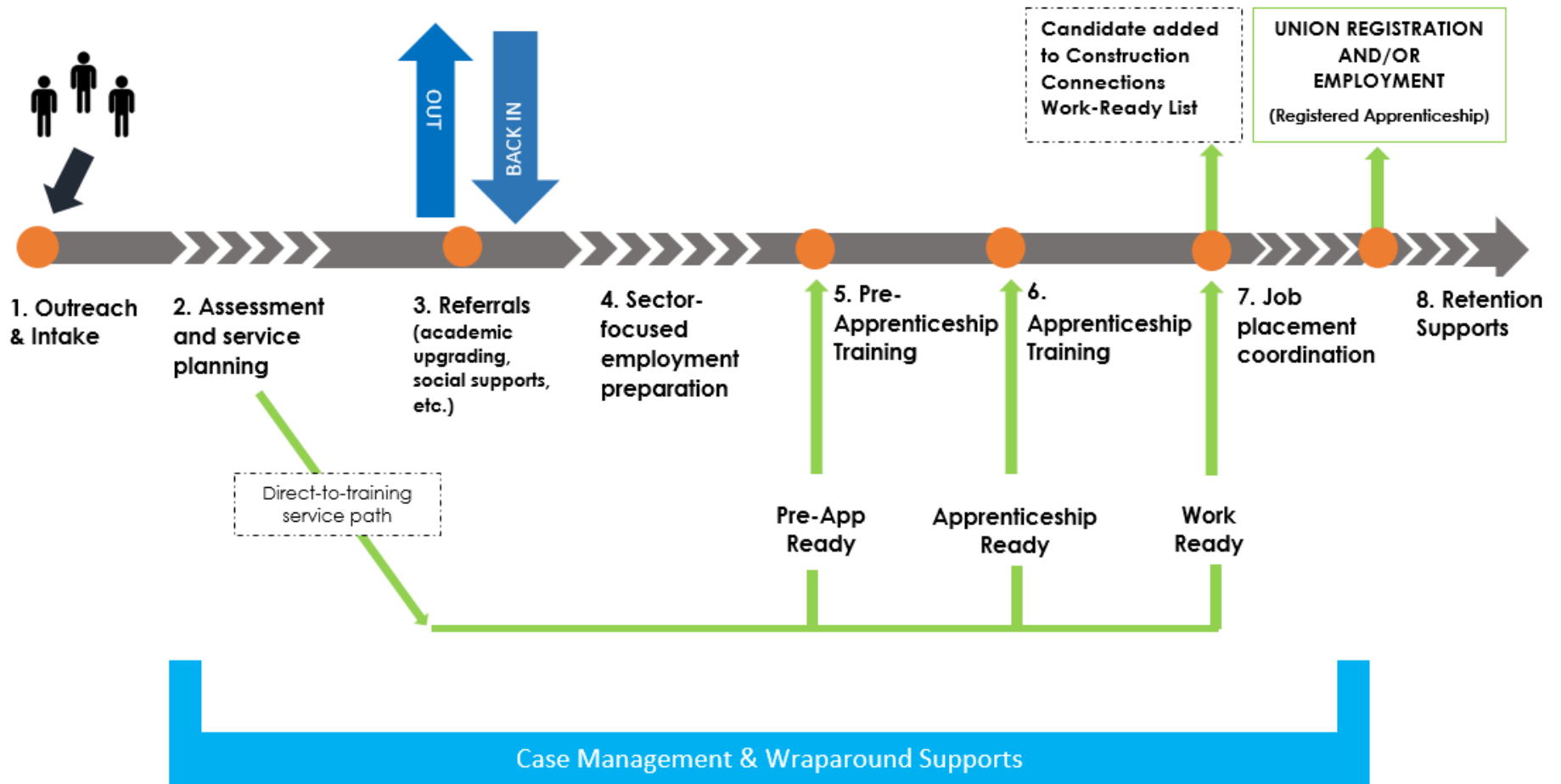
Table 1. Key Stakeholders and Roles in Construction Sector Hiring

Stakeholder	Role in hiring process
Toronto Employment and Social Services	<ul style="list-style-type: none">• Liaises with the various stakeholders involved to ensure effective coordination of activities and understanding of roles.• Supports social assistance recipients by providing: outreach and intake, assessment and support, ongoing case management, including issuing financial benefits, referrals to training, candidate job matching for trade and non-trade opportunities; and job retention support.
Ministry of Training, Colleges and Universities	<ul style="list-style-type: none">• Works with Toronto Employment and Social Services to liaise with key construction industry stakeholders (e.g., developers, contractors, union training centres) to coordinate training and employment opportunities.• Funds the YMCA to work alongside Toronto Employment and Social Services staff to deliver case management and wrap-around supports to participants.
Social Development,	<ul style="list-style-type: none">• Through the Youth Development Unit, Social Development, Finance and Administration coordinates the Youth Employment Partnerships Network, comprised of several youth serving

Finance and Administration	<p>Employment Ontario agencies, who in turn support referrals into the intake process of the pathway.</p> <ul style="list-style-type: none"> Some agencies may also have direct relationships with construction trades training providers and employers and may refer job-ready clients directly through these channels.
YMCA	<ul style="list-style-type: none"> Works alongside Toronto Employment and Social Services staff in an integrated service delivery site at the Yonge and Eglinton Access and Resource Centre. Supports non-Social Assistance recipients by providing: outreach and intake, assessment and support, ongoing case management, including issuing financial benefits (for candidates not in receipt of social assistance/Ontario Works), referrals to training, candidate job matching for trade and non-trade opportunities; and job retention support. Funded by Ministry of Training, Colleges and Universities.
Employers (Project Developer, Contractors, and Sub-Contractors)	<ul style="list-style-type: none"> To fulfill associated community benefits-related hiring requirements, employers partner with Construction Connections to source suitable, skilled candidates that meet project requirement needs. This includes hiring registered apprentices that have completed pre-apprenticeship and/or Level 1 Apprenticeship training. Employers may also hire for professional, administrative and technical jobs, however the focus of Construction Connections is on registered apprenticeships.
Trades/Labour Unions and Training Delivery Agents (TDAs)	<ul style="list-style-type: none"> Provide participants with trades-specific training, which meet industry requirements, and provide union membership to apprentices. Trades/labour unions also coordinate with employers who have a Community Benefits Agreement requirement to meet their labour needs by arranging job placements of work-ready pathway candidates.
Broader Network of Workforce Development and Skills Training Providers	<ul style="list-style-type: none"> Deliver variety of pre-apprenticeship and apprenticeship training programs to job seekers. Providers may include: Employment Ontario agencies; Training Delivery Agents; Colleges; Service providers contracted to deliver Toronto Employment and Social Services Purchase of Employment Services for Ontario Works clients; and Social Enterprises (e.g. Building Up, Out of the Box).

Figure 1 illustrates the Construction Connections Pathway from beginning to end.

Figure 1: Construction Connections Pathway



ATTACHMENT 4

JURISDICTIONAL OVERVIEW: COMMUNITY BENEFITS IN TORONTO, ONTARIO AND CANADA

The following attachment describes a range of recent community benefits initiatives across Canada.

Community Benefits in Toronto

In the last 10 years, community benefits processes in Toronto have included Regent Park Revitalization, Metrolinx transit projects in Toronto, and the Pan Am Games. Community benefits outcomes included community economic development, skilled trade apprenticeships, professional, administration and technical jobs, and sub-contracting opportunities for diverse suppliers and social enterprises.

In 2016, Toronto City Council adopted the Social Procurement Policy and Program, which aims to leverage the City's purchasing power by achieving social and economic impacts for Indigenous peoples and equity-seeking Torontonians.

In 2018, the City of Toronto entered its first Community Benefits Agreement with One Toronto Gaming as a condition of City Council's approval for expanded gaming at Casino Woodbine. The multi-year Casino Woodbine area development will include casino expansion, two hotels, nine restaurants, retail and office uses, a performance venue, and a Casino employee training centre. By full development completion in 2025, the expansion is projected to yield more than 3,500 new jobs. Through the Community Benefits Agreement, One Toronto Gaming commits to the following targets: 40% local or social hiring (with at least 20% to local hiring); 40% full time jobs; 10% annual local or social procurement; \$5 million towards the construction of a child care centre, and community access to space.

Government of Ontario

In 2015, the Government of Ontario passed the Infrastructure for Jobs and Prosperity Act¹¹, which considers community benefits principles in the Government of Ontario's infrastructure planning and investment. In 2017, the Government of Ontario released its Long-Term Infrastructure Plan¹², which outlined its plan to invest \$190 billion over 13 years, starting in 2014–15, to expand and renew Ontario's infrastructure. The Plan included a commitment to pilot projects that would leverage inclusive workforce development opportunities and other community benefits, through the projects in long-term infrastructure plan.

11 Infrastructure for Jobs and Prosperity Act, 2015
https://www.ontario.ca/laws/statute/15i15?_ga=2.174662178.1865649850.1556575977-1311657106.1556575977

12 Infrastructure Ontario. 2017. Building Better Lives. Ontario's Long-Term Infrastructure Plan.
<https://www.ontario.ca/document/building-better-lives-ontarios-long-term-infrastructure-plan-2017>

The following year, the Government of Ontario announced five major public infrastructure projects to include community benefits components that would include employment and training opportunities, environmental protections, poverty reduction measures and small business supports. Three of the community benefits project sites are located in the City of Toronto (Finch West LRT, West Park Healthcare Centre, and Macdonald Block government complex), with the remaining two sites located in Halton Region and Thunder Bay.

City of Vancouver and the Government of British Columbia

In 2018, the Government of British Columbia announced a Community Benefits Agreement that aims to put local people first in line for good jobs building select provincial infrastructure projects. To oversee the implementation of the Community Benefits Agreement, the Government of British Columbia created a new Crown corporation called British Columbia Infrastructure Benefits Incorporated, whose is to hire construction workers, work with unions and contractors to dispatch labour, and manage payroll and benefits¹³.

Also in 2018, the City of Vancouver was the first municipality in Canada to adopt a Community Benefits Agreement Policy¹⁴. Under the new policy, developer rezoning planning applications that exceed a square footage threshold are considered for community benefits requirements of 10% local employment and 10% local procurement. City of Vancouver plans to engage a third party organization to fulfil the employment liaison role between local job seekers and Community Benefits Agreement employers (contractors).

Government of Canada

At the federal level, in 2017, a Private Members' [Bill C-344](#), an Act to amend the Department of Public Works and Government Services Act was introduced. The Bill proposes that the federal Minister of Public Services and Procurement Canada have the opportunity to require an assessment of the social and economic community benefits from a federal construction, maintenance or repair project (i.e. for federal assets and federally led public works). As of May 2019, the Bill was at second reading in the Senate.

In 2018, the Government of Canada began encouraging community employment benefits initiatives in projects funded by the federal government through the Investing in Canada Infrastructure Program. This voluntary initiative establishes a framework for creating targets and reporting on outcomes related to employment, training, and procurement opportunities for target groups including: apprentices; Indigenous peoples; women; persons with disabilities; veterans; youth; recent immigrants; and, small-sized, medium-sized, and social enterprises¹⁵.

13 Province of British Columbia. 2018. <https://news.gov.bc.ca/releases/2018PREM0057-001406>

14 City of Vancouver. 2019. Community Benefits Agreements. <https://vancouver.ca/people-programs/community-benefit-agreements.aspx>

15 Infrastructure Canada. 2018. Community Employment Benefits General Guidance. <https://www.infrastructure.gc.ca/alt-format/pdf/guidelines-lignes-directrices/ceb-general-guidance-2018-06-21.pdf>

ATTACHMENT 5

2019 CONSULTATION SESSIONS

The Community Benefits Framework was informed by input and feedback from City staff and external stakeholders.

From February to May 2019, Social Development, Finance and Administration held a series of consultation meetings to provide an overview on the draft Community Benefits Framework and receive input.

There was participation from approximately 80 City staff representing various City Divisions, Agencies, and Corporations. Additionally, at least 35 participants represented a range of external stakeholder organizations. A full list is provided in Attachment 6.

Below are the key themes and findings heard through the consultation meetings and sessions.

Strengthen City of Toronto Community Benefits Levers

- City of Toronto should focus on strengthening current City community benefits levers, programs, and initiatives before developing a community benefits program for private developments.
- City of Toronto should use its convening and coordinating ability to establish best practice community benefits models and processes, which include stakeholder relations, community benefits policy and program analysis, leveraging and creating community benefits opportunities, implementing community benefits outcomes, data tracking and reporting, and engaging with community.
- The City should consider establishing a threshold, such as a project value greater than \$50 million, at which community benefits would be pursued. This would allow more effort to be focussed where there will be the greatest impact.

Enhance Community Engagement

- The City should define an authentic role for community when it comes to identifying desired community benefits and monitoring their implementation.
- As much as possible, community engagement approaches should leverage existing local community committees and networks, such as the Resident Committees in Neighbourhood Improvement Areas.
- In addition, there needs to be more engagement with equity-seeking communities in neighbourhoods that are not identified as "Neighbourhood Improvement Areas." These communities feel they are missing out on connections with City of Toronto initiatives, particularly when it comes to community engagement and capacity building around community benefits.

Increase Construction Sector's Understanding and Support of Community Benefits

- There is a common misconception among contractors that community benefits hiring increases the cost of construction.
- There needs to be more work done to get the construction sector on board. There are still many trades and labour organizations that are not supportive of community benefits hiring.
- Introducing community benefits in the construction industry is similar to the culture shift experienced towards health and safety issues years ago. At first, contractors resisted the requirements for safety training, however, over time it was accepted as the new normal and there was a strong business case for investing in robust health and safety training. It is now mandatory in the sector.
- The City of Toronto should build and resource easy-to-use systems for contractors and other stakeholders that will assist in implementing, monitoring and tracking compliance with community benefits requirements.

Seizing Opportunity in High Demand Employment Sectors

- Community benefit initiatives provide an opportunity for government and other institutions to support social and economic development policy priorities with their procurement processes and incentive programs, while also addressing labour supply shortages in some employment sectors.
- Of particular significance is the looming skilled trade shortage in the construction sector. In the next ten years, at least 100,000 additional construction workers are needed in Ontario due to the increasing demand in the construction industry and attrition through retirements¹⁶.
- Both the looming skilled trades shortage, as well as the historical barriers that many equity-seeking groups have faced to accessing jobs in the construction sector, provide a rich opportunity to support inclusive workforce development.
- Other sectors in high demand include hospitality and information and technology.

Understand the Complexity of Community Benefits Hiring for Construction Apprenticeship Opportunities

- When it comes to hiring apprentices on City infrastructure projects, there needs to be coordination and consideration regarding different sub-trades, different trades start and end dates, union hiring hall, dispatching to next projects, and more.
- There needs to be a clear understanding of the labour demand forecast, looking ahead at infrastructure projects coming down the pipeline and the labour supply required to work on those projects.
- Construction site project schedules are ever-changing even after a project starts construction work. This impacts the scope of work on a project, which in turn impacts the feasibility of community benefits apprenticeship hiring requirements in City infrastructure tender contracts. There is a certain level of flexibility that

¹⁶ Buildforce Canada. 2019. Construction and Maintenance Looking Forward. Ontario Summary. https://www.buildforce.ca/en/system/files/products/2019_ON_Constr_Maint_Looking_Forward.pdf

needs to be considered by the City of Toronto. This needs to be better understood.

- Some contractors think community benefits hiring will create a two-tiered system of hiring apprentices.
- Pre-apprenticeship training should level the playing field and prepare all candidates to be ready to work on the construction site. Unions play a strong role in training candidates to be job ready and supporting them throughout their apprenticeships.
- Once hired, contractors should not be able to tell the difference between a community benefits apprentice and a regular, non-community benefits apprentice.

Tracking and Reporting Community Benefits Construction Hiring

- A dedicated, centralized data tracking system is required in order to measure and analyze the social and economic impacts of apprenticeship hiring through community benefits initiatives.
- A common data tracking system currently does not exist across the construction sector.
- Data tracking is difficult in part because there is a wide discrepancy across labour trades in terms of capacity to track data. Many contractor organizations are still paper based and use manual methods for office administration.
- There needs to be consideration for budget and resources to develop a tracking system, and clarification of whose role it would be to coordinate and centralize.
- The full five year apprenticeship lifecycle needs to be tracked through the data system in order to determine how many candidates are reaching certification through to becoming journeypersons. Journeyperson status puts apprentices onto successful career paths.
- Construction employment is precarious as projects start and finish. Therefore, in order to mitigate that precariousness, community benefits hiring needs to be linked to the completion of registered apprenticeships, which means apprentices will be certified journeypersons once the full apprenticeship program is complete.
- Ontario Ministry of Training, Colleges, and Universities collects data across Ontario on registered apprenticeships, including apprenticeship hours worked. There could be opportunity to leverage MTCU's current data system.
- Some labour organizations have experienced challenges accessing MTCU apprenticeship data reports.
- Qualitative success stories are just as important as counting the quantitative number of hires.
- Tracking where and how candidates started apprenticeships, all the way through to where they are now is an important part of telling the story about the positive, often life changing impact that community benefits construction hiring can have on peoples' lives. It's not enough to just look at the numbers.

Broaden the Definition of Community Benefits

- The community benefits definition should broaden to include public health issues and implications. For example, what are some of the public health issues could

be incorporated into community benefits processes? Issues for consideration include social determinants of health, quality of life issues, and food security.

- Food security outcomes to consider as public realm community benefits might include community garden, community composting, cafés, local food procurement, and rooftop gardens.

Create Opportunities for Local Businesses and Diverse Suppliers

- Community benefits opportunities should include ways to create opportunities for local construction materials suppliers.
- It was suggested to include requirements for local hiring and local suppliers for construction supplies.
- Any considerations for local procurement must comply with applicable laws, regulations and trade agreements to ensure the integrity of City of Toronto procurement procedures.

Provide Recognition to Construction Sector Community Benefits Champions

- It would be good to give additional points to contractors who are high achievers when it comes to community benefits.
- There are contractors who think they should be rewarded for championing local hiring and community engagement.

ATTACHMENT 6

CONSULTATION PARTICIPANTS

List of Participating City Divisions, Agencies, and Corporations

Affordable Housing Office
Central Eglinton Community Centre
Children's Services
City Planning
CreateTO
Eastview Neighbourhood Community Centre
Economic Development and Culture
Environment and Energy Division
Exhibition Place
Fair Wage Office
Information and Technology
Legal Services
Major Capital Infrastructure Coordination
Municipal Licensing and Standards
Parks, Forestry and Recreation
People, Equity and Human Rights
Purchasing and Materials Management Division
Resilience Office
Shelter, Support and Housing Administration
Social Development, Finance and Administration
Strategic Communications
Strategic and Corporate Policy
The 519
Toronto Community Housing Corporation
Toronto Employment and Social Services
Toronto Police Services
Toronto Public Health
Toronto Transit Commission
Transportation Services
Waterfront Neighbourhood Centre
Yonge and Dundas Square

List of Participating External Stakeholder Organizations

Atkinson Foundation
Building Up
Carpenters' District Council of Ontario
Carpenters Local 79
City of Vancouver
Dina Graser, Graser and Co.
East Scarborough Storefront
General Contractors Section Toronto
Gillian Mason Consultancy
Greater Toronto Sewer and Watermain Construction Association

Heat and Frost Insulators Local 95 Ontario
Heavy Construction Association of Toronto
Infrastructure Ontario
Ironworkers Local 721
Labour Education Centre
LiUNA Local 183 and Local 506
Metcalf Foundation
Metrolinx
Ministry of Training, Colleges and Universities
Mowat Centre
One Toronto Gaming
Ontario Construction Secretariat
Ontario Road Builders' Association
Parkdale Community Economic Development Project
Power Lab
Provincial Building and Construction Trades Council of Ontario
Residential Construction Council of Ontario
Southdown Builders
TACC Construction Ltd.
The Daniels Corporation
Toronto Community Benefits Network United Way Greater Toronto
West Neighbourhood House