

**Subject: Comprehensive Legal Services Report for the Period January 1 to
June 30, 2025**

File Number: ACS2025-LEG-GEN-0003

**Report to Finance and Corporate Services Committee on 7 October 2025
and Council 22 October 2025**

Submitted on September 25, 2025 by Stuart Huxley, Interim City Solicitor

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Ward: Citywide

**Objet : Rapport Général sur les Services juridiques pour la période du 1
janvier au 30 juin 2025**

Numéro de dossier : ACS2025-LEG-GEN-0003

Rapport présenté au Comité des finances et des services organisationnels

Rapport soumis le 7 octobre 2025

et au Conseil le 22 octobre 2025

Soumis le 2025-09-25 par Stuart Huxley, Avocat général (par intérim)

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Quartier : À l'échelle de la ville

REPORT RECOMMENDATION(S)

That the Finance and Corporate Services Committee recommend that Council receive this report for information.

RECOMMANDATION(S) DU RAPPORT

Que le Comité des finances et des services organisationnels recommande au Conseil de recevoir, à titre d'information, ce rapport.

EXECUTIVE SUMMARY

This report details the work undertaken and results achieved by Legal Services in the first and second quarters of 2025. In keeping with the format approved by City Council on August 25, 2011, the Comprehensive Legal Services Report combines the former Claims Settlements, Litigation Record and External Legal Costs reports into a single comprehensive report. It also includes information with respect to the recent renewal of the City's insurance program for the 2025-2026 policy term.

In respect of all forms of litigation undertaken by Legal Services (civil, labour, Ontario Land Tribunal, human rights, etc.), the reported outcomes are consistent with prior reports and highlight the City's preference for resolving matters without the expense of full proceedings. The litigation outcomes also reflect the fact that, where the City does not resolve a case through a mutually-agreeable settlement, its rate of success is very high, with favourable decisions or orders in 26 of 30 cases concluded in the first two quarters of 2025. The costs associated with the settlement of 10 claims over \$100,000 in the first two quarters reflect the prevailing growth in court awards in personal injury matters for general damages, future loss of income/competitive advantage and future care costs.

The report details the fact that that 84 per cent of litigation involving the City is handled by in-house resources, with 16 per cent of the current 545 litigated matters being referred to external counsel.

Legal Services also continued its support of a number of key City initiatives in Q1 and Q2 2025. Further, Legal Services drafted or reviewed 501 legal agreements and contracts in Q1 and Q2 2025 and registered more than 422 development agreements and documents.

In terms of outsourcing costs in Q1 and Q2 2025, these continued to be largely driven by the support for large capital projects such as Light Rail, and labour/employment related cases.

RÉSUMÉ

Le présent rapport expose le travail effectué et les résultats atteints par les Services juridiques au cours des premier et deuxième trimestres de 2025. Suivant le modèle approuvé par le Conseil municipal le 25 août 2011, le Rapport général sur les Services juridiques regroupe en un seul document les rapports sur les règlements de réclamations, le bilan des litiges et les frais judiciaires externes. Il comprend également

des renseignements sur le renouvellement récent du programme d'assurance de la Ville pour la période 2025-2026.

Pour tous les types de litiges traités par les Services juridiques (affaires civiles, droit du travail, affaires devant le Tribunal ontarien de l'aménagement du territoire [TOAT], droits de la personne, etc.), les résultats sont similaires à ceux présentés dans les rapports antérieurs et viennent mettre en lumière la préférence de la Ville pour les règlements à l'amiable. L'examen des litiges révèle également que lorsque la Ville ne parvient pas à une entente qui convient aux deux parties, son taux de succès est élevé : en effet, elle a obtenu une décision ou une ordonnance en sa faveur dans 26 des 30 affaires conclues au cours des deux premiers trimestres de 2025. Par ailleurs, les coûts associés au règlement de 10 litiges d'une valeur supérieure à 100 000 \$ au cours des deux premiers trimestres de 2025 reflètent l'augmentation actuelle des montants adjugés par les tribunaux pour les préjudices personnels en ce qui concerne les dommages-intérêts généraux, les pertes futures de revenus ou d'avantages concurrentiels et les coûts liés à des soins futurs.

Le rapport précise que 84 % des litiges concernant la Ville sont traités à l'interne et que 16 % des 545 litiges actuels ont été confiés à un avocat externe.

Les Services juridiques ont aussi continué de contribuer à plusieurs initiatives municipales clés au cours des premier et deuxième trimestres de 2025. En outre, durant la même période, ils ont rédigé ou examiné 501 accords juridiques et contrats, et traité plus de 422 ententes et documents d'aménagement.

Quant aux coûts de sous-traitance au cours des premier et deuxième trimestres de 2025, ils ont continué à être largement déterminés par des projets d'immobilisations de grande envergure comme le train léger, ainsi que par des cas liés à la main-d'œuvre et à l'emploi.

BACKGROUND

The inaugural Comprehensive Legal Services Report covering the first and second quarters of 2011 was approved by City Council on August 25th, 2011. A revised, quarterly report format originated from a motion that was passed by Council on April 27, 2011, that directed "the City Clerk and Solicitor to combine the existing Claims Settlements, Litigation Record and External Legal Costs reports into a single comprehensive report." On December 3, 2014, City Council approved an amendment to the Delegation of Authority By-law thereby revising the reporting requirement for these

matters to a semi-annual basis. Therefore, the information provided herein is with respect to the first and second quarters of 2025.

DISCUSSION

Civil litigation / Labour and Employment

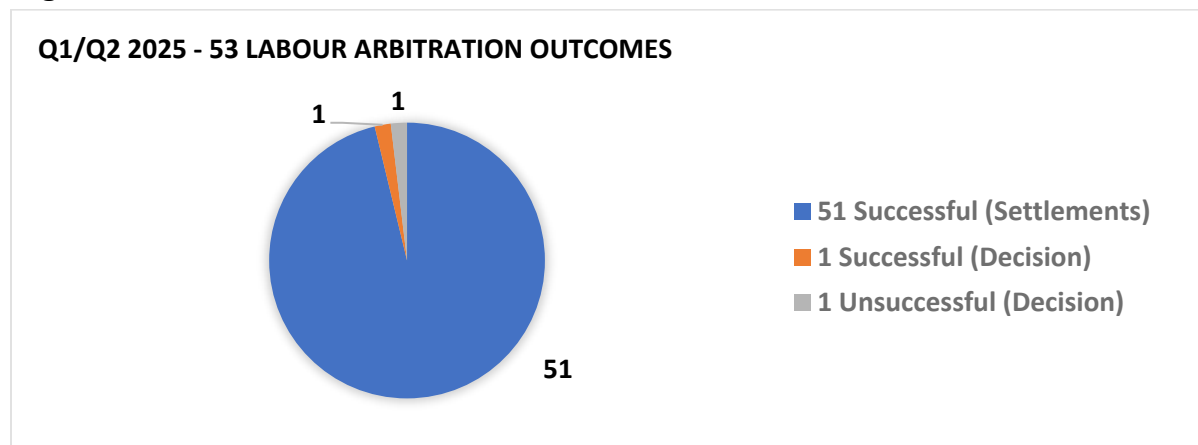
In keeping with the format developed as part of the initial Comprehensive Legal Services Report, outlined below is the litigation record for the 2025 first and second quarters, as well as an overview of claims received and concluded in that same period.

The report also provides a breakdown of the range and volume of civil litigation currently being handled by Legal Services, as well as information on whether carriage of these matters rests with in-house legal staff or with external legal counsel.

(a) Labour Relations Unit

A summary of labour arbitrations during the first and second quarters is set out below in Figure 1.

Figure 1 – Labour arbitration outcomes



Reasons for unsuccessful outcome:

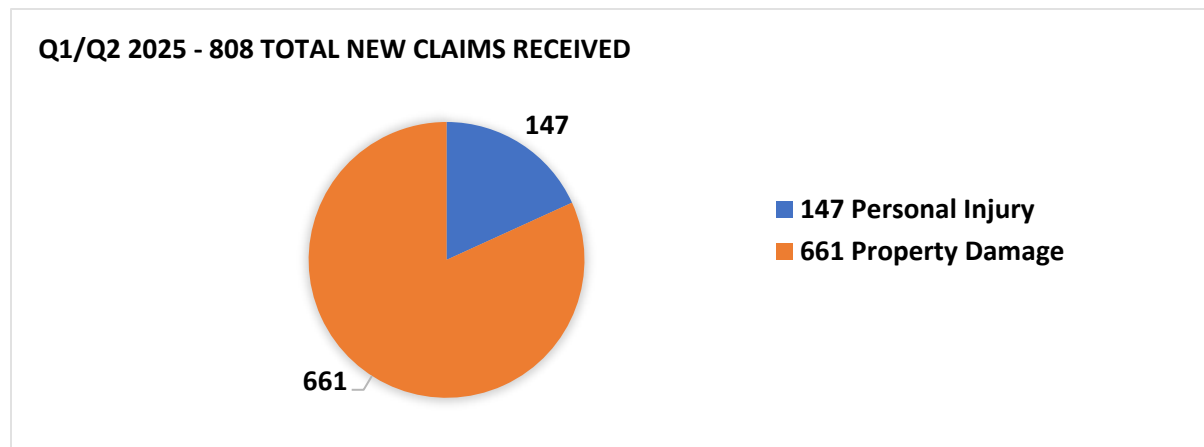
1. This matter related to the question of whether certain aspects of work were within the scope of the ATU 1760 bargaining unit and whether those duties could be assigned to others. The decision clarified that absent instruction, experimentation or an emergency, the work was properly within the scope of ATU 1760.

(b) Claims Unit

The Claims Unit received a total of 808 new claims in the first two quarters of 2025. This figure is made up of 661 property damage claims and 147 personal injury claims that were filed with the Unit. Of the total number of new claims received during this period, 320 (40 per cent) represent pothole claims, which tend to be the most common type of claim received by the Unit and are heavily influenced by seasonal weather patterns.

A summary of the 808 claims received during the first and second quarters is set out below by number.

Figure 2 – Total new claims received by number



The Claims Unit also concluded a total of 781 claims in the first two quarters of 2025. This figure represents the 615 property damage claims and 166 personal injury claims that were either closed-settled or closed-denied during this period. A summary of the 264 claims that were closed-settled (i.e. paid in whole or in part) during the first and second quarters is set out below in Figures 3 (by number) and 4 (by value).

Figure 3 - Claims concluded under \$100,000 by number

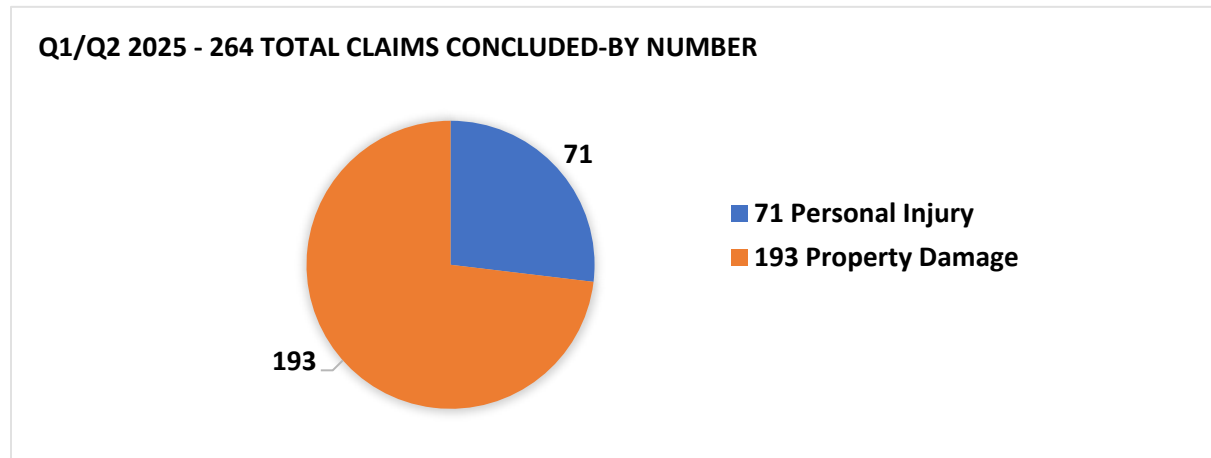


Figure 4 - Claims concluded under \$100,000 by value

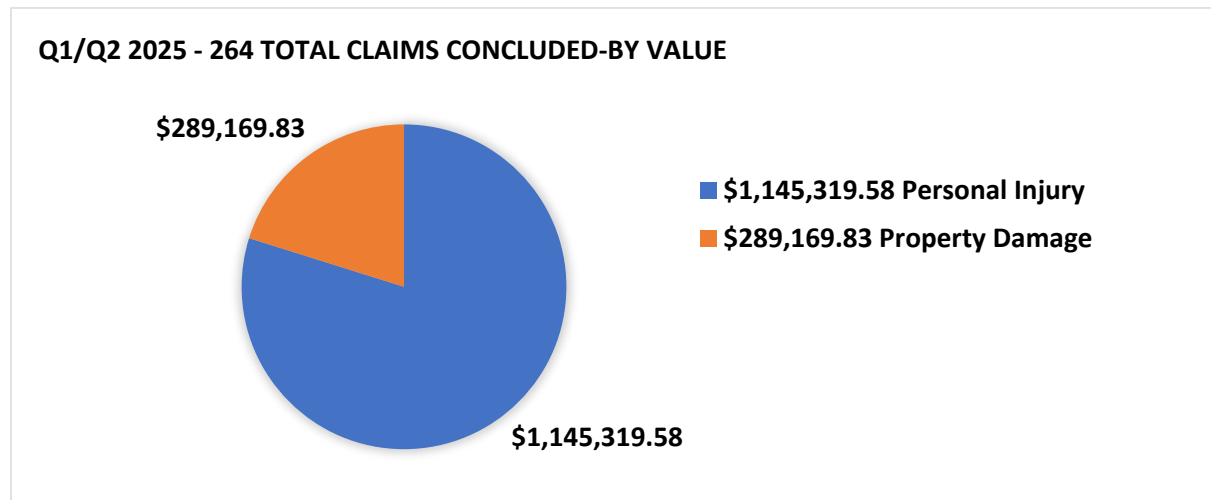


Table 1 - Claims concluded over \$100,000 – Q1 and Q2 2025

Department	Category	Claim Type	Net City Cost
Infrastructure and Water Services	Bodily/Personal Injury	TP Damage/Injury from Construction Work	\$161,887.61
Public Works	Bodily/Personal Injury	Trip and Fall	\$184,416.13
Public Works	Bodily/Personal Injury	TP Bodily Injury-Traffic Signs, Markings	\$1,805,804.94
Public Works	Bodily/Personal Injury	Slip and Fall	\$152,691.30
Public Works	Bodily/Personal Injury	Slip and Fall	\$142,804.30
Public Works	Bodily/Personal Injury	Slip and Fall	\$120,923.98
Recreation, Cultural and Facility Services	Bodily/Personal Injury	Other TP Bodily Injury	\$105,451.54
Transit Services	Bodily/Personal Injury	MVA, City and TP Vehicle	\$460,446.25
Transit Services	Bodily/Personal Injury	City Vehicle Hitting Pedestrian/Cyclist	\$1,261,267.51
Transit Services	Bodily/Personal Injury	City Vehicle Hitting Pedestrian/Cyclist	\$172,691.30
		Total:	\$4,568,384.86

The above-noted figures represent settlement of litigated and non-litigated claims, and include all costs borne by the City in finalizing a settlement, such as court costs, legal fees, investigative costs, etc.

Furthermore, claim settlement payments include those made pursuant to negotiated settlements as well as any court-ordered damages. The details with regard to these claims are confidential in keeping with standard settlement practices. The specific circumstances and facts surrounding these confidential settlements are available to Members of Council from the City Solicitor.

Civil Litigation Unit

In the first and second quarters of 2025, 86 new Statements of Claim were received by Legal Services. With these, there are currently 545 outstanding civil proceedings against the City that are being addressed. Of the current open files, the City's in-house Legal staff has carriage of 84 per cent, with 16 per cent of the remaining files referred to external counsel either at the direction of the City's insurer or due to the scope, nature, specialization or volume of the litigation.

A summary of outcomes for civil litigation, Ontario Land Tribunal ("OLT") and other administrative tribunals for the first and second quarters is set out below in Figures 5, 6 and 7.

Figure 5 - Civil litigation outcomes

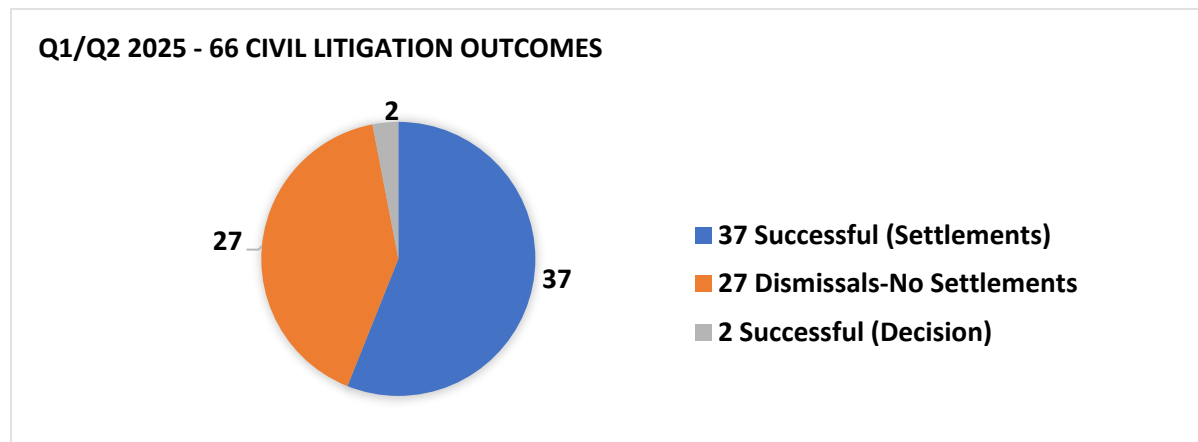
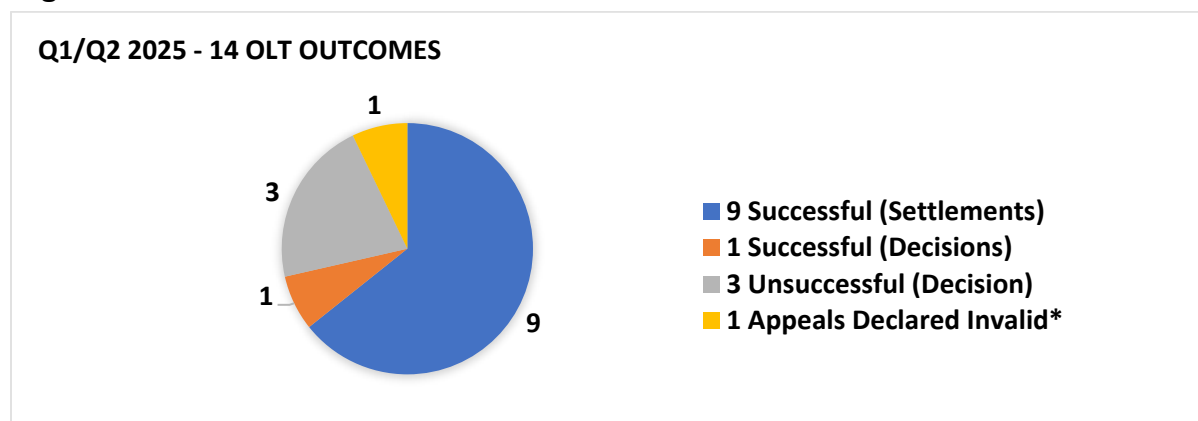


Figure 6 – OLT outcomes



*Appeals Declared Invalid – these numbers reflect appeals to OLT that did not meet the tests of raising issues of inconsistency with the Provincial Policy Statement and/or non-conformity with the Official Plan.

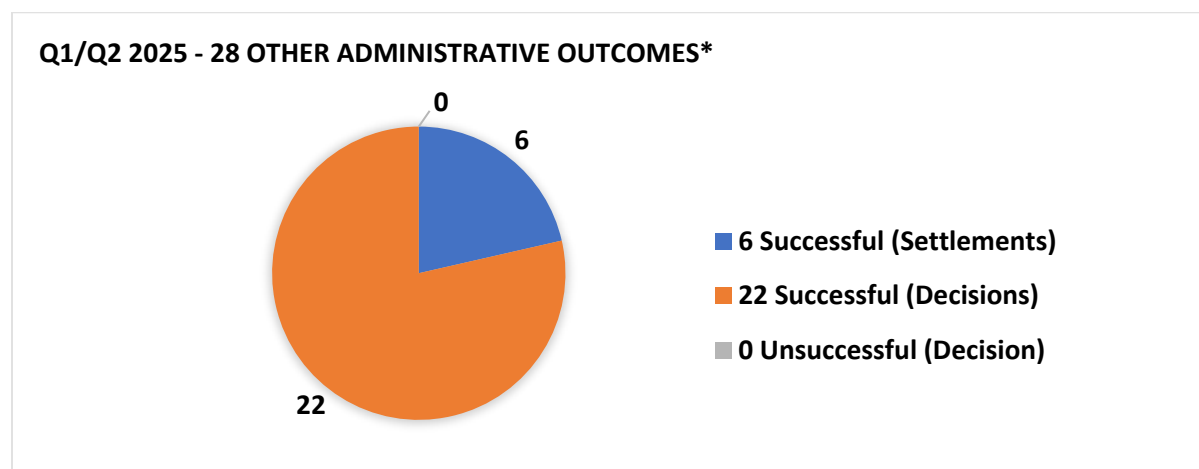
Reasons for unsuccessful outcomes:

1. 4120 Riverside

This application was a request for a minor variance to permit a garage that will be larger than the primary structure (a dwelling). The City took the position that an accessory structure should not be larger than the primary structure. The decision of the Ontario Land Tribunal was that there was not express language in the zoning by-law providing that an accessory structure could not be larger than the primary structure and that therefore in the circumstances the garage would be permitted.

2. 4497 O’Keefe / 5971 Flewellyn / 1770 Shea / 1820 Shea

These matters have been reported to Council. These applications are seeking expansions to urban settlement areas and were seeking a determination that the information and documentation that had been provided to the City were sufficient to have the applications deemed complete. The Official Plan of the City of Ottawa provided that an applicant was required to comply with the Complete Application submission policy of Council. The Tribunal however determined that the *Planning Act* requires that the studies required for a complete application must be specifically identified in the Official Plan. The applications were therefore deemed completed by the Tribunal.



*Other administrative outcomes include stats related to Assessment Review Board, Human Rights, Information Privacy Commissioner, Health Services Appeal Board, Agriculture, Food and Rural Affairs Appeal Tribunal, WSIB, WSIAT.

Corporate Commercial / Planning, Development and Real Estate / Municipal and Regulatory

Legal Services, in first and second quarters of 2025, provided key legal support for various projects and strategic initiatives of the City. Some of the results of the varied services provided by in-house legal staff include the following:

1. Legal Services provided support to Transit Operations, Rail Construction Program, Confederation Line Light Rail office, Capital Railway, with respect to a wide variety of rail matters including specific projects, a variety of regulatory, and legal matters, including Regulatory Monitor Compliance Officer for the Confederation Line, Chief William Commanda Bridge, Trillium Line regulatory requirements. In addition, liaising with Stage 1 and Stage 2 Light Rail offices and external legal counsel concerning OLRT/Stage 2 matters in support role and a number of other rail matters affecting the City's rail corridors together with assisting in drafting legal agreements.
2. Legal Services provided support to the Transportation Services Department (including Transit Operations, Transportation Planning, Traffic Services), Roads and Parking Services, Infrastructure Services, and Rights of Way Branch with respect to a wide variety of road, lanes, cycling and pedestrian transportation matters relating to existing and new infrastructure, by providing timely and effective legal advice together with preparation, drafting, negotiating, and execution of a number of agreements including funding/contribution agreements.
3. Legal Services provided extensive support, legal and procedural advice to the City's standing, advisory committees and local boards concerning a wide variety of reports, projects and initiatives.
4. Legal Services continued to provide extensive support to Finance and Realty Services on the Lansdowne 2.0 Proposal, including the drafting and negotiating of associated amendments to the Lansdowne Partnership Plan legal agreements.
5. Legal Services continued to provide significant support to project team delivering the Adisōke Library project.
6. Legal Services continued to advise Infrastructure and Water Services on various lien claims, construction deficiency claims, and contractual interpretation claims.

Table 2 - General agreements and contracts – Metrics

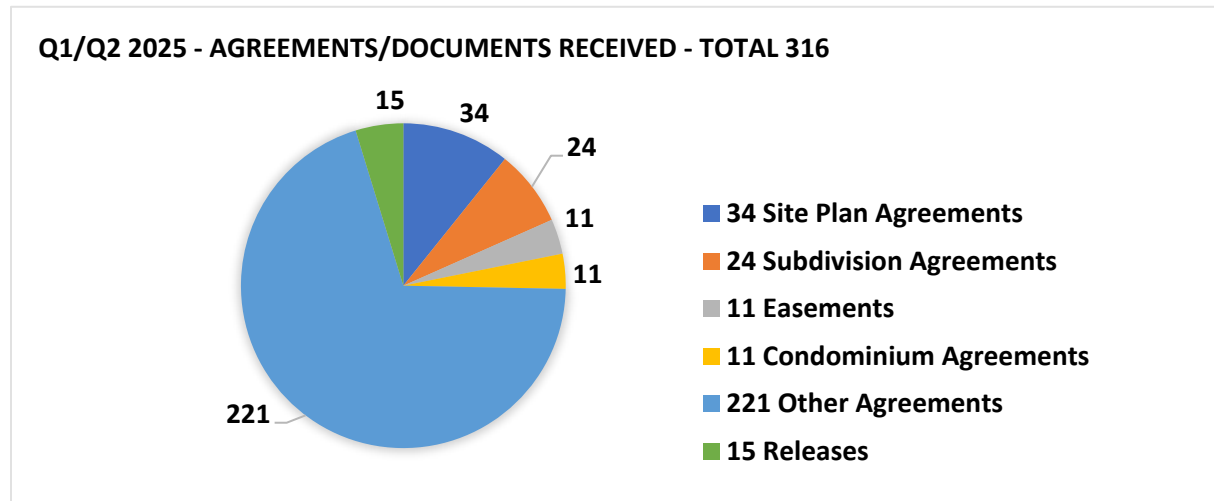
General Agreement/Contract Type	Routine	Moderately Complex	Complex	Total
Agreements and Contracts Reviewed/Drafted	192	217	92	501
Reports Reviewed/Drafted	59	32	7	98
Real Estate Purchases and Sales	24	0	3	27
Tax Sale Registrations, Property Standards Orders	34	0	1	35
By-laws Reviewed/Drafted	49	13	1	63
Construction Lien Payments Reviewed / Processed	186	n/a	n/a	186

Planning, Development and Real Estate

The Planning, Development and Real Estate Law Unit is collectively responsible for the preparation of a variety of Development Agreements such as Subdivision, Site Plan, and Condominium, as well as agreements related to consent or minor variance applications. In addition, staff are also responsible for providing real estate law services (purchases, sales, expropriations, tax sales, leases, easements, mortgages, title searches and registrations) on behalf of the City.

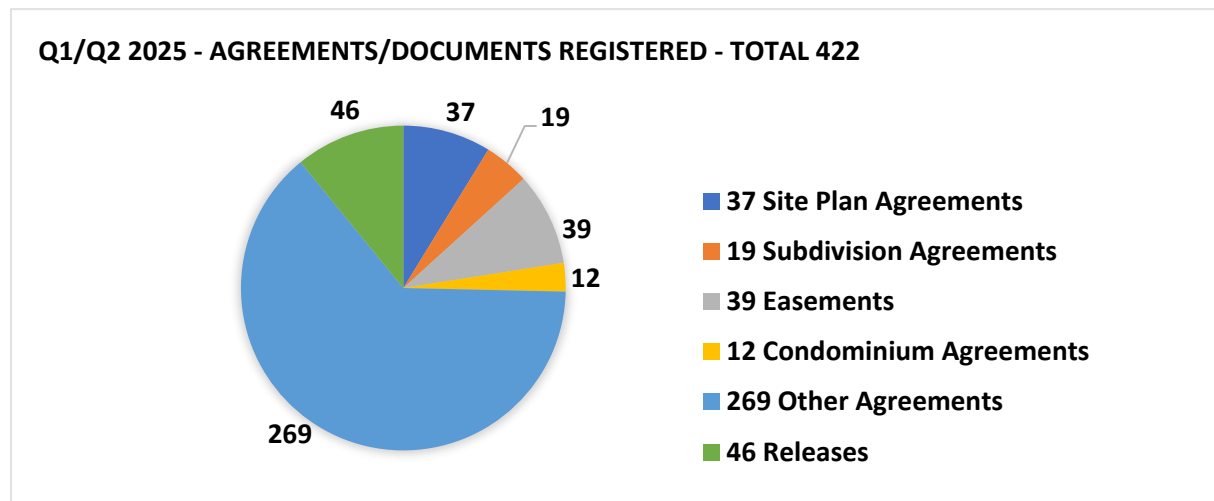
In the first and second quarters of 2025, 316 individual documents were logged by the Development Law Unit that were required for drafting and registration. Of these 316 requests, 70 per cent were considered routine; 12 per cent were considered moderately complex and 18 per cent were considered complex. A summary is set out below in Figure 8 (by type).

Figure 8 - All agreements/document requests received - Total



The Unit also completed registration on 422 individual agreements and documents in the first and second quarters of 2025. Of these 422 documents registered, 48 per cent were considered routine; 33 per cent were considered moderately complex; and 19 per cent were considered complex. A summary is set out below in Figure 9 (by type).

Figure 9 – Agreements/documents registered – Total



*Stats shown in Figures 8 and 9 do not include work related to by-laws. **There are 17 different agreement types that fall under 'Other'

Table 3 - External legal costs – Q1 2025

Firm	Portfolio/ Practice Area	Legal Fees	Disbursements	Taxes	Total
Aird & Berlis	Corporate, Commercial	\$5,727.00	0	\$744.51	\$6,471.51
Borden Ladner Gervais	Corporate, Commercial, Development	\$271,108.42	\$5,365.89	\$35,859.32	\$312,333.63
Borden Ladner Gervais	Light Rail Project	\$111,165.00	\$1,572.90	\$17,211.87	\$149,610.92
Borden Ladner Gervais	Litigation	\$122,150.56	\$1,572.90	\$16,023.67	\$139,747.13
Caza Saikaley	Litigation	\$4,252.00	\$368.50	\$600.70	\$5,221.20
Courey Law	Corporate, Commercial, Development	\$810.00	\$6,200.50	\$879.78	\$7,890.28
Emond Harnden	Labour and Employment	\$568,301.14	\$39.97	\$73,883.08	\$642,224.19
Gowlings	Corporate, Commercial, Development	\$67,280.00	\$1,491.48	\$8,940.32	\$77,711.80
Gowlings	Litigation	\$61,360.20	\$1,151.55	\$8,047.85	\$70,559.60
Lerners	Litigation	\$7,230.00	\$202.00	\$940.96	\$8,372.96
Norton, Rose, Fulbright	Light Rail Project	\$1,141.00	\$51.00	\$154.97	\$1,346.97
Perley- Robertson	Litigation	\$16,738.00	\$7.02	\$2,176.85	\$18,921.87
Singleton Urquhart	Light Rail Project	\$124,770.45	\$64,204.00	\$24,566.68	\$213,541.13
Totals:		\$1,362,033.77	\$82,227.71	\$190,030.56	\$1,653,953.19

Table 4 - External legal costs – Q2 2025

Firm	Portfolio/ Practice Area	Legal Fees	Disbursements	Taxes	Total
Aird & Berlis	Corporate, Commercial, Development	\$6,860.00	\$0	\$891.80	\$7,751.80
Borden Ladner Gervais	Corporate, Commercial, Development	\$493,058.70	\$7,506.73	\$65,055.13	\$565,620.56
Borden Ladner Gervais	Light Rail Project	\$208,792.90	\$1,882.98	\$27,349.21	\$238,025.09
Borden Ladner Gervais	Litigation	\$372,934.20	\$22,941.90	\$51,350.71	\$447,226.81
Caza Saikaley	Litigation	\$4,767.50	\$10,401.38	\$1,364.47	\$16,533.35
Emond Harnden	Labour and Employment	\$305,197.81	\$1,250.00	\$39,838.68	\$346,286.49
Gowlings	Corporate, Commercial, Development	\$27,254.00	\$0	\$3,543.03	\$30,797.03
Gowlings	Litigation	\$371,877.30	\$9,378.68	\$49,563.32	\$430,819.30
Lerners	Litigation	\$21,754.00	\$663.10	\$2,914.34	\$25,331.44
Norton, Rose, Fulbright	Light Rail Project	\$1,222.50	\$0	\$158.93	\$1,381.43
Perley- Robertson	Litigation	\$42,857.00	\$12.48	\$5,501.54	\$48,371.02
Singleton Urquhart	Light Rail Project	\$736,653.40	\$36,325.66	\$99,570.68	\$872,549.74
Totals:		\$2,593,229.31	\$90,362.91	\$347,101.84	\$3,030,694.06

For external legal costs relating to litigated matters, the above-noted figures may also be reported in the over \$100,000 claims concluded section, as those amounts include all costs borne by the City in finalizing a settlement, including any external legal fees incurred.

Items of Interest

Insurance Renewal 2025-2026

The City's integrated insurance program provides protection for physical assets and indemnification against third-party liability claims. It is a comprehensive insurance program that includes primary policies for Automobile coverage to insure the municipal fleet (including OC Transpo buses), Garage Automobile covering municipal maintenance garage facilities, Property and Equipment Breakdown policies covering physical damage to the City's assets (including buildings and contents), Municipal Liability, Errors & Omissions and Medical Malpractice Liability coverage. The City also supplements some of the primary policies by purchasing additional layers of what is known as 'excess' insurance. Similar to a typical individual's home or auto insurance, the City must bear part of a claim, which is either in the form of a deductible, or a self-insured retention (SIR) which requires the City to pay a specified amount before coverage is triggered. The structure of the integrated insurance program reflects an attempt to balance the cost of premiums with the scope of risk retained by the City, based on an analysis of the City's loss history, and terms afforded by the insurance industry.

With respect to the 2025-2026 policy term renewal, overall, the City saw favorable rates and premiums which is a sign that the market continues to 'soften' for certain coverage lines following the 'hardened' insurance market observed in prior years. With respect to the Municipal Liability and Excess Liability layers, the City opted to renew the second year of the three-year long policy agreements which were put in place under the 2024-2025 policy term and had included negotiated flat or decreased premiums for this term. Maintaining the agreements also allowed the City to reduce the administrative burden associated with the renewal process. Provided the conditions of the long-term agreements are met, the City can expect to have predictable premiums for those policies in the 2026-2027 term.

The City's property policy was renewed with new subscribing insurers and included a slight reduction in rate. The City also purchased an excess property policy to increase the total amount of insurance available for a catastrophic loss.

The City's Automobile policy liability coverage renewed with Aviva, who offered as-is rates for all vehicle classes. All coverage lines were renewed under the City Solicitor's authority in the Delegation of Authority By-law.

FINANCIAL IMPLICATIONS

Financial implications are as outlined in the report.

LEGAL IMPLICATIONS

There are no legal impediments to receiving this report for information.

COMMENTS BY THE WARD COUNCILLOR(S)

This section is not applicable as this is a city-wide report.

CONSULTATION

This is largely an administrative report issued on a semi-annual basis to meet the requirements of the *Delegation of Authority By-law*. As such, no consultation was undertaken.

ACCESSIBILITY IMPACTS

Legal Services supports and considers the *Accessibility for Ontarians with Disabilities Act, (2005)* in its operations. This report is administrative in nature and has no associated accessibility impacts.

DELEGATION OF AUTHORITY IMPLICATIONS

Under Schedule “K” of the *Delegation of Authority By-law* No. 2025-69, the City Solicitor is authorized to purchase City insurance, represent and defend the City in legal proceedings, settle both litigated and non-litigated claims, and is assigned the exclusive authority for retaining all external legal counsel required by the City, among other things. By way of this report, the City Solicitor is fulfilling the requirement to report out on the use of this delegated authority during the first two quarters of 2025.

RISK MANAGEMENT IMPLICATIONS

There are no risk management concerns arising from this report.

TERM OF COUNCIL PRIORITIES

This report has no direct impact on the 2023-2026 Term of Council Priorities.

DISPOSITION

Subject to any direction by the Finance Corporate Services Committee and Council, the City Solicitor will continue to produce this report on a semi-annual basis.