

NO: R242

COUNCIL DATE: December 2, 2024

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## REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **November 28, 2024**

FROM: **General Manager, Corporate Services**

FILE: **1355-01**

SUBJECT: **Renewal of Adobe Licensing for Provision of Software**

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## RECOMMENDATION

The Corporate Services Department recommends that Council:

1. Approve a single source software licensing renewal to Adobe, Inc., for use of the Adobe software for a three-year term at an annual average cost of \$265,850.00 including taxes;
2. Set the total three-year expenditure authorization limit at \$837,000.00 including taxes and contingency; and
3. Authorize the General Manager, Corporate Services Department to execute the licensing renewal with Adobe Inc. for a three-year term.

## INTENT

This report seeks Council approval for renewal of licensing agreements with Adobe Inc. (“Adobe”) for the provision of software, and related services and support for a term of three years.

## BACKGROUND

Adobe is a market leader in software for the creation and publication of a wide range of content, including Portable Document Formats (“PDFs”), graphics, photography, illustration, animation, multimedia/video, motion pictures and print.

The City has engaged Adobe on a contractual basis since 2013 when Adobe announced that it would be converting its software into a subscription-based model. The City's most current agreement with Adobe commenced on February 17, 2022 for a three-year term, and will expire on February 18, 2025. The City's current cost for Adobe licensing is \$186,546 per year including taxes.

## DISCUSSION

Adobe software products are embedded in the City's processes and workflows and most of the City's publicly accessible information available for download from the City's website was created with Adobe software.

The proposed three-year Adobe license contract from February 19, 2025 to February 18, 2028 represents an overall cost increase of approximately 42% when compared to the cost of the current contract. The increase is primarily attributed to general Adobe license cost increases and a moderate increase in the number of user licenses. The cost increase has been partially offset by software license optimization and Adobe bundling discounts that have been offered to the City.

A three-year term provides the greatest level of discounting from Adobe, rights to use the latest version of software, as well as fixed and predictable costs throughout the term.

Renewing with Adobe is critical to the City's operational efficiency, as Adobe's software suite is deeply embedded in our digital ecosystem, underpinning essential workflows and processes across multiple departments. Many of the City's publicly accessible resources, such as downloadable content from the City's website, rely on Adobe tools for their creation, publication, and maintenance. Transitioning to an alternative solution would involve significant costs associated with re-engineering and integrating the new software into existing systems and workflows. This would not only result in additional financial outlay but also create disruptions to operations and service delivery during the transition period.

Adobe's comprehensive suite of tools and market leadership in digital creation ensure that staff remain equipped with cutting-edge resources, enabling them to respond efficiently to evolving digital production needs. As such, continuing with Adobe represents the most cost-effective and operationally efficient solution for the City, offering predictable costs, minimized disruption, and alignment with strategic goals.

Based on the above, it is recommended that the City renew its licensing agreement with Adobe for a three-year term valued at \$837,000, including taxes.

## **FUNDING**

Funding is included in the annual Corporate Services Operating Budget in the 2024-2028 Financial Plan.

## **CONCLUSION**

Over the years, the City's use of Adobe software has expanded to deliver on strategic initiatives and accommodate growth in the workforce and digital process automation. Adobe's leadership in the digital creation space helps to ensure staff are equipped to respond to evolving and emerging digital production needs. The Corporate Services Department is seeking Council authority for a single source licensing programs renewal with Adobe for the provision of software, and related services and support for a term of three years.

Joey Jatinder Singh Brar  
General Manager, Corporate Services