



STAFF REPORT ACTION REQUIRED

10.

Guildwood Branch – Lease Renewal

Date:	December 17, 2012
To:	Toronto Public Library Board
From:	City Librarian

SUMMARY

The purpose of this report is to obtain Toronto Public Library Board approval for a three-year lease renewal for the period commencing on December 1, 2013 and ending on November 30, 2016, for the premises occupied by the Guildwood Branch.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. approves a lease renewal agreement for the Guildwood Branch with Revenue Properties Company Limited for:
 - a. a three (3) year term for the period commencing on December 1, 2013 and ending on November 30, 2016; and
 - b. a base rent at \$15.00 per square foot for an annual base rent of \$45,150.00, excluding Harmonized Sales Tax;
2. authorizes and directs staff to take the necessary action to give effect thereto.

FINANCIAL IMPACT

Under the terms of the proposed lease agreement, a base rent of \$15.00 per square foot for 3,010 square feet will amount to an annual base rent of \$45,150.00, excluding Harmonized Sales Tax (HST), for each of the three years. The proposed rent represents an annual increase of \$1,505.00, which is a \$0.50 per square foot or 3% increase from the current rent. When combined with the estimated annual common area cost and utilities of \$21,250.00, this results in a total operating budget cost of \$66,400.00 per annum, which has been provided for in the 2013 operating budget.

The Director, Finance and Treasurer has reviewed this financial impact statement and is in agreement with it.

BACKGROUND

Since August 1973, the Guildwood Branch Library has occupied rental space at 123 Guildwood Parkway in Scarborough. The existing lease, with a total lease cost of \$64,895.60 per annum plus HST comprised of a base rent of \$14.50 per square foot and estimated common area maintenance and utilities of \$7.06 per square foot, will expire on November 30, 2013.

COMMENTS

Guildwood Branch is located in a shopping plaza in Ward 43 at 123 Guildwood Parkway at the heart of the Guildwood neighbourhood in south Scarborough. The size of the present facility is 3,010 sq ft, which falls short of the current standard for neighbourhood branches. The branch lacks a designated programming room and does not have a separate public washroom facility. Programs such as the branch's popular adult book club are held in the staff work room.

Guildwood Branch circulated 157,550 items in 2011 and ranked 59 out of 79 neighbourhood branches. The branch provides neighbourhood level services with a focus on programs for children and seniors. The branch catchment population is 26,425 with a higher proportion of youth aged 0 – 14 and 15 – 24 than the city as a whole, and also more seniors aged 65+. There are relatively fewer working age people, in the 25 – 64 age range. The catchment area includes both the Guildwood and Scarborough Village neighbourhoods.

A branch renovation with an expansion to 10,000 square feet and potential relocation is included in the 10-year capital plan, with planning to start in the year 2020.

Library and City staff reviewed various sites in the neighbourhood as possible alternative locations for the branch. These included the City-owned sites at the Rosa and Spencer Clark Parkette and at Poplar Park, as well as the Guild Inn property for which the City has a long-term lease. The City recently issued an RFP closing on November 30, 2012 for the design, financing, construction and operation of a restaurant and/or banquet centre and other complementary facilities on the Guild Inn site. Residents have also applied to have it named a national historic site. As well, in 2006, the City completed a separate Cultural Precinct Plan, with a vision to restore the artist colony role of the original Guild Inn site (it once housed the Guild of all Arts).

A three-year lease has been negotiated that allows the Library to respond to potential future developments should an opportunity arise to relocate this branch.

With regards to the proposed lease, City staff assisted with the negotiation and have confirmed that the proposed lease rates represent fair market value.

The proposed lease renewal agreement has provision for an option that allows the Library to extend the lease for an additional two years after November 30, 2016, subject to

successful negotiation of a lease rate. Any lease extension or renewal would be subject to Board approval, as all leases for branches located on privately-owned property require Library Board approval.

CONTACT

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SIGNATURE

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