



May 18, 2011

To: Josie La Vita
Director of Financial Planning

From: Jane Pyper
City Librarian

Subject: Toronto Public Library 2012 – 2021 Capital Budget Submission

SUMMARY

- The Toronto Public Library (TPL) 2012 – 2021 capital budget submission meets the City debt targets.
- TPL has consistently achieved a high level of completion of its annual capital program within the approved budget.
- The Capital funding request will allow TPL to continue addressing State of Good Repair (SOGR) issues focusing on the maintenance and upgrade of the existing branch infrastructure within the City funding targets, in order to manage activity growth and meet the demand for modern library services.
- Service demand in new and growing communities will be addressed with the construction of 2 new branches, Scarborough Centre and Fort York/Bathurst.
- TPL's non-debt funding sources, including funding from the Toronto Public Library Foundation, are being maximized in order to meet capital requirements while minimizing the impact on City debt levels.

2011 ACCOMPLISHMENTS

- **Cedarbrae Branch:** After undergoing a major renovation, this busy branch (third busiest district library) re-opened to the public in Dec 6, 2010. The renovation included repairs to the building structure and mechanical and electrical systems, and improved accessibility. A significant redesign of the entrance and floor plan layouts have improved sightlines and branch security, and revitalized public space. This community hub features an expanded Le@rning Centre, reading lounges, a *KidsStop* early literacy interactive area for young children, a Teen Zone, quiet study rooms, wireless high speed internet access, specially designed outdoor community spaces and self-service circulation including TPL's first automated check-in and sorting system which improves staff efficiency and allows the expansion of open hours without additional costs.
- **Northern District Branch:** This project, initiated with Infrastructure Stimulus Funds (ISF) and supplemented with other capital funds, resulted in more accessible library space: open shelving layout with identified zones for different users; accessible washrooms on the main floor; new interior entrance doors; and barrier-free access to all areas of the library. The revitalized public space allowed for a program room, individual study rooms and spaces, self-service circulation, new customer service desks, a new computer Le@rning Centre and expanded public seating. The

renovated public space allows for natural light penetration and more user friendly study areas. A new area for collection and display enhances access to high demand library collections. The branch reopened on February 3, 2011.

- **Agincourt District Branch:** This district library, the busiest in TPL, required the following mechanical work and energy efficiency upgrades: replacement of all the heat pumps, natural gas fired boilers, control valves and humidifier; and building automation system enhancements. Access to Infrastructure Stimulus Funds allowed the branch to make these improvements. The washrooms were upgraded for accessibility, the floor plan adjusted to allow for maximum efficiency and space utilization, the shelves were lowered, flooring replaced and the space refurbished. This reorganization provided for more seating and study space, a much needed service in this community. A separate teen area was created on the second floor. At the same time, self-service circulation was implemented. This allowed space to be available for collection merchandising; a very popular area for Agincourt users. Open spaces, clear sightlines, smaller service desks, optimum space planning, self-serve circulation and upgraded heating and cooling systems together enhanced the library experience for Agincourt customers.
- **Richview Branch:** This project was also initiated with Infrastructure Stimulus Funds and supplemented with other capital funding to upgrade the first floor and introduce self-service circulation. The project was completed in stages, with library services continuing during the renovation. A complete redesign of the floor space created a separate teen zone, an urban living room, additional seating and study areas and collection merchandising areas. Upgraded energy efficient lighting improved the use of the library for customers. The efficiencies resulting from the implementation of self-service circulation allowed the branch to increase its open hours to the public without additional cost. The library returned to full service on April 12, 2011.
- **Fairview Branch:** The project improved three areas of the Fairview branch: chillers, public washrooms and meeting rooms. Two chillers were replaced, ensuring more balanced temperatures for the public in the summer and more energy efficiency. Two heavily used public washrooms on the main floor were refurbished and two fourth floor meeting rooms were upgraded and expanded to provide more usable and flexible space for library and community. This project was also a recipient of Infrastructure Stimulus Funds.
- **Self-Service Circulation** will have been introduced in 10 branches (3 District and 7 Neighbourhood branches) by the end of 2011, bringing the total number of branches with the new service to 40 by the end of the year. 2011 is the third year of a 4-year implementation project.
- **2011 Technology Asset Management Program:** The Technology Asset Management Program (TAMP) will provide for the lifecycle replacement of existing hardware and software, as follows:
 - Upgraded hardware and software to support upgrade of the Integrated Library System
 - Upgraded network hardware to support implementation of fiber network
 - Upgraded hardware and software to support upgrades to Digital Collections
 - Replacement of 1000 PCs, 350 monitors and 35 laptops
 - Replacement of networked printers & multi-functional devices as part of on-going printer rationalization program
 - Replaced web application and portal software with lower cost technology
 - Replaced email system with lower cost, cloud-based technology

- At **Toronto Reference Library (TRL)**, the main floor expansion and renovation will be completed achieving a new entrance cube and gathering space, and a café and an enlarged popular reading lounge. New life safety systems were commissioned and energy efficient metal halide lighting replaced mercury vapour in the atrium. Major roof repairs were undertaken and a green roof area was created on the second storey Yonge Street roof. All demolition and asbestos abatement on the main and second floors was completed. Renovation of the second floor will be completed in 2011. Temporary service plans will be implemented to support the start of construction for the Special Collections Rotunda on the fifth floor which will begin in the summer and will continue into 2012. The estimated full project cost of \$34.3 million will be funded through a blend of public and private financing consisting of contributions from the City and other levels of government, Section 37, Development Charges and private fundraising through the re:vitalize - Toronto Reference Library Campaign initiated by the TPL Foundation. A portion of the project was funded by Infrastructure Stimulus Funds.
- At the **North York Central Library (NYCL)**, Infrastructure Stimulus Funds supplemented with funding from the capital budget allowed for the renovation of meeting rooms on the second floor, renovation of the public washrooms adjacent to the auditorium and, the installation and activation of the building security system. Efficiencies realized with the installation of self-service circulation allowed the library to extend hours of service at no additional cost. The Teen Zone on the west side of the atrium will be renovated to include an urban living room for teens, a computer area, two small group study rooms, a larger room for silent study and a new Le@rning Centre.
- **Malvern Media Lab:** This project is one of the City's Partnership Opportunities Legacy (POL) Fund projects and also a Youth Challenge Fund Legacy project. The busy Malvern branch serves a population of approximately 75,000 in one of the City's designated Priority Neighbourhoods. The project consists of a 3,770 sq. ft. expansion of the branch for a Youth Hub/ProTech Media Centre and a 13,650 sq. ft. outdoor plaza with a reading garden and staging for all-year use for cultural and community events. The Youth Challenge Fund provides both capital funding and operating funding for the youth space; additional funding for the media centre is provided by Microsoft. The youth involvement in the planning of this project supported their leadership and capacity building skills. Programming for youth in the media lab will focus on further skills development in areas such as GED, Arts, Multimedia and Computer careers. Construction will start in 2011.
- **Virtual Branch Services encompass the entire online presence for TPL.** This includes the Library's main website and self-service web based account system; mobile device access to Library services including apps; audience specific sites such as KidsSpace, RAMP for teens, Career & Job Help; E-Book service integration into the online experience and digital archives of rare and unique material.

2011 Virtual Branch Services achievements include:

- **Main web site, self-service, mobile offerings, audience specific sites and ebook services**
 - Integration of self-service enhancements including improvements in customer account management and upgraded search technology to support search improvements
 - Implementation of multi-language feature enabling customers to browse the website in their preferred language.
 - Integration of distributed content tools for emergency and service alerting and implemented low cost content management tools including staff blogs and list building.
 - Improved accessibility of the website through testing and implemented additional functionality to support the use of assistive technology and improved usability of website by implementing a refined layout and navigation
 - Migrated audience specific sites to new platform leveraging search capabilities
 - Implementation of vendor supplied Apps including e-Book retrieval and reading and self-service customer account management.

- **Digital Archives: Digitization of TPL's rare and unique collections**

2011 includes a major overhaul of the digital collections online presence and offering including:

 - Designed, developed and implemented the new digital collections web presence including new technical architecture and integration of UCM (digital asset management system)
 - Continue to expand access to TPL's digital archives through continued large scale digitization project and conversion of old digital collections content to new technical environment and improved digitization workflow
 - Digitization of new assets (~ 1500 images and 5000 Pre-confederation imprints)
 - Created a disk capacity plan for storage of all assets

- **Multi-Branch Renovation Program** impacted 13 branches which included projects addressing:
 - Flooring and millwork replacement at 3 branches
 - Barrier free washrooms at 1 branch
 - Energy efficient lighting upgrade at a district library
 - Replacement of a fire alarm system at a district library
 - Millwork and shelving replacement at 1 branch
 - Flooring replacement, renovation of study rooms and Le@rning Centre at a district library
 - Roof replacement at 4 branches
 - HVAC replacement at a district library resulting in energy savings.

CAPITAL BUDGET SUBMISSION

2012 – 2021 Capital Budget Strategy

1. Meet City debt targets
2. Focus on addressing State of Good Repair (SOGR)
3. Two new branches
4. Maximize alternative (non-debt) funding sources

1. **Meet City debt targets:**

The 2012-2021 Capital Budget Submission meets the City debt targets for TPL.

2. **Focus on addressing State of Good Repair (SOGR)** - maintain and upgrade existing branch infrastructure to manage activity growth. Based on the current 10-year capital program which meets debt targets, at the end of 10 years the SOGR backlog will decrease from \$50.2 million to \$41.3 million.
 - A SOGR audit conducted in 2009 identified and documented an accumulated backlog of \$50 million, as well as the future maintenance requirements of the library facilities. By the end of 2010, branch renovations, which included six infrastructure stimulus funded projects, had largely contained the backlog growth.
 - As part of the 2011 capital program, the capital program was re-prioritized to advance projects with significant SOGR backlog, such as North York Central Library, Fairview, Albion, Albert Campbell, Mount Dennis, Parliament, Wychwood and increased spending on the Multibranch Minor Renovation project.
 - The 2012 capital program continues to address high SOGR priority projects and has increased spending on the Multibranch SOGR project.
 - Continuation of the capital project to introduce self-service circulation at 9 additional branches, will result in improved efficiency, improved customer service and a safer work environment.
3. **Two new branches** to address new and growing communities, largely or completely funded by non-debt sources:

Scarborough Centre Branch

The Scarborough Civic Centre area is currently experiencing an increase in residential development which is projected to continue. A neighbourhood library in this community will provide informational and recreational collections and service for a projected population of 30,000 to 40,000 adults, children and workers and will serve users as a gateway to the resources of the entire library system. Continued growth is anticipated in the area that has been specifically identified in the *City Planning reports* for high density, mixed use development. Construction planned to begin in 2012.

Fort York/Bathurst Branch (formerly West Waterfront Branch)

This new neighbourhood library will serve the Railway Lands community with a projected population of 50,000 residents. This branch will provide general collections and services for the local community, and will also serve as a gateway to the resources of the entire library system. Focused service to young adults will be provided with a digital culture centre and media labs.

Funded entirely with development charges and other non-debt sources, construction of this project is planned to begin in 2012.

4. Maximize alternative (non-debt) funding sources:

TPL intends to fully utilize non-debt funding sources for the 2012 – 2021 Capital Program. For the first 5 years of the program (2012 – 2016), 39.5% of the funding will be from non-debt sources and the following 5 years (2017 – 2021) 24.4% will be funded from non-debt sources. Overall 31.9% of total funding for the 10 year capital program will come from non-debt which includes an additional \$9 million from the TPL Foundation for the Toronto Reference Library.

2012-2021 Capital Submission Request

The debt funding request for the 2012 – 2021 Capital Budget Submission is \$149.5 million, which consists of \$122.1 million for building projects and \$27.4 million for IT related projects including Self-Service Circulation, Technology Asset Management Program and Virtual Branch Services.

A summary of the Library's 2012 – 2021 capital submission, including funding sources and the impact on the operating budget are summarized as follows:

2012 - 2021 Capital Submission Summary (\$000's)													
	2012	2013	2014	2015	2016	Total 2012-2016	2017	2018	2019	2020	2021	Total 2017-2021	Total 2012-2021
Buildings - Gross	18,091	21,994	17,991	12,563	13,887	84,526	15,603	17,866	18,820	16,810	16,795	85,894	170,420
IT - Gross	5,799	4,188	4,448	4,758	4,818	24,011	4,878	4,938	4,998	5,058	5,118	24,990	49,001
Total Gross Request	23,890	26,182	22,439	17,321	18,705	108,537	20,481	22,804	23,818	21,868	21,913	110,884	219,421
Non-Debt Sources of Funding													
- Development Charges	4,389	6,108	3,874	853	1,138	16,362	1,488	3,683	4,637	2,627	2,612	15,047	31,409
- Section 37	3,744	678	2,108	-	-	6,530	800	-	-	-	-	800	7,330
- City Reserves	580	-	319	-	261	1,160	-	-	-	-	-	-	1,160
- Transfer from Library Operating Budget	1,828	1,888	1,948	2,008	2,068	9,740	2,128	2,188	2,248	2,308	2,368	11,240	20,980
- Donation from Library Foundation	1,556	6,540	960	10	-	9,066	-	-	-	-	-	-	9,066
Total Non-Debt Funding	12,097	15,214	9,209	2,871	3,467	42,858	4,416	5,871	6,885	4,935	4,980	27,087	69,945
City Debt - Meets Target	11,793	10,968	13,230	14,450	15,238	65,679	16,065	16,933	16,933	16,933	16,933	83,797	149,476
Incremental Operating Impacts	432	(135)	912	1,053	44	2,306	167	27	1,089	1,162	107	2,552	4,858

The complete ten-year capital submission with gross and debt funding for all capital projects is included on Attachment 2.

Key Elements of 2012

Key elements of the 2012 capital program are as follows.

- Continuing renovation of the Toronto Reference Library, Mount Dennis Branch and Brentwood Branch.
- Fourth year investment in self-service circulation, which is the final phase of a multi-year capital project.
- Refresh and upgrade the Information Technology infrastructure (Technology Asset Management Program) and continuing development of Virtual Branch Services.
- Continuation of the Multi-Branch Renovation Program.
- Beginning construction work on the new Fort York/Bathurst and Scarborough Centre Branches
- Beginning construction work on the Fairview renovation project.
- Beginning planning work for the Albion branch renovation.

Attachment 1 describes the status of all active 2012 projects.

CHALLENGES AND ISSUES

Building State of Good Repair (SOGR)

To address the SOGR backlog within the City debt target, TPL has increased spending on the Multi-Branch SOGR Renovation Program. This will meet current SOGR spending needs and reduce the backlog from \$50.2 million to \$41.3 million (18%) by the end of 10 years.

Construction Costs

City's funding target has not been fully adjusted to reflect rising construction costs due to the following.

- Inflation
- City's approved green standards for buildings
- Accessibility for Ontarians with Disabilities Act (AODA)

Demand for new and expanded services

As community cornerstones, branches are vital to local neighbourhoods. The demand for new and expanded branches continue to be shaped by ongoing needs to provide modern-day library services, increasing demand for library use and resources, growing communities, and improving access to branch facilities and resources, including wireless access. In addition to its existing projects, TPL continues to evaluate and prioritize future renovation and expansion projects for all of its locations.

As part of the Union Station renovation project, TPL will introduce a self service library kiosk which provides an innovative means of providing convenient access to library materials in a high traffic transit hub and extends library service in the under-serviced waterfront area. This service model will be evaluated for broader potential application.

Demand for Virtual Branch e-services

The Virtual Branch project was designed to meet the public demand for a user-focused website that provides easy access to library services and improve the Library's Internet presence. The demand for this service continues to grow each year.

Need to expand implementation of self-service circulation technology

Implementing express self-service circulation at more branches could lead to improved operating efficiency. The current submission will introduce the installation of self-service circulation, in 49 branches by the end of 2012.

Operating impact

Operating Budget impacts over the 2012-2017 period total \$2.306 million resulting mainly from the two newly constructed libraries of Fort York/ Bathurst Library (\$1.010 million) and the Scarborough Centre Library (\$1.044 million).

Operating costs associated with the 2012 – 2021 capital budget submission are largely unchanged from those submitted in the previous year's budget. However, the operating impact of all capital projects are being reviewed by TPL as part of the operating efficiency review and any savings will be included as part of the 2012 operating budget submission.

CONCLUSION

TPL has demonstrated its ability to deliver on its capital program which results in improved customer service.

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List of Attachments:

Attachment 1 – Status of 2012 Projects

Attachment 2 – 2012 – 2021 Capital Submission – Gross and Debt Funding

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