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To: Toronto Public Library Board – January 29, 2006

From: City Librarian

Subject: **Capital Budget and Capital Campaign – Request to the Province of Ontario**

Purpose:

To provide the Toronto Public Library Board with an update on the status of the Toronto Reference Library capital project costing, sources of financing and schedule.

Funding Implications and Impact Statement:

Any third party funding for the Toronto Reference Library capital project would enhance and supplement the Library's current capital budget and forecast for the project. If the funding request to the Province of Ontario is successful, it would leverage additional support from the private sector realized through a capital campaign led by the Toronto Public Library Foundation.

Recommendation:

It is recommended that the Toronto Public Library receive the *Capital Budget and Capital Campaign – Request to the Province of Ontario* report for information.

Background:

The Toronto Public Library Board began a multi-year capital renovation, expansion and reprogramming of the Toronto Reference Library in 2000. The comprehensive building program is the first major expansion and renewal since the building opened in 1977. Staff has worked with Moriyama & Teshima Architects, the original building designers, to develop a program that will achieve significant physical and service enhancements for users. Plans have been developed for phased implementation as funding permits, and to ensure that the unique collections and services of TRL continue uninterrupted throughout the project. Much has already been achieved in the early phases of the project:

- Creating the new Toronto Star Newspaper Room (funded by Torstar);
- Transforming the main floor into the electronic heart of the Library; and,
- Beginning to address the essential infrastructure state-of-good-repair backlog.

This has been achieved through a \$7.3 million expenditure to date, funded by annual capital funding contributions from the City of Toronto and contributions from the private sector.

The City of Toronto is expected to approve a three-year capital funding envelope of \$6 million (2007-2009) for the project's next phase. A further \$4 million is identified in the Library's capital budget forecast to 2011, and will bring the total municipal capital contribution to \$10 million over the next five years. In addition, there is potential for a \$1.5 million contribution from Section 37 revenues associated with the Four Seasons development at Bay Street and Yorkville Avenue.

However, current cost estimates indicate that it will require \$30 million to complete the project. Based on experience to date and projected capital cash flow, it is apparent that capital funding of this magnitude cannot be provided by the City of Toronto alone if the project is to be completed in less than 15 - 20 years. To achieve this vision, TPL has established a five-year target to complete the project. In order to meet this ambitious but necessary goal, the Library will need partners.

Comments:

In the Canadian public library environment, the Toronto Reference Library and its capital renewal are unique in every sense: scope, scale, cost and impact. It is the largest public library and only public reference library in Canada: over 400,000 square feet with 82 kilometers of shelving housing 4.5 million items, many of which are unique, rare and valuable. Because of its significance and contribution to public library service in the province, it is appropriate that the Library submit a business case to the Government of Ontario requesting a financial contribution to the capital project. It would also be in keeping with provincial contributions to the capital projects of other cultural institutions in the City of Toronto.

A business case has been developed and submitted to the Ministers of Finance, Public Infrastructure Renewal and Culture asking for a contribution of \$10 million to the Toronto Reference Library capital project over a five-year period. A copy of the Business Case is provided as Attachment 1. The support of the province is crucial because not only will it help to fund a significant part of the project, but it will leverage additional private sector support.

In 2007, the thirtieth anniversary of TRL, the Toronto Public Library Foundation plans to launch a \$10 million private sector capital campaign in support to the expansion and renewal of the Toronto Reference Library.

In 2006 the Library and Moriyama and Teshima Architects completed the design development phase of the project. Construction documents are well developed and will be ready for a construction start of the next program element in spring 2007 – the new one-storey cultural events centre that will be built over the administrative office area. Depending on the success of the request to the province and the private sector campaign, and assuming an even cash flow in the final four years of the project, the construction schedule could proceed as follows:

- Year two: completion of the events centre and the renovation of the second floor;
- Year three: the glass cube entrance, lobby and third floor construction;
- Year four: the remaining public areas on the main floor, the gallery, the computer centre and the fourth floor construction;

- Year five: expansion of main floor along the Yonge Street façade, creation of the new Special Collections Centre and the balance of the fifth floor construction.

Conclusion:

The Library, with Moriyama & Teshima Architects, has created a striking and bold vision for the Toronto Reference Library in the 21st century. Plans and construction documentation are well in hand to proceed with the next phase of construction – the cultural events centre - which can be accommodated in the capital budget for 2007- 2009. To achieve the completion of the Toronto Reference Library capital project in a five-year period, we are seeking the Ontario provincial government's support through an investment of \$10 million which in turn will leverage private sector contribution. The City, Province and private sector will be equal partners in securing the \$30 million necessary to complete the transformation and in achieving a shared vision of a showcase public reference library that is well-equipped to significantly contribute to building a knowledge economy and furthering community prosperity.

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List of Attachments:

Attachment 1: Toronto Reference Library Capital Renovation – Business Case for the Government of Ontario