



STAFF REPORT ACTION REQUIRED

12.

Maryvale Branch – Lease Renewal

Date:	April 2, 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 five-year lease renewal agreement commencing on September 1, 2012 and terminating on August 31, 2017, for the premises occupied by the Maryvale branch.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. approves a lease agreement with FCHT Holdings (Ontario) Corporation for:
 - a. a five-year term to commence on September 1, 2012 and terminate on August 31, 2017; and
 - b. annual base rent as follows:
 - i. years one and two at \$19.00 per square foot for an annual base rent of \$83,999.00 excluding Harmonized Sales Tax (HST);
 - ii. years three to five at \$20.00 per square foot for an annual base rent of \$88,420.00 excluding HST; and
2. authorizes and directs staff to take the necessary action to give effect thereto.

FINANCIAL IMPACT

Under the terms of the proposed lease agreement for 4,421 square feet, the base rent for the first two years will be \$19.00 per square foot for an annual cost of \$83,999.00 excluding HST, and this represents no change from the current lease that provides for rent of \$19.00 per square foot for the last three years. When combined with the estimated

annual common area cost and utilities of \$76,567.00, this results in a total annual cost in each of the first and second years of \$160,566.00 excluding HST, which has been provided for in the operating budget. In the third, fourth and fifth years, the annual base rent increases by \$1.00 per square foot or \$4,421.00 for a base rent of \$88,420.00 excluding HST.

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

BACKGROUND

Maryvale is situated in the Parkway Mall at 85 Ellesmere Rd. on the south-east corner of Victoria Park Ave. and Ellesmere Rd. The Library has occupied this space since August of 1987, and it serves a residential community bounded by the 401 to the North, Lawrence Ave. to the South, Birchmount Rd. to the East and Victoria Park Ave. to the West.

Maryvale's circulation in 2011 was 278,198 items, which makes it the 19th busiest of neighbourhood branches. Children's programs continue to be popular and approximately 860 children participated in 2011. In 2012, approved capital funding will allow self-service technology to be introduced at the branch.

Maryvale is a small neighbourhood branch and the leased space is 4,421 square feet.

COMMENTS

City Council has directed that, where feasible, library branches should be located on City-owned property. City Real Estate staff reviewed the Maryvale branch catchment area with Library staff to determine if there was any City-owned property available, or city projects in the planning stage, or alternative privately-owned property. They were not able to identify any suitable property, owned by the City or owned privately that could serve as an acceptable alternate library site.

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

All leases for branches located on privately-owned property require Board approval.

CONTACT

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SIGNATURE

Jane Pyper
City Librarian