



STAFF REPORT INFORMATION ONLY

16.

The Bram & Bluma Appel Salon at the Toronto Reference Library – Update

Date:	November 22, 2010
To:	Toronto Public Library Board
From:	City Librarian

SUMMARY

The Bram & Bluma Appel Salon Rental Policy and Fees Schedule (Attachment 1) was approved by the Toronto Public Library Board in September 2009. It includes provision for rental of the Appel Salon by incorporated non-profit organizations and registered charitable organizations at discounted rental fees. At the time of approval of the fee structure, the Board requested that staff report back one year after implementation on the applications made and denied by groups that did not qualify for the discounted rental rate because they were neither registered non-profit or registered charitable organizations.

The report also provides information on the groups that did qualify for the non-profit/charitable discounted rate and went on to rent the Appel Salon, and their impact on the balance of Salon use.

During the first year of operation there were only five applications from groups that did not qualify for the discounted rental rate. By contrast there were 90 applications from qualified groups. Of these, more than 25% did book space in the Appel Salon for fundraisers, general staff meetings, focus group discussions, training and conferences.

Salon rental rates were established at the mid-point of the fees at a range of comparable venues. The non-profit/charitable rates were set at 50% of the private/commercial rental rates to cover the Library's costs when the Salon is booked at the discounted rate.

FINANCIAL IMPACT

The operating model for the Appel Salon is cost recovery through commercial rentals. In 2010, the Salon is forecast to reach 75% cost recovery, and is on track for full-cost recovery in 2011. In the interim, hiring of approved additional staff has been deferred and discretionary purchasing restricted.

DECISION HISTORY

The creation of a large and flexible event space (now named The Bram & Bluma Appel Salon at the Toronto Reference Library) with a dual mandate of accommodating high-profile Library programs and events, and generating revenue through commercial rental when not in use for Library purposes, has long been a part of the plans for the capital renovation of the Toronto Reference Library. The Appel Salon supports the Strategic Plan goals to support city-wide and local cultural expression and build the Library's role in providing original and accessible cultural programming. The Board approved the construction of the event space as a capital project for 2007. The Board received a presentation overview of the event space design plans in April 2007. The presentation spoke to the unique nature and dual mandate of the space. A report to the Board in September 2007 recommending the award of construction tender, confirmed the decision to cover the operating costs for the Salon through revenue-generating rentals, with the ultimate objective of achieving net revenue that could be reinvested to maintain the space, and the Reference Library reducing the need to draw on future capital budgets for this purpose. Annual capital budget submissions have identified that the operating costs of the Appel Salon will be funded through revenue generation.

In September 2009, the Board approved the Bram & Bluma Appel Salon Rental Policy and Fees Schedule as a companion to the existing Auditorium, Meeting Room and Theatre Rental Policy and fees schedule.

ISSUE BACKGROUND

The Board has a supply of 101 meetings rooms available for public rental when not in use for library purposes. The rental of these rooms is governed by the Auditorium, Meeting Room and Theatre Rental Policy and Fees Schedule (Attachment 2). The Appel Salon, from the outset, has been envisioned as a unique space with a dual mandate: to provide a large, central public space through which the Library can deliver accessible and rich cultural and literary programming, and revenue generation through private rentals that will support the Salon's operation, library programming in the Salon, and provide re-investment funds for the ongoing development and maintenance of the Toronto Reference Library. This unique nature dictated a need for a separate Rental Policy and Fees Schedule that supports the objectives set out for the Appel Salon. Rental fees were set at the mid-point of the fees of a range of comparable venues. The policy establishes a higher bar for qualifying for discounted rental fees by requiring a registered non-profit or charitable status. This was done in order to encourage a balance of use that will ensure adequate revenue generation to support the Salon's operating costs.

The Appel Salon Rental Policy and Fees Schedule recognize three user groups:

- Toronto Public Library and Toronto Public Library Foundation have priority access to the Salon at no cost, but such access must be balanced with revenue generating rentals;
- Private/commercial users at commercial rates;

- Registered charitable organizations; incorporated non-profit organizations and City of Toronto corporate events at discounted rates.

The discounted fees for booking the full Salon or Epic Hall & Prologue combined are set at 50% of the commercial fee or \$900, whichever is greater. The \$900 minimum represents cost recovery of the direct and fixed costs to the Library when the Salon is in use (staff, security, cleaning, utilities, etc.). A booking fee of less than \$900 would actually represent a cost to the Library.

COMMENTS

As expected for a new and exciting venue, in its inaugural year, the Appel Salon received many inquiries for rentals. Of these inquiries, 95 applied for the non-profit/charitable discounted rates. The table on page 4 summarizes the volume of applications made for the discounted rates. Five applications came from groups that did not qualify for the discounted rate. To qualify for the discounted rates, a group must provide verification of their incorporated not-for-profit or charitable status through a registered business number. If this verification is not provided, their application to rent the Salon at the discounted rate is denied. They are referred to the Library's Room Booking Unit if they wish to pursue renting another Library venue or may rent the Salon at the full commercial rates. The groups that did not qualify were: the Canadian Tamil Youth Alliance to host an art exhibit; an unnamed community group to host a celebration of life event for 50 people; a local religious group to host holiday celebrations; a Turkish community group planning a Memorial Day event and another unnamed community group organizing their thirteenth anniversary party.

By comparison, 90 groups applied and successfully qualified for the discounted rental rate. Twenty six or 29% of the qualifying group went ahead with hosting their event in the Appel Salon. Some of the qualifying groups that did book the Salon include: Canadian Journalism Foundation, Cancer Care Ontario, Canadian Youth Business Foundation, AIDS Committee of Toronto, Diaspora Dialogues, Writer's Trust of Canada, Maytree Foundation and Walter & Duncan Gordon Foundation. The future trend suggests that interest from groups that qualify for the discounted rates will continue to grow. Already confirmed for Fall 2010 are nine events booked by groups such as Innoverity (two-day conference), Institute of Communications, Drupal Camp (two-day conference), Athletes for Africa (fundraising gala), Salon du Livre (four-day French book fair), University of Toronto (two-day conference), Cancer Care Ontario (board retreat), Ontario Library Association (workshop) and Frontier College Foundation (conference).

Examples of the qualifying groups that did not rent the Salon include: Association of Registered Graphic Designers of Ontario, University Hospital Network, TVO-Independent Learning Centre, Professional Writers Association of Canada, York University, Civics Education Network, Canadian Women and Communication and Canadian Payroll Association. There were three predominant reasons for groups not booking: cost, availability and alternate venue selection. As with the Auditorium, Meeting Room and Theatre Rental Policy, there may be other ancillary costs associated

with a client's needs for the space. The Appel Salon has similar costs that, in combination with even the discounted rental rates, were beyond the financial reach of some non-profit/charitable groups. In most other cases, the Salon was already booked by another group or the qualifying group chose another venue for a variety of reasons (e.g. parking, TRL construction, room capacity etc).

Salon booking activity by non-profit/charitable groups September 2009 – August 2010.

Group applications for discounted rates	95
Groups that did not qualify for discounted rates	5
Groups that qualified and booked	26
Groups that qualified but did not book	64

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SIGNATURE

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ATTACHMENTS

Attachment 1: Bram & Bluma Appel Salon at the Toronto Reference Library Rental Policy & Fees Schedule

Attachment 2: Auditorium, Meeting Room and Theatre Rental Policy & Fees Schedule