



## STAFF REPORT ACTION REQUIRED

### Bridlewood Branch – Lease Renewal

<b>Date:</b>	September 17, 2007
<b>To:</b>	Toronto Public Library Board
<b>From:</b>	City Librarian

### **SUMMARY**

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The purpose of this report is to obtain Toronto Public Library Board approval for a five-year lease agreement commencing on October 1, 2007 and terminating on September 30, 2012, for the premises occupied by the Bridlewood Branch.

### **RECOMMENDATIONS**

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**The City Librarian recommends that the Toronto Public Library Board:**

1. Approves a lease agreement with 1512691 Ontario Limited for a five-year term to commence on October 1, 2007 and terminate on September 30, 2012 with:
  - a. An annual base rent as follows:
    - i. Years one to two at \$15.00 per square foot before Goods and Services Tax (GST) for an annual base rent of \$86,576, including GST of \$4,901;
    - ii. Years three to five at \$17.00 per square foot before GST for an annual base rent of \$98,119, including GST of \$5,554; and
  - b. Common area maintenance and utilities which are based on actual costs estimated at \$13.16 per square foot for a total annual cost of \$75,956 including, GST of \$4,299; and
2. Authorizes and directs staff to take the necessary action to give effect thereto.

### **FINANCIAL IMPACT**

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Under the terms of the proposed lease agreement for 5,445 square feet, the annual base rent will be \$86,576, including GST, for the first two years, which represents no change over the current lease. In years three through five, the annual base rent increases by

\$11,543, including GST. The estimated annual common area cost and utilities is \$75,956, including GST of \$4,299, for a total operating budget cost in the first year of \$162,531, this has been provided for in the 2007 operating budget.

The Director, Finance and Treasurer has reviewed this report and agrees with the financial impact information.

## **BACKGROUND**

Since October 1992, the Bridlewood Branch has occupied rental space at 2900 Warden Avenue, Scarborough. The existing lease expires on September 30, 2007. The Library occupies 5,445 square feet at a current base rent cost of \$86,576 per annum.

## **COMMENTS**

City Council has directed that, where feasible, library branches should be located on City-owned property. City of Toronto Real Estate staff reviewed the Bridlewood 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. City staff also reviewed planned developments and redevelopments within the area and assessed current market rates for similar leased spaces. City staff were not able to identify any suitable property, owned by the City or owned privately, which could serve as an acceptable alternate library site.

With regards to the proposed lease, City staff has advised that the proposed annual base rent represents fair market rent. The proposed lease has an option to renew the lease for a further five years under similar terms, but the lease rate is subject to negotiations at that time.

Library branch leases require Board approval.

## **CONTACT**

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## **SIGNATURE**

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Josephine Bryant  
City Librarian