



STAFF REPORT ACTION REQUIRED

Community and Event Space Rental Policy

Date:	June 22, 2015
To:	Toronto Public Library Board
From:	City Librarian

SUMMARY

The purpose of this report is to request Toronto Public Library Board approval for the Community and Event Space Rental Policy and Fee Schedule. This policy merges two existing policies (Auditorium, Meeting Room and Theatre Rental Policy and The Bram & Bluma Appel Salon Rental Policy) and identifies new premier event spaces as a third component. It was developed as part of an overall review of facilities rental opportunities to increase revenue. The new combined policy balances providing public space for community use and revenue generation, makes additional public library space available for use beyond open hours and provides greater clarity for staff and the public about available options.

The Community Space section of the new policy is substantially the same as the existing Auditorium, Meeting Room and Theatre Rental Policy. It continues the practice of making space available for community use at non-profit and commercial rates with three changes. Firstly, the new policy introduces the rental of public branch space outside meeting rooms after open hours at the rate of \$150/hour in response to public demand. Secondly, the policy lowers the rate for commercial bookings to reflect market rates. Finally, the policy aligns English as a Second Language (ESL) and literacy programs with the Library's co-sponsorship practices and guidelines.

The Event Space section of the policy introduces premier event space, a new category of rentals, to support the Library's revenue generation objectives. Premier event space is available at five newly built or well-located locations including Fort York, Scarborough Civic Centre, and Bloor/Gladstone beyond open hours and for designated spaces at the Toronto Reference Library and North York Central. The Appel Salon Policy, including a statement of the unique role of the Salon and the Salon fee structure are incorporated into the Event Space section without changes.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. approves the Community and Event Space Rental Policy and Fee Schedules and repeals the Auditorium, Meeting Room and Theatre Rental Policy and The Bram & Bluma Appel Salon Rental Policy; and
2. authorizes and directs appropriate Library staff to take the necessary action to give effect thereto.

Implementation Points

The new policy and revised fees will be implemented in September 2015. A marketing plan will be developed to promote the Library's facility rental services.

FINANCIAL IMPACT

For community use, additional annual revenues totalling \$28,000 are estimated for 2016, comprised of \$8,000 from the recommended policy changes and \$20,000 from the increase in the number of rooms available for rent supported by improved marketing.

For new premier event space rentals, the projection in 2016 is for gross revenues of \$276,000 offset by an increase in staffing support and facilities costs of \$131,000, for net revenues of approximately \$145,000.

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

DECISION HISTORY

The Auditorium, Meeting Room and Theatre Rental Policy was originally approved by the Board in 1999. In November 2011, the Board approved a revised room rental fee structure based on the City's User Fee Policy.

In September 2009, the Toronto Public Library Board approved the Bram & Bluma Appel Salon Policy and Fee Schedule.

ISSUE BACKGROUND

Consistent with the goal stated in the 2012 - 2015 Strategic Plan to "diversify revenue streams to support sustainable library services", and to address the declining traditional revenue streams (fines & fees), library staff have investigated opportunities for increasing revenue from community and event space rentals.

The *Public Libraries Act* authorizes the Board to impose fees for use of parts of a building that are not being used for public library purposes. The Board operates a large inventory of meeting rooms, auditoriums and theatres and the Bram & Bluma Appel Salon, a premier event space at Toronto Reference Library. These are governed by two companion policies: the Auditorium, Meeting Room and Theatre Rental Policy and the Bram & Bluma Appel Salon Rental Policy and Fee Schedule (Attachments 1 and 2). Additional premier event space rentals with the primary purpose of generating revenue are not available through the two existing policies.

The goal for the creation of the new policy is to combine all of the information about library space rentals into one policy to assist the public in accessing this information and for increased ease of use for staff. In addition, changes are being recommended to the content of the existing policies to enhance revenue opportunities.

COMMENTS

The next sections of this report will review the changes recommended in the community use section of the new policy and the introduction of additional events spaces into the policy.

Community Use

Attachment 3 includes the new policy with changes highlighted in the Community Space Rentals Section.

Rate Changes

At Toronto Public Library, the room rental fee for a commercial booking is six times higher than the non-profit rate. This rate differential is too great; currently commercial room bookings comprise only 2% of room rentals at TPL. It is recommended that the new commercial rates be approximately double the non-profit rate. This would be in line with other Toronto organizations that rent community space, like the Toronto District School Board and Parks, Forestry & Recreation. Decreasing the rate will likely have the impact of increasing the number of room bookings to commercial customers, thereby increasing revenues. Small business customers will be targeted.

A rate change is recommended for Lillian H. Smith. This branch will no longer be considered a prime location. As a result, room rental will be charged at a lower rate. Additional revenue is anticipated because the rate will be more competitive.

The Beeton Auditorium will no longer be considered a prime location and instead it will be moved to the premier event space category to increase revenue.

Rent Branch Public Space Outside Meeting Rooms for Suitable Events

At the present time, the Library policy only sets rates for meeting rooms within branches. However, there is some demand to rent public space outside of meeting rooms for after-hours bookings, such as book launches or memorials. A fee of \$150/hour plus security is recommended for straightforward bookings requiring no logistical support. More complex

bookings requiring a higher level of support will be available through premier event space rentals.

Remove Literacy and ESL Tutors from the List of Fee Exempt Organizations

Currently, Library policy waives rental fees for literacy and ESL tutors who do not charge fees for service. Rooms at some branches are used extensively for ESL classes, with little availability for other uses. In some cases, this is a desirable addition to library services, while in others it is not. A change to the language of the policy is recommended, deleting the provision for waiving rental fees for “literacy and ESL tutors who do not charge fees for service”. While the door is still open for the Library to co-sponsor such groups for free-of-charge bookings, fees are not automatically waived.

Premier Event Spaces

Additional premier event space rentals with the primary purpose of generating revenue are not available through the two existing policies. Operating additional premier event spaces at Toronto Public Library will leverage the operations processes and the expertise and support of staff engaged with the Appel Salon. As with the Appel Salon, premier event space rental fees are commensurate with the nature of the spaces and local comparators, and are set at a level to offset operating costs and generate surplus revenue. Premier event space rentals differ from Appel Salon rentals in two key ways: the availability of new premier event spaces is focused primarily to times outside of library operating hours; the primary use of new premier event spaces will be for social events and in particular weddings, hence daily or seasonal variation of the fees is not beneficial.

Fees Structure:

There are twelve premier spaces that can be rented immediately and one that can be ready for rental in 2016. The fee schedule is modeled on those of comparable Toronto premier rental venues and event industry standards.

Rental fees apply for the indicated number of hours and include the use of available inventory of tables and chairs, library security and cleaning services. Discounted fees will not be offered at this time because they undermine the goal of generating revenue. Additional charges will apply for ancillary services, including audio visual and catering as required. As with the Appel Salon, the Library will identify a list of approved vendors for these ancillary services and fees, calculated as a percentage, will be collected by the Library to offset costs associated with supporting these services. On an interim basis the new premier event spaces will be added to the existing Appel Salon vendor agreements.

The Event Space section of the new policy incorporates the Appel Salon rental policy and fees without any changes. The unique purpose of the Appel Salon is stated along with the priority for its use, the categories of users and fees, conditions of use and the circumstances under which denial of use may be determined. Salon rental rates are variable by time of year, day of week and length of booking time, standard pricing features of event rental venues.

CONCLUSION

The proposed Community and Event Space Rental Policy balances community use of public space with revenue generating goals, makes additional public library space available for use beyond open hours and provides greater clarity for staff and the public about available space rental options. The fees have been designed to mirror those of comparable Toronto spaces and to achieve revenue projections.

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SIGNATURE

Vickery Bowles
City Librarian

ATTACHMENTS

- Attachment 1: Auditorium, Meeting Room and Theatre Rental Policy and Fee Structure
- Attachment 2: Bram & Bluma Appel Salon Rental Policy and Fee Schedule
- Attachment 3: Community and Event Space Rental Policy and Fee Schedules

