



**STAFF REPORT
ACTION REQUIRED**

**Northern District Branch Property – Transfer of
Ownership to City of Toronto**

Date: October 27, 2025

To: Toronto Public Library Board

From: City Librarian

SUMMARY

The purpose of this report is to seek Toronto Public Library (TPL) Board approval to transfer the ownership of the Northern District Branch property ("the Property"), 40 Orchard View Boulevard, to the City of Toronto.

The Stanley Knowles Co-op building sits atop the Northern District Branch on the Property and has operated as predominately a seniors' housing co-op since 1984. TPL has managed this relationship, and lease, since this time. Stanley Knowles has expressed a need to enter into a new long-term lease to gain access to critical financing and financial supports. TPL is unable to enter into a lease for the term needed by Stanley Knowles. Transferring ownership of the Property to the City will allow Stanley Knowles to enter into a long-term lease with the City, access financial supports, and seek and secure financing required to invest in its building and housing units.

It will also allow the city to consistently manage ground leases with Community Housing Providers, including Stanley Knowles, and implement its housing strategy across the sector.

The Northern District branch will continue to be operated by TPL. The existing lease between Stanley Knowles and TPL will be replaced by a new lease between Stanley Knowles and the City. To protect TPL's interests and ensure continuity of library services, existing shared use and cost arrangements between Stanley Knowles and TPL will continue under the new lease, where applicable.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. approves the transfer of the ownership interest held by the Toronto Public Library Board in the property known municipally as 40 Orchard View Boulevard, the site of the Northern District branch, to the City of Toronto, for \$2.00, subject to the following:
 - a. City Council approves a long-term lease with Stanley Knowles Housing Co-operative on terms satisfactory to Corporate Real Estate Management in consultation with the Housing Secretariat and the City Librarian;
 - b. City Council approves the transfer of the property at 40 Orchard View Boulevard to the City of Toronto;
 - c. Toronto Public Library Board's authority and interests continue to be respected throughout the process; and
2. authorizes the City Librarian to act on its behalf to execute the title transfer, any other ancillary documents and enter into any required agreements.

FINANCIAL IMPACT

The lease agreement between Stanley Knowles and the City will include terms and conditions which specify responsibility for costs and protect the interests of TPL. Cost sharing arrangements outlined within the existing lease will continue under the new lease, where applicable.

Prior to replacing the existing lease and finalizing a new lease between Stanley Knowles and the City, any outstanding balances owed to TPL will be settled. Currently a balance of \$1.075 million is outstanding for Stanley Knowles' share of capital expenditures related to repairs and renovations completed by TPL at the Property in 2023 and 2024. This amount will be repaid to TPL by the City in full as a one-time payment at the time of transfer of the Property.

The Director, Finance & Chief Financial Officer, has reviewed this financial impact statement and agrees with it.

DECISION HISTORY

At its meeting on December 5, 6, 7 and 8, 2017, City Council considered [EX29.5 City-Wide Real Estate - Amendments to Municipal Code Chapters and Shareholder Directions](#) and adopted recommendations that amended the Municipal Code and provided the Toronto Public Library Board with new permanent limited authorities to enter into short-term leases and licenses as both landlord/licensor and tenant/licensee. According to the authorities, for leases where the Library is a Tenant, or lease terms exceed one year, or base rent exceed \$50,000 for the entire term, City of Toronto approval is required for the lease.

BACKGROUND

The Toronto Public Library Board is the registered owner of the property known municipally as 40 Orchard View Boulevard. The Stanley Knowles Co-op was built and has operated above the Northern District branch since 1984. The Co-op provides 103 affordable housing units, two-thirds of which are allocated to seniors. A lease between TPL and Stanley Knowles has been in place since its

inception and outlines the operating arrangements and shared use and cost agreements between the two parties.

City Council, in June 2024, adopted a Community Housing Sector Modernization and Growth Strategy, outlining key initiatives to achieve the objectives of protecting the City's existing community housing stock, creating new community housing and improving access to housing opportunities for low- and-moderate income households, particularly Indigenous residents and those from equity-deserving groups. Part of this strategy is a policy framework for ground leases with community housing providers to guide lease arrangements and ensure a consistent approach as it relates to new leases, extensions and renewals.

The current lease with between Stanley Knowles and TPL runs to 2033. Stanley Knowles has recently engaged with TPL and the City expressing its need to enter into a new long-term lease. The new long-term lease is required for Stanley Knowles to access grants, financial supports, and financing needed to invest in the building its units, and to keep housing fees manageable for its members.

COMMENTS

Toronto Public Library Board is the registered owner of the property known municipally as 40 Orchard View Boulevard. Under the Planning Act the Toronto Public Library Board is not permitted to offer a lease greater than 21 years. Further, for TPL to enter into a lease term greater than one year, approvals must be sought through the City's delegated approval process and signing authorities for real estate matters.

Stanley Knowles requires a long-term lease of 30 years or greater to secure financing for needed repairs to its building and units and to secure grants that could be made available to its eligible members to subsidize housing fees.

TPL, the City, and Stanley Knowles have engaged in discussions to find a solution to this issue and to expedite the creation of a new, long-term lease. TPL and the City have agreed that to facilitate this it is considered reasonable to transfer the property to the City which is not restricted from offering a long-

term lease of a portion of a City property under the Planning Act. This will also support the consolidation of ground leases on City property with Community Housing Providers and allow the City to consistently manage these leases within its policy framework for ground leases. Lastly, this will support the City's Community Housing Sector Modernization and Growth Strategy which, amongst other things, aims to support Community Housing Providers in addressing challenges related to aging infrastructure and securing financing. This is the only ground lease with a housing provider that TPL currently manages. This will not adversely affect TPL or branch services and operations, as TPL will retain operational control over the property.

The transfer of property ownership from TPL to the City will be conditional on a number of factors to protect TPL's interests. The following are some of the operational and financial considerations that need to be addressed in the proposed lease:

1. Current lease details that govern shared operations and operating expenses, as well as other shared costs, be included in the new City Lease, including but not limited to those outlined in Schedule "B" of the current lease.
2. Utility service connections that currently exist continue and change only with the approval of the Toronto Public Library Board.
3. Property tax payments continue under the current lease (until further notice of a property tax exemption).
4. Agreed upon terms for repayment of the outstanding balance owed by Stanley Knowles to TPL of \$1.075 million, of which a one-time payment of the full balance owed will be received by TPL upon transfer of the property to the City.

A lease will need to be negotiated between Stanley Knowles and the City which is acceptable to Corporate Real Estate Management, in consultation with the Housing Secretariat and the City Librarian. Additionally, TPL's authority and interests should continue to be respected throughout the process.

Under the new City-wide real estate model, where nearly all TPL property transactions now require City of Toronto approval, City Council will need to approve the proposed new lease transaction at 40 Orchard View Boulevard.

City staff will seek input from TPL at all stages of the process.

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SIGNATURE

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