



**STAFF REPORT
ACTION REQUIRED**

11.

Woodside Square Branch – Lease Renewal

Date:	December 14, 2015
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 for the term commencing on December 1, 2016 and ending on November 30, 2021, for the premises occupied by Woodside Square Branch.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. approves a lease renewal agreement with Triovest Realty Advisors Inc. for:
 - a. a five (5) year term commencing on December 1, 2016; and
 - b. base rent at \$12.00 per square foot for an annual base rent of \$119,328.00, excluding Harmonized Sales Tax;
2. authorizes and directs staff to take appropriate action to give effect thereto.

FINANCIAL IMPACT

Under the terms of the proposed lease agreement, a base rent of \$12.00 per square foot for 9,944 square feet will amount to an annual base rent of \$119,328.00, excluding Harmonized Sales Tax (HST), for the five years, which represents a \$1 per square foot or \$9,944.00 increase from the current lease rate. The current lease rate has been in effect since December 2011. When combined with the estimated annual common area cost and utilities of \$6.00 per square foot or \$59,664.00, this results in a total operating budget cost in the first full year of \$178,992.00, or an increase of \$29,832.00, which will be included in the 2017 operating budget submission.

	Area (sq. ft.)	Rent Rate (per sq. ft.)			Annual Rent		
		Base	Additional	Total	Base	Additional	Total
Current Lease	9,944	11	4	15	109,384	39,776	149,160
Proposed Lease	9,944	12	6	18	119,328	59,664	178,992
Annual Cost Increase		1	2	3	9,944	19,888	29,832
2016 Impact (1 month)					829	1,657	2,486

Although the proposed lease agreement shows an overall increase in costs, the additional rent is fixed at \$6.00 per square foot over the term of the lease representing approximately one-half the rate charged in comparable malls.

BACKGROUND

Woodside Square Branch has occupied rental space in the Woodside Square Shopping Centre in Ward 41 at 1571 Sandhurst Circle, main intersection of Finch Ave. E. and McCowan Rd., since May 1989. The branch was expanded from 4,256 square feet to 9,944 square feet in 2006 when the lease rate was lowered significantly and the landlord contributed \$450,000 towards the expansion.

Woodside Square is a neighbourhood branch serving a catchment population of 27,413. It is open 62 hours a week. The branch provides neighbourhood level services with a focus on programs for children and seniors. In 2014, it had the highest number of visits amongst neighbourhood branches, with a total of 439,963.

Woodside's collections include approximately 57,000 items. Its circulation of 457,886 items was the second highest amongst neighbourhood branches in 2014.

This well-used branch also hosted 355 programs attended by 10,106 people in 2014.

The current location in the mall is excellent and the branch is a popular community focal point. With the larger and flexible space introduced in 2006, there have been opportunities to improve services, including the increased marketing of library collections, a separate zone for children, reading areas for adults, improved study space both in the branch and through use of the program room when it is not in use for programs, and the installation of a materials sorter to assist in the management of the high volume of returns coming into the branch.

COMMENTS

With regards to the proposed lease, City staff assisted with the negotiations and have confirmed that the proposed lease rates are still very favourable and represent fair market value or lower.

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

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SIGNATURE

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