

Bayview Branch – Lease Extension

Date:	September 24, 2018
To:	Toronto Public Library Board
From:	City Librarian

SUMMARY

The purpose of this report is to obtain Toronto Public Library Board endorsement for a one-year lease extension agreement commencing on February 1, 2019 and terminating on January 31, 2020, for the premises occupied by the Bayview branch in the Bayview Village Shopping Centre.

This lease extension requires Library Board and City of Toronto approval.

Library staff will continue to negotiate with the landlord for a further two-year lease extension to allow the branch to remain in the mall until the construction is complete for the new branch at the Bessarian shared-use site.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. endorses a lease extension agreement with bcIMC Realty Corporation for the premises occupied by the Bayview branch, Unit 123A in the Bayview Village Shopping Centre for:
 - a. a one (1) year term to commence on February 1, 2019 and terminate on January 31, 2020;
 - b. annual base rent at \$42.50 per square foot for 6,333 square feet for a total of \$269,152.50, excluding Harmonized Sales Tax; and
2. authorizes staff to forward this lease extension agreement to the City to seek approval.

FINANCIAL IMPACT

Under the terms of the proposed lease extension agreement for 6,333 square feet, the annual base rent will be \$42.50 per square foot for a total of \$269,152.50, excluding Harmonized Sales Tax (HST), for one year, which represents no change from the current lease rate. When combined with the estimated annual common area cost and utilities of \$77,591.31, this results in a total operating budget cost in the first year of \$346,743.81.

The Director, Finance and Treasurer have reviewed this financial impact statement and agrees with it.

BACKGROUND

Bayview branch is located within the Bayview Village Shopping Centre, Unit 123A, at 2901 Bayview Ave, North York. The current lease runs from February 1, 2016 to January 31, 2019.

The population in the area has expanded due to development along the Sheppard subway, and the branch currently serves a population of 55,459. Future development plans will result in continued population growth. While Bayview branch provides a full range of neighbourhood library services, the branch is limited in its ability to meet the growing demand for services in the current location. For this undersized branch, there is no program room and branch space is at a premium at this busy location.

COMMENTS

The Library's approved capital plan includes a project to relocate the branch from the mall onto City land by the Bessarian subway stop. The project budget of \$15.2 million is for the construction of a larger 13,418 square foot library in a City joint-use facility with a daycare and a Parks Forestry and Recreation aquatics and recreation centre. It is anticipated that construction will be completed in late 2021.

This one-year lease extension to January 2020 provides a partial bridge to the end of the construction. Library staff will continue to negotiate with the landlord for a further two-year lease extension to allow the branch to remain in the mall until the construction is complete at the Bessarian site. During this period, there is a possibility that the Library may be required to relocate within the mall to accommodate their development plans.

All leases for branches located on privately-owned property require Library Board approval. Leases on privately-owned property with a term over one-year or total rent over \$50,000 require City of Toronto approval. This lease extension therefore requires City approval.

CONTACT

Larry Hughsam; Director, Finance & Treasurer; Tel: 416-397-5946;
Email: lhughsam@torontopubliclibrary.ca

SIGNATURE

Vickery Bowles
City Librarian