

REPORT FOR ACTION WITH CONFIDENTIAL ATTACHMENT

Acquisition of Future Toronto Public Library Site - St. Lawrence Branch

Date: June 27, 2025

To: General Government Committee

From: Executive Director, Corporate Real Estate Management

Wards: 13 – Toronto Center

REASON FOR CONFIDENTIAL INFORMATION

This report deals with a proposed or pending acquisition of simple fee interests by the City of Toronto (the "City").

SUMMARY

The purpose of this report is to seek City Council authority for the City to enter into an agreement of purchase and sale for the fee simple acquisition of the property identified in Confidential Attachment 1 (the "Property") for the purposes of relocating the Toronto Public Library's (TPL) St. Lawrence Branch, as approved by the Toronto Public Library Board in December 2024.

TPL, in collaboration with CreateTO and the City's Corporate Real Estate Management Division (CREM), identified the Property as a potential new site for the St. Lawrence Branch. The Property is privately owned and currently for sale. This new location for the St. Lawrence Branch will deliver a new, long overdue and much-needed larger district library to the community. Compared to the previously considered site at 125 The Esplanade, relocating the St. Lawrence Branch to the newly identified Property presents advantages in terms of cost savings, project timelines, and service delivery.

TPL's Information Technology (IT) Department, currently operating out of the Cityowned property located at 120 Martin Ross Avenue, will also be relocated to this new site allowing the 120 Martin Ross Avenue property to be repurposed by the City to address other critical municipal uses.

Confidential Attachment 1 to this report identifies the major terms and conditions of the agreement of purchase and sale for the acquisition of the Property negotiated by staff and associated financial implications.

RECOMMENDATIONS

The Executive Director, Corporate Real Estate Management recommends that:

- 1. City Council authorize the City to enter into an agreement of purchase and sale for the fee simple acquisition of the property address identified in Confidential Attachment 1, substantially on the terms and conditions set out in Confidential Attachment 1, and on such other terms and conditions that are acceptable to the Executive Director, Corporate Real Estate Management, in consultation with the City Librarian, Toronto Public Library, and in a form satisfactory to the City Solicitor.
- 2. City Council amend the 2025-2034 Capital Budget and Plan for Toronto Public Library by accelerating cashflow funding in 2025 and 2026 by the amount set out in the Confidential Attachment 1 of this report, offset by reducing cashflow funding, with no debt impact, from years 2027-2031 to the 2025 Capital Budget within the St. Lawrence Relocation and Expansion project (Cost Centre: CLB232-02) to support planned expenditures, including the acquisition of the property identified in Confidential Attachment 1 of this report.
- 3. City Council authorize the public release of Confidential Attachment 1 of this report following the closing of any purchase transaction.
- 4. City Council forward the Item and Confidential Attachment 1 of this report from the Executive Director, Corporate Real Estate Management to the Toronto Public Library Board for their information.

FINANCIAL IMPACT

The financial details related to the acquisition of the Property, and recommended amendments to the 2025- 2034 Capital Budget and Plan for the Toronto Public Library can be found in the Confidential Attachment 1 to this report. These amendments will support planned expenditures, including the acquisition of the Property for the purposes of relocating the St. Lawrence Branch to the new site.

Funding to acquire the Property and the disbursement of all anticipated costs associated with the proposed acquisition and the renovations to deliver a modern and multi-functional District branch has been included in the 2025 – 2034 Capital Budget and Plan for the Toronto Public Library, within the *St. Lawrence Relocation and Expansion* project budget (Cost Centres: CLB232-01 and CLB232-02).

The scope, schedule, and cost of relocating the TPL's IT department from 120 Martin Ross Avenue to the Property is not in the TPL's 2025-2034 Capital Budget and Plan but will be evaluated and included in the TPL's 10-year Capital Plan as part of a future budget request.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial implications as presented in the Financial Impact Section.

DECISION HISTORY

At its meeting on December 2, 2024, The Toronto Public Library Board considered Branch Relocation and approved the relocation of the St. Lawrence branch to the Property.

https://www.torontopubliclibrary.ca/about-the-library/board/meetings/2024/2024-dec-02.content

At its meeting on June 15, 2022, City Council adopted Item MM45.38 "Reviewing City-Building Options for the New St. Lawrence Library Site at 125 The Esplanade" and directed CreateTO and TPL to explore options for the 125 The Esplanade site to include other City and community uses, including affordable housing to be co-located with the library.

https://secure.toronto.ca/council/agenda-item.do?item=2022.MM45.38

At its meeting on March 28, 2022, the Toronto Public Library Board considered St. Lawrence Branch – Relocation and approved the relocation of the St. Lawrence branch to City-owned land at 125 The Esplanade, replacing previous plans for the branch on the First Parliament site at 271 Front Street East. This new site was identified by the City of Toronto and the relocation was necessary due to the uncertainties around the First Parliament site, which was expropriated by the Province. The relocation of the St. Lawrence branch to 125 The Esplanade was reviewed and approved at the City's Strategic Program Management Committee (SPMC) meeting on December 3, 2021. https://torontopubliclibrary.typepad.com/board-meetings/2022-03-28/13-st-lawrence-branch-relocation.pdf

At its meeting on November 9, 10 and 12, 2021 and as a part of the First Parliament Site and Expropriation of City-owned Lands by Metrolinx for Transit Purposes, City Council adopted the approach for negotiating compensation and settlement for the expropriation of the First Parliament site. This included requesting compensation for any costs related to TPL setting up and operating a temporary location as well as the request for the site to house a 25,000 to 30,000 square foot library. https://secure.toronto.ca/council/agenda-item.do?item=2021.EX27.8

On November 19, 2012, TPL presented a report to the City of Toronto Budget Committee, Toronto Public Library – Location of St. Lawrence Branch at the First Parliament Site, requesting City Council to approve the relocation of the St. Lawrence

Branch to the site of the First Parliament at 271 Front Street East. At the City Council meeting on February 20 and 21, 2013, Council approved the relocation of the St. Lawrence Branch to the First Parliament site at 271 Front Street East with construction slated to begin in 2016.

<u>Microsoft Word - TPL-Location of St Lawrence Branch at First Parliament Site-SIGNED.doc</u>

At its meeting on July 11, 12 and 13, 2012, Council considered the Acquisition of the First Parliament Site, 271 Front Street East and 25 Berkeley Street report and adopted a number of recommendations that allowed the City to gain ownership of the First Parliament of Canada Site through an exchange of lands at 48A Parliament Street and 281 Front Street East. 281 Front Street East was owned by the Library Board and it contained the Library's processing centre, facilities operations and delivery vehicles. The Council approval included funding for the relocation of the Library Processing Centre to City-owned land at 1076 Ellesmere Road. TPL also had future plans to relocate the St. Lawrence branch to 281 Front Street and those plans were revised as a result of this acquisition.

https://secure.toronto.ca/council/agenda-item.do?item=2012.MM25.54

COMMENTS

Background

TPL currently operates the St. Lawrence Branch on the ground floor of a City-owned/Toronto Community Housing Corporation (TCHC) site located at 171 Front Street East. The branch is 4,833 square feet in size and is both significantly undersized and has substantial state of good repair issues due to the age and condition of the facility.

The relocation of St. Lawrence Branch has been part of TPL's capital plan since 2008. TPL's initial plan was to move the branch to 281 Front Street, previously used as TPL's materials processing centre. In 2012, a land exchange between the City and TPL allowed for a new relocation plan to 271 Front Street East, the site of the former First Parliament buildings. However, in 2021, the Government of Ontario expropriated this site for future transit development, creating uncertainty for the project. As a result, in 2022, TPL began working with CreateTO to find an alternative City-owned location. 125 The Esplanade was identified as a potential site for a new 30,000-square-foot district library and in June 2022, City Council directed staff to explore the possibility of including affordable housing and/or other public services on this site.

Feasibility Study – Relocation of St. Lawrence Branch to 125 The Esplanade

Following City Council's direction in 2022, a third-party architect and planning consultant was commissioned by CreateTO and TPL to review the feasibility of co-locating affordable housing and other services with TPL at 125 The Esplanade. The feasibility

study identified several considerations that added technical complexity and cost under a co-location scenario relative to a stand-alone library.

For example, the addition of housing on the site would result in the library being spread over five floors, instead of three, as most of the square footage on the ground floor would have been taken up by functions required to support the residential units above.

In addition, the residential component was and remains unfunded and additional work on the necessary planning approvals, partner identification, and current pressures on the residential market were found to create additional material risks on the feasibility of this option. TPL also identified increased operating costs under a co-location scenario associated with staffing, security, cleaning and additional elevators.

A standalone library was also considered for the 125 The Esplanade site. Ultimately, this approach was not pursued due to considerations such as the overall constrained nature of the site, the likelihood of contaminated soil and resulting additional remediation costs, and potential for archaeological significance requiring investigation, preservation and additional delays.

Identification of an Alternative St. Lawrence Branch Site

Given the results of the feasibility study, TPL, in collaboration with CreateTO and the City's Corporate Real Estate Management Division (CREM), identified the Property as a potential new site for the TPL's St. Lawrence Branch.

This new location for the St. Lawrence Branch will deliver a new, long overdue and much-needed larger district library in a significantly shorter timeframe and at lower cost than the previously planned site at 125 The Esplanade. The Property is privately owned and currently for sale.

The Property houses a three-story heritage building on a corner lot with ample frontage and at-grade entrance, and appropriate loading/parking for library materials delivery. The building is approximately 40,000 square feet (30,000 square feet above grade with a 10,000 square foot basement). The size, layout and location make this an ideal site for a district library along with other library services. The below-grade portion of the building will be used to relocate TPL's IT Department from the current location at 120 Martin Ross Avenue. This relocation optimizes TPL IT and related staffing services and allows the 120 Martin Ross Avenue property to be repurposed by the City for optimization/use by other City Divisions, Agencies and Corporations.

120 Martin Ross Avenue includes office, storage and warehousing space. CreateTO is currently assessing various existing City Division, Agency and Corporation requirements to identify opportunities to repurpose this site, with the goal of optimizing existing Cityowned sites.

When compared with constructing a new building at the previously identified site located at the City-owned property at 125 The Esplanade, acquisition of the Property, and the subsequent conversion and fit out of the building significantly reduces the estimated Acquisition of Future St. Lawrence Branch

Page 5 of 7

construction and the overall project budget. Based on preliminary internal analysis completed in early 2024, co-locating housing with a TPL library at 125 The Esplanade would be materially more costly for the library component than a district-scale library at the Property and delay this much-needed library, as noted above. The proposed acquisition ensures the relocation of the St. Lawrence Branch remains within TPL's planned capital budget.

Confidential Attachment 1 identifies the address of the Property, and details of the major terms and conditions of the agreement of purchase and sale for the acquisition of the Property, as negotiated by staff.

Conclusion

Compared to the previously considered site at 125 The Esplanade, relocating the St. Lawrence Branch to the newly identified Property presents advantages in terms of cost savings, project timelines, and service delivery. The site offers the space and flexibility required for a modern 30,000 square foot district library and enables the co-location of TPL's IT Department, which will allow the City to repurpose TPL's existing facility at 120 Martin Ross Avenue to support other municipal priorities. In addition, the adaptive reuse of the existing heritage Property is more environmentally sustainable then new construction.

Pending City Council approval, staff will proceed with finalizing the agreement of purchase and sale. TPL will then begin the design and renovation process to adapt the building to meet TPL's operational and service needs. The project is expected to be completed within three years.

CONTACT

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SIGNATURE

Patrick Matozzo
Executive Director, Corporate Real Estate Management

ATTACHMENTS

Confidential Attachment 1 – Property Address, Major Terms and Conditions of Agreement of Purchase and Sale and Financial Implications