



Corporate Services Department

Memorandum

TO: Krista Power, Director – Legislative Services & City Clerk **FILE:**

FROM: Keri Greaves, CPA, Commissioner – Corporate Services & City Treasurer

DATE: 04/18/2025 (mm/dd/yyyy)

SUBJECT: Administration’s Position – Thunder Bay Public Library - Master Facilities Plan Operating and Capital Implications

MEETING & DATE: Committee of the Whole - 04/28/2025 (mm/dd/yyyy)

This memorandum provides City Council with information regarding the proposed amendment to the August 12, 2024 resolution concerning the Thunder Bay Public Library – Master Facilities Plan Operating and Capital Implications.

In July 2024, Administration presented Report 253-2024, which recommended maintaining the existing library system rather than pursuing a centralized library model. This recommendation was based primarily on the need for additional municipal debt, significant investment in a leased facility (\$17.6 million), and indirect impacts on the South Core resulting from the potential sale of Brodie Library. Council approved this recommendation.

In October 2024, Thunder Bay Public Library (TBPL) Administration approached City Administration to explore whether there was any version of the centralized library concept that could be supported. At that time, the TBPL Administration advised that Intercity Shopping Centre had re-engaged in discussions, expressing interest in reviving negotiations for an alternate location within the mall.

The revised proposal included a smaller location (24,000 sq ft) at Intercity Shopping Centre, with a total construction cost estimated at \$5.5 million. Under the proposal, the landlord would contribute \$1.375 million (25%), and the remaining cost would be split between the City and the Library (\$2,065,500 each).

City Administration outlined several conditions that would need to be present for Administration to support the project:

- The City's capital contribution is capped at \$2,065,500
- Fixed Common Area Maintenance (CAM) fees
- A commitment to keep Brodie Library open
- A commitment to submit operating budget requests in line with Council's Budget Direction/Mandate for the next five years
- No major capital budget requests beyond the Library's normal capital envelope for the next five years (with the exception of the Waverley elevator project, which has already been contemplated)

Administration also suggested that the TBPL consider reallocating the remaining funds from the 2018 Waverley Improvements capital budget project (\$1,339,000) towards the proposed Intercity Shopping Centre construction costs.

The attached correspondence from TBPL Administration confirms the Library's agreement with these conditions. With this confirmation in place, and if Council wishes to enhance the service level offered by the TBPL, City Administration is supportive of the recommendation outlined in the memorandum from Councillor Zussino, which will be considered at the April 28, 2025, City Council meeting.

However, rather than funding the City's additional \$723,500 contribution from the Renew Thunder Bay Reserve Fund, Administration recommends the contribution be financed from the tax levy in the 2026/27 Capital Budget.

This recommendation supports sustainable and integrated capital planning, and prudent reserve fund management. If City Council determines that the central library is a priority capital project, it can be funded through the regular budget process, preserving the Renew Thunder Bay Reserve Fund for other eligible projects. Administration will be able to adjust its capital plans for 2026 and future years accordingly.