

Information for City Council on New Intercity Library Proposal

Background:

A few months ago, Intercity Shopping Centre (ISC) approached the Library with a new offer. Sport Chek has decided to expand and move into the former Lowe's space leaving the original Sport Chek location at the mall vacant. Being a fully functional store and a smaller size (24,000 sqft) it presented a much more affordable option for the Library.

The Library re-engaged Brook McIlroy Architects to cost the new space and determined a \$5.5 million cost to renovate the space to be suitable for a Library.

New Proposal:

The Library will lease approximately 24,000 sq ft of space at Intercity Shopping Centre, situated in the current (soon to be former) Sportchek space. It has a direct entrance into the food court area and an external entrance to the parking lot facing Memorial Ave, with a bus stop metres away. The Library will continue to own and operate all of its owned buildings - MJLB, Waverley and Brodie Libraries. The Library will end the lease with County Fair Mall.

Cost:

- The landlord is making a \$1.375 million contribution to the capital costs (25%).
- The City will contribute approximately \$700,000 in new one time capital funds to the project.
 - The City will reallocate approximately \$1.3 million that was set aside for Waverley renovations in 2018 to the Intercity Library renovation.
- The Library will pay for the remainder of the cost (including any cost overruns which may occur during renovation).
- Net annual expenditures will not increase for the Library system and the Library will not be asking Council for increased annual funding due to this new model - the intent is a cost neutral shift in the Library system

Further Financial Details:

- ISC has agreed to set lease rates for the entire 25 year lease period.
- ISC has agreed to fix the CAM costs (common area maintenance) at a set schedule for the entire lease period.

- This allows for total price control on a pre-determined schedule for the entire 25 year lease period.
- With this financial structure, the Library has sufficient funds to continue work renovating the new children's library at Waverley.

Timing:

- The Library will take possession of the space in 2026 with renovations occurring over 2026/2027 with a likely opening date for the ISC location in 2027.
- We will plan to close the County Park location to be timed for the opening of the Intercity location.
- This will not affect service at MJLB, Brodie or Waverley.

Initial City Admin Concerns:

- Ensure that the City's share of Capital is "capped" at roughly \$2M ✓
- Brodie to remain open ✓
- Repurposing the \$1.3M contribution that was approved in 2018 for Waverly renos, to be part of the City's \$2M Intercity contribution ✓
- Fixed Common Area Costs ✓
- A commitment to follow the City's Budget mandate for the next 5 years. This mandate is tied to the 4 year rolling average of CPI. ✓

Every item of concern City Admin has raised we have met to their satisfaction. Our understanding is that City Admin intends to support this plan given our lease agreement and cost structure.

Additional Considerations:

- The new Intercity branch will be approximately 24,000 sq ft - a net gain of 20,000 sqft for the Library system - an almost 30% increase in size
- Library programs are heavily oversubscribed - ex. we had long waitlists for every single one of our March break programs
- Children's program numbers were up 39% this past year - more than 10,000 extra kids came to library programs in 2024 ver 2023
- Adult programming was up 32% this past year
- In person visits to the Library were up 8% system wide
- In general we are bursting at the seams and there is huge community demand - over 52,000 unique visits to programming, 270,000 in person visits to Library branches, over 500,000 books loaned in 2024
- We are THE most used public service the City funds - more than any sports facility, walking trails, conservatory, art gallery, museum, etc
- Public support for a branch at Intercity Shopping Centre is extremely strong and documented over 2023/2024
- 57 local organizations signed letters of support
- 9 public engagement sessions with residents voicing support

- Public survey with over 2,200 respondents showing very strong support for an Intercity branch with the average resident willing to pay extra taxes to fund the project

Bottom Line:

With a one-time new investment of \$700,000 the Library can grow by almost 30% and create a brand new branch in one of the busiest and most trafficked areas in our community. At the same time, all Library owned buildings will continue to deliver Library services to the community and the new Library system will be cost-neutral. We expect to significantly grow Library usage and attract thousands of new Library users with this new branch and new model of Library services.

This information was prepared by:

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On behalf of the Thunder Bay Public Library