

The background of the entire page is a photograph of a modern building facade. It features a grid of vertical slats in various colors including yellow, orange, red, pink, purple, and blue. The slats are set against a dark background, creating a vibrant, multi-colored pattern. Below the slats, there are large glass windows and doors, some reflecting the sky and surrounding environment. The ground in the foreground is a light-colored, textured concrete or stone surface. In the bottom right corner, there is a yellow and white logo for EY, with the tagline 'Building a better working world' next to it.

Toronto Public Library Facilities Master Plan

Final Report

11 January 2019

Acknowledgments

Toronto Public Library's Facilities Master Plan was developed by a committed Project Team that included the following individuals:

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Ernst & Young Orenda Corporate Finance Inc. ("EY") would like to express thanks to all of those residents of the City of Toronto and stakeholders who participated in the consultation process, shared their insights and collaborated with Toronto Public Library. These individuals and agencies include: Toronto Public Library Directors, City of Toronto Planning Department, Parks, Forestry & Recreation, Social Development, Finance & Administration, Toronto District School Board, Children's Services and CreateTO.

We are also grateful for the participation in our environmental scans conducted with other libraries. We would like to extend a special acknowledgement to the following public library networks: Ottawa Public Library, Calgary Public Library, Vancouver Public Library, Montreal Public Libraries Network and District of Columbia Public Library.



Defined terms

Act	Public Libraries Act R.S.O. 1990
AODA	Accessibility for Ontarians with Disabilities Act
Board	Toronto Public Library Board
BCA	Building Condition Assessment
City	City of Toronto
City Council	City of Toronto Council
CT	Census tract
EY	Ernst & Young Orenda Corporate Finance Inc.
FCI	Facility condition index
FMP, Plan	Facilities Master Plan
GTA	Greater Toronto Area
KM	Kilometer
LRT	Light rail transit
MVS	Marshall & Swift Valuation Service
NIAs	Neighbourhood Improvement Areas
Named Project	Multi-year major capital investment project where a branch is fully renovated or newly constructed.
PF&R	Parks, Forestry & Recreation
RAC	Reserve a computer
SDM	Service delivery model
SF	Square foot or square feet
SF/capita	Current physical footprint of a branch (measured in SF) to the catchment area population
SOGR	State of good repair
TDSB	Toronto District School Board
TOcore	A 25-year plan for Downtown Toronto
TPL, Library	Toronto Public Library
TRL	Toronto Reference Library



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1. Introduction





1. Introduction

1.1 About the Facilities Master Plan

Library services provide Torontonians with the opportunity to explore, grow and thrive in today's ever-changing global environment. Across the Toronto Public Library ("TPL" or "Library") network of branches, access to technology and continued educational experiences are offered through a range of specific programs and partnerships. Diverse and enduring cultural experiences are also supported through these programs and offered to neighbourhoods across all demographics. Library services present citizens of Toronto with the opportunity to strengthen their networks and build meaningful connections to their communities.

Over the last 10-year period, several major developments have occurred which have significantly impacted how the organization's physical real estate impacts its ability to deliver on its mandate: amalgamation of the boroughs of Metro Toronto; the reality that the majority of the City's physical infrastructure is reaching the end of its economically useful life; and the dramatic increase in high-growth nodes across all corners of the City, particularly downtown.

Through this phase of expansion, one of TPL's core priorities remains providing equitable library services across the City and addressing community needs resulting from the continued evolution of the City. With respect to library services, the purpose of this report is to consider how TPL may respond to such changes through the planning and prioritization of capital investments across the branch network.

TPL undertook a Facilities Master Plan ("FMP" or "Plan") to assist with effective management and planning of capital projects. The FMP identifies and prioritizes investments in Library facilities over the short, medium and long-term, providing the organization with a planning framework that may be employed on an on-going basis to determine investment priorities over time. The investment decisions made by TPL are shaped by the results of the planning exercise undertaken in developing the FMP for both owned and managed facilities.

TPL is the largest public library system in Canada with a network of 100 branches across Toronto consisting of 81 Neighbourhood Libraries ("NL"), 17 District Branches ("DB") and two (2) Research and Reference ("R&R") libraries. On average, NLs serve a catchment of 23,000 people with an average size of 8,111 square feet ("SF") while DLs serve a catchment of 144,500 people with an average size of 32,000 sf.

The objective of the Plan is to advance TPL's ability to strategically manage their real estate portfolio and improve the quality of library services for Toronto residents. Using an "evidence-based-approach" to investment prioritization, a Prioritization Framework was developed to consider operational factors, investment requirements and market alignment. TPL considered a balance between maintenance capital and growth capital by applying a clear set of metrics to rank capital needs. Flexibility was also considered in developing the Plan to ensure that decisions can be made to adapt to unique opportunities that present themselves across the City in this high-growth environment.

The FMP considers the TPL's 2019-2028 10-Year Capital Plan, using it to inform our understanding of organizational priorities and financial capacity for investment. The



development of a Prioritization Framework will enable an evaluation or validation of the current investment priorities included within this budget.

Summary of Report Contents

Section 2 addresses TPL's Guiding Principles that form the basis for decision-making at a portfolio level.

Section 3 considers the key inputs into a planning tool which supports TPL's goal of employing an "evidence-based-approach" to investment prioritization and may be utilized by TPL on an on-going basis.

Section 4 outlines the current state of the real estate portfolio and specific physical considerations that will drive investments in the physical real estate portfolio.

Section 5 details how the Prioritization Framework developed may be utilized for investment planning purposes. In this section the 30-Year Investment Roadmap results, implementation plan, and funding gap analysis are presented.

Section 6 offers a series of strategies and recommendations segmented by their Investment, Organizational and Funding impacts.

1.2 Library's place in the community

Individuals of all ages are seeking continuous life-long self-learning. Libraries' unique role in the community drives the demand for library service, particularly resources and space for individuals pursuing academic endeavors and targeted demographic groups who actively pursue interests and activities across the branch network. Evidence suggests that libraries play a vital role in facilitating this personal development on many levels.¹

1. Support economic and social development

There are several economic benefits to society, specifically, community level benefits that are realized related to programs offered. These programs "contribute capacity to local strategies that seek to strengthen human capital, reduce service costs to complementary local agencies and broaden the research of local partner organizations."² Programs tied to early literacy, workforce initiatives and small business all support economic development.

2. Contribute to physical development

Research proves that "public libraries are highly regarded, and are seen as contributing to stability, safety and quality of life in neighborhoods."³ From the perspective of a developer, libraries are attractive as they have ability to drive foot traffic and its strong tenancy also present co-location opportunities with other city services as well as development opportunities including commercial, mixed-use and joint-use amenities with or near a library.

¹ The Urban Institute, Urban Library Council, *Making Cities Stronger*, <https://www.urban.org/sites/default/files/publication/46006/1001075-Making-Cities-Stronger.PDF>.

² The Urban Institute, Urban Library Council, *Making Cities Stronger*.

³ The Urban Institute, Urban Library Council, *Making Cities Stronger*.



3. Act as entrepreneurial hubs⁴

Libraries are equipped with a significant amount of research and industry materials, much of which can be accessed electronically. The volume of facts, figures, data and statistics available on library archives and via their electronic platforms attract new library users. ⁵ It is not uncommon for local business support services to be integrated into public library programming, making libraries attractive to entrepreneurs. Library space is becoming more flexible, open and collaborative - all ingredients that contribute to fostering entrepreneurial spirit.

4. Drive civic engagement

Community engagement is driven by creating an environment in which citizens from all walks of life are comfortable to engage and contribute to their communities. This is achieved through providing a wide range of programming, lectures and events for different age groups and covering a variety of topics. Studies have proven that residents who are engaged are also more optimistic about the future and also contribute to building the community⁶.

TPL’s six (6) strategic priorities as noted below support the above mentioned themes and display how TPL’s strategic focus is representative of driving community engagement and economic development.

<i>Advancing our digital platforms</i>	<i>Breaking down barriers to access and driving inclusion</i>	<i>Expanding access to technology and training</i>	<i>Establishing TPL as Toronto’s centre for life long and self-directed learning</i>	<i>Creating community connections through cultural experiences</i>	<i>Transforming for 21st century service excellence</i>
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This research and context is important in informing the investment-based prioritization framework to ensure continued delivery of world class library facilities and services by TPL.

1.3 Foundation of Plan

Several reports were considered in establishing the fundamentals of the FMP. These documents are comprised of two (2) primary categories, specifically City long-term vision, plans and strategies and various City planning studies.

Vision, Plans & Strategies

1. **City of Toronto Strategic Actions 2013-2018⁷** articulates progressive actions that will be undertaken to meet the vision, mission and goals of City Council. It is based on the

⁴ The Urban Libraries Council, *Leadership Brief: Strengthening Libraries as Entrepreneurial Hubs*, https://www.urbanlibraries.org/assets/Leadership_Brief_Strengthening_Libraries_as_Entrepreneurial_Hubs.pdf.

⁵ The Urban Institute, Urban Library Council, *Making Cities Stronger*.

⁶ The Urban Libraries Council, *Leadership Brief: Libraries Leading Civic Engagement*, https://www.urbanlibraries.org/assets/ULC_Leadership_Brief_Libraries_Leading_Civic_Engagement.pdf.

⁷ City of Toronto, *City of Toronto Strategic Actions 2013-2018* (October 2013), <https://www.toronto.ca/wp-content/uploads/2017/08/8f97-strategic-actions-2013-2018.pdf>.



following strategic themes: city building, economic vitality, environmental sustainability, social development, good governance and fiscal sustainability.

2. **TO Prosperity: Toronto Poverty Reduction Strategy**⁸ outlines strategic objectives which includes addressing immediate needs of those living in poverty, creating pathways to prosperity and driving systematic change.
3. **Toronto Seniors Strategy**⁹ present a plan that will assist in dealing with the increase in the number of seniors living in Toronto that will be particularly felt in the coming years. There is a strategic link with this strategy and several other integral initiatives such as the Toronto Newcomer Strategy, the Recreation Service Plan, Housing Opportunities Toronto, and the Guide to Good Practice: Providing Equitable Service to Individuals of All Abilities.
4. **Toronto Strong Neighborhoods Strategy 2020**¹⁰ is an action plan to ensure that all 140 neighborhoods in Toronto continue to flourish and prosper. The overarching objective of the strategy is to ensure equity across the City.
5. **Toronto Youth Equity Strategy**¹¹ was adopted in February 2014 by City Council. The content from the strategy was influenced by Toronto youth. The City and its partners must collaborate to address 28 key issues identified by the study.

City planning studies

1. **TOcore: Planning Toronto's Downtown ("TOcore")**¹² is a 25 year growth and infrastructure initiative designed for downtown Toronto. The initiative focuses on five (5) infrastructure related strategies, specifically, community facilities, parks and public areas, mobility, energy and water. TOcore provides direction for future growth as the City thrives from a cultural, civic, retail, economic and infrastructure perspective.
2. **Keele Finch Plus**¹³ articulates the importance of capitalizing on new transit infrastructure in the areas surrounding Keele Street and Finch Avenue West. The study discusses the evaluation of options to support the new transit infrastructure.
3. **Rail Deck Park**¹⁴ was endorsed by Toronto City Council ("City Council") and represents a creative outdoor space for Torontonians through a deck structure that spans the rail corridor between Bathurst Street and Blue Jays Way. Execution of Rail Deck Park would transform Toronto's outdoor space dramatically and create an exceptional space that would encourage recreation.

⁸ City of Toronto, *TO Prosperity: Toronto Poverty Reduction Strategy* https://www.toronto.ca/wp-content/uploads/2017/11/9787-TO_Prosperty_Final2015-reduced.pdf.

⁹ City of Toronto, *The Toronto Seniors Strategy Towards an Age-Friendly City*, <https://www.toronto.ca/wp-content/uploads/2017/11/97e3-seniors-strategy-fullreport.pdf>.

¹⁰ City of Toronto, *Toronto Strong Neighbourhoods Strategy 2020*, <https://www.toronto.ca/city-government/data-research-maps/research-reports/social-reports/toronto-strong-neighbourhoods-strategy-2020/>.

¹¹ City of Toronto, *Toronto Youth Equity Strategy*, <https://www.toronto.ca/legdocs/mmis/2014/cd/bqrd/backgroundfile-65634.pdf>.

¹² City of Toronto, *TOcore: Planning Toronto's Downtown*, <https://www.toronto.ca/city-government/planning-development/planning-studies-initiatives/tocore-planning-torontos-downtown/>.

¹³ City of Toronto, *Keele Finch Plus*, <https://www.toronto.ca/city-government/planning-development/planning-studies-initiatives/keele-finch-plus/>.

¹⁴ City of Toronto, *Rail Deck Park*, <https://www.toronto.ca/city-government/planning-development/planning-studies-initiatives/rail-deck-park/>.



4. **Eglinton Connects**¹⁵ provides a vision for the intensification of Eglinton Avenue that was developed in consultation with the community as part of the original council approved Transit Project Assessment Study in 2009. The implementation of the plan's recommendations will improve the quality of new development for current and future residents of the corridor.

TPL's FMP is informed by and aligned with the various City strategies and planning studies. These above noted studies exhibit consistent themes and objectives - a growing City looking to form a structured approach to support challenges presented by demographic growth, with a focus to assess population density, land use, transportation, infrastructure and the corresponding demand for public services in that context. Recommendations will be provided in Section 6 of this report to ensure that the capital planning process considers the fair and equitable library access to all.

The findings observed through a review of these studies informed the five (5) phases of work undertaken during the construction of the FMP. An extensive consultation process which included external stakeholders (e.g. TDSB, CreateTO) and public consultation to inform our investment roadmap was also undertaken.



Figure 1 EY Work Plan Overview.

1.3.1 Service delivery model and service pillars

Planning across the City's library branch network is based on several factors. The above noted planning studies were considered in addition to various planning framework documents utilized by TPL as discussed below.

¹⁵ City of Toronto, *Eglinton Connect Planning Study - Phase 1 (Part 1) Implementation Report, May 22, 2014 and Eglinton Connect Planning Study - Phase 1 (Part 2) Implementation Report (July 24, 2014).*



The Library's service delivery model ("SDM") was established as a framework to guide service planning and infrastructure investments at TPL. Four (4) tiers of service are offered at TPL as depicted below¹⁶ and note the associated branch count:



Figure 2 TPL Tiers of Service.

Neighbourhood Libraries

Tier 1

Provide collections and services which meet the needs of the immediate community; bookmobiles offer collections and services to areas not close to library branches and across the City at community events.

District Libraries

Tier 2

Offer informational and recreational collections and services that meet the needs of the immediate community as well as the larger district.

Research & Reference Libraries

Tier 3

Provide comprehensive and specialized collections and services with an emphasis on access.

Online and digital channels

Tier 4

Include the Library's website and social media networks, offers a range of informational and recreational collections and services, available 24/7, branches and through remote access.

The model aligns with and supports the TPL Board's (the "Board") priorities and the City planning priorities for service delivery. The first three (3) tiers of service¹⁷ were the primary focus of the FMP. Metrics that define each tier of service are outlined on the following page:

¹⁶ Toronto Public Library, *Toronto Public Library Service Delivery Model* (June 2017).

¹⁷ Excluding Bookmobiles.



	Tier 1: Neighborhood Branches (81 Branches)	Tier 2: District Branches (17 Branches)	Tier 3: Research & Reference Branches (2 Branches)
Service Area	<ul style="list-style-type: none"> ▶ Serving a minimum of 25,000 people ▶ Residents within a 1.6 kilometer ("KM") radius 	<ul style="list-style-type: none"> ▶ Serving a minimum of 100,000 people ▶ Residents within a 2.5 KM radius 	<ul style="list-style-type: none"> ▶ Entire Toronto service area - 2,800,000 population
Optimum Size	▶ 10,000 - 20,000 SF	▶ Minimum 25,000 SF	▶ Minimum 150,000 SF
Hours of Operation (weekly)	▶ 40 - 69 hours	▶ 69 hours	▶ 69 hours
Collection	▶ Minimum collection size of 40,000	▶ Minimum collection size of 100,000	▶ Minimum collection size of 500,000

Figure 3 TPL Key Service Metrics

Resources are allocated across the four (4) tiers of service with the goal of providing equitable access for all citizens in the City. The findings presented in this report will address the strengths and weaknesses of the SDM.

In addition, TPL has developed service pillars that represent the range of services available by users and have been identified as follows¹⁸:

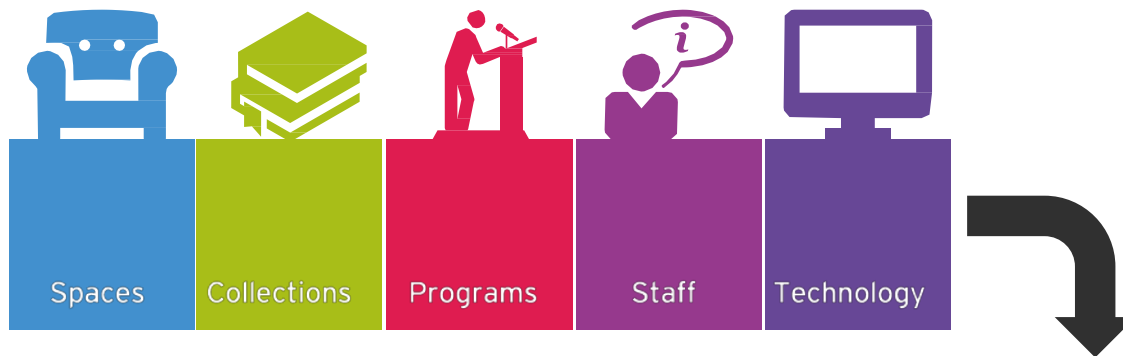


Figure 4 TPL Service Pillars

- ▶ **Spaces:** TPL has 100 branches that act as community hubs providing space to residents. The library also provides access to rentable meeting rooms in the local communities.
- ▶ **Collections:** TPL's collections include over ten (10) million items in more than 40 languages.

¹⁸ Toronto Public Library, *Toronto Public Library Service Delivery Model* (June 2017).



1.3.5 Joint facilities and joint-use facilities²²

TPL developed a policy to establish criteria and conditions for effective partnerships with joint facilities and joint-use facilities. The Library is focused on achieving the needs of each community and ensuring facilities meet accessibility standards for all residents. Given that there are opportunities that are frequently presented to collaborate, TPL established a standardized method of evaluating these opportunities. Partnership and co-location opportunities were considered throughout the development of the FMP.

A joint facility is considered a facility in which TPL would co-locate with a City partner or other non-for-profit organizations. A joint-use facility would likely involve a co-operative governance arrangement with one (1) or more partners. TPL is open to pursuing joint facilities/joint-use facilities provided that the facility meets the needs of local communities and is easily accessible to residents.

1.3.6 Service harmonization update²³

In the context of future capital and operating budgets, the 2004 service harmonization update recommends strategies to ensure progress and continued branch development. The funding implications address the estimated capital cost associated with building a new branch and the annual operating cost to operate a branch.

Though this information has been considered in developing the Plan, every project is unique and may have different cost requirements. In addition, the cost of recent projects provide a stronger indication for the cost of future projects and was utilized in developing our roadmap and model.

1.3.7 An integrated Plan

The findings in TOcore reveal that over the next 20 years, Toronto is projected to grow by an estimated 450,000 people. From 2016 to 2041, the downtown Toronto population is expected to nearly double from 240,000 to 475,000. Approximately 40% of proposed residential development will occur in the downtown core and these developments will take the form of condominiums. This growth will be achieved primarily through infill development and intensification.²⁴ Accordingly, TPL anticipates that the demand for library services will dramatically increase over this corresponding period.

A demographic analysis was performed to inform the understanding of increased demand for library services across the City. The demand for library services will vary across the City where demographic profiles and factors such as income, age and household composition drive uses of specific programs and services. However, there is a positive correlation between the growth of the general population and library service demand. Branches in many of these nodes may require expansion, revitalization and/or new construction to maintain existing service levels and meet new demand. The FMP addresses this requirement and considers these market factors as a key input.

²² Toronto Public Library, *Joint Facilities and Joint-Use Facilities, Section II - General Policies - Finance & Property, Motion #03 - 78* (May 12, 2003).

²³ *Service Harmonization Update, June 14, 2004.*

²⁴ City of Toronto, *TOcore: Planning Toronto's Downtown*, <https://www.toronto.ca/city-government/planning-development/planning-studies-initiatives/tocore-planning-torontos-downtown/>.



Historical population growth from Statistics Canada 2006/2016 data was provided to Ey by TPL. The data was comprised of a series of Census Tracts (“CT”) and identified each branch’s catchment area that was considered to estimate the total population served of a branch. In partnership with the City’s planning department, data was reviewed that included current residential development applications for permit as at March 2017.

Using the demographic outlook prepared by the City’s planning staff and the Branch-level catchment areas provided by TPL, the following map was produced and based upon the total population growth within a particular branch’s catchment area. Relative to projecting each CT’s population growth individually, by aggregating the growth across catchment areas the overall impact on specific branches is reflected.

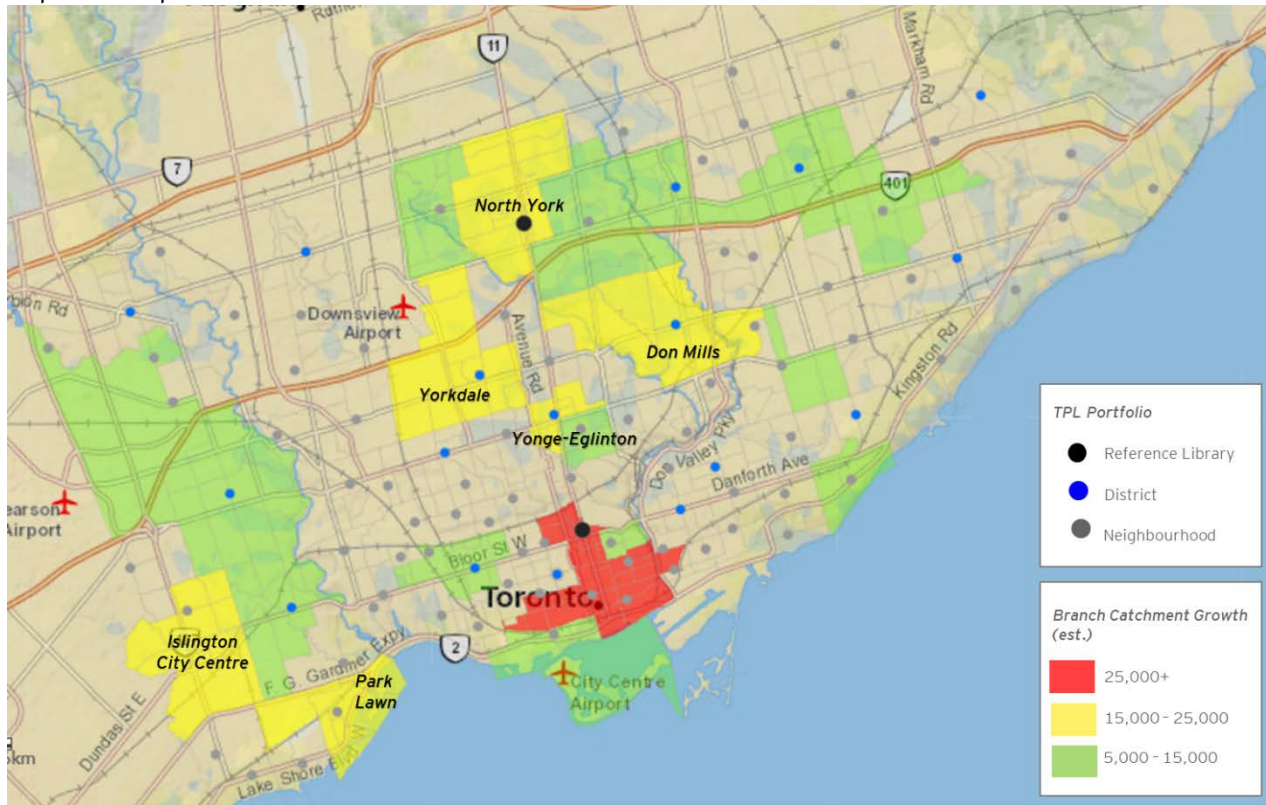


Figure 5 Forecasted Branch Catchment Population Increase (2016+)²⁵

Acknowledging the notably high growth in downtown Toronto, it is equally important to consider the impact on branches in other high-growth nodes.

Equitable Access to Library Service(s)

Demographic growth is a core input that should be considered to prioritize capital investments based on the forecasted demand for library services. In order to consider relative service-level provisions across the branch network, a metric is required to compare one (1) branch to another. The metric selected is current physical footprint of a branch (measured in SF) to the catchment area population (“SF/Capita”). Section 3.1 articulates this criteria.

²⁵ Population growth data reflects a projected based on the complete build-out of all development applications with the City’s planning department as of March 2017 and does not reflect a specified time period. Produced using ESRI ArcGIS Online software.



TPL also considered the distribution of income across various neighbourhoods and catchment areas as part of the comparison process. Toronto has one of the greatest income disparity levels among Canadian cities, with the top 1% of earners earning 17.4% of all income²⁶.

To ensure equitable and inclusive services are provided to communities of need, the City's Neighbourhood Improvement Areas ("NIA") were considered relative to branch proximity. Additionally, Neighbourhood Equity Index scores were collected and used to evaluate community need within the Prioritization Framework, outlined further in Section 3.1.

1.4 Engagement activities

Numerous scans and consultations were performed as part of the research phase of the FMP. The following section summarizes the key themes observed. A breakdown of participants are shown below:

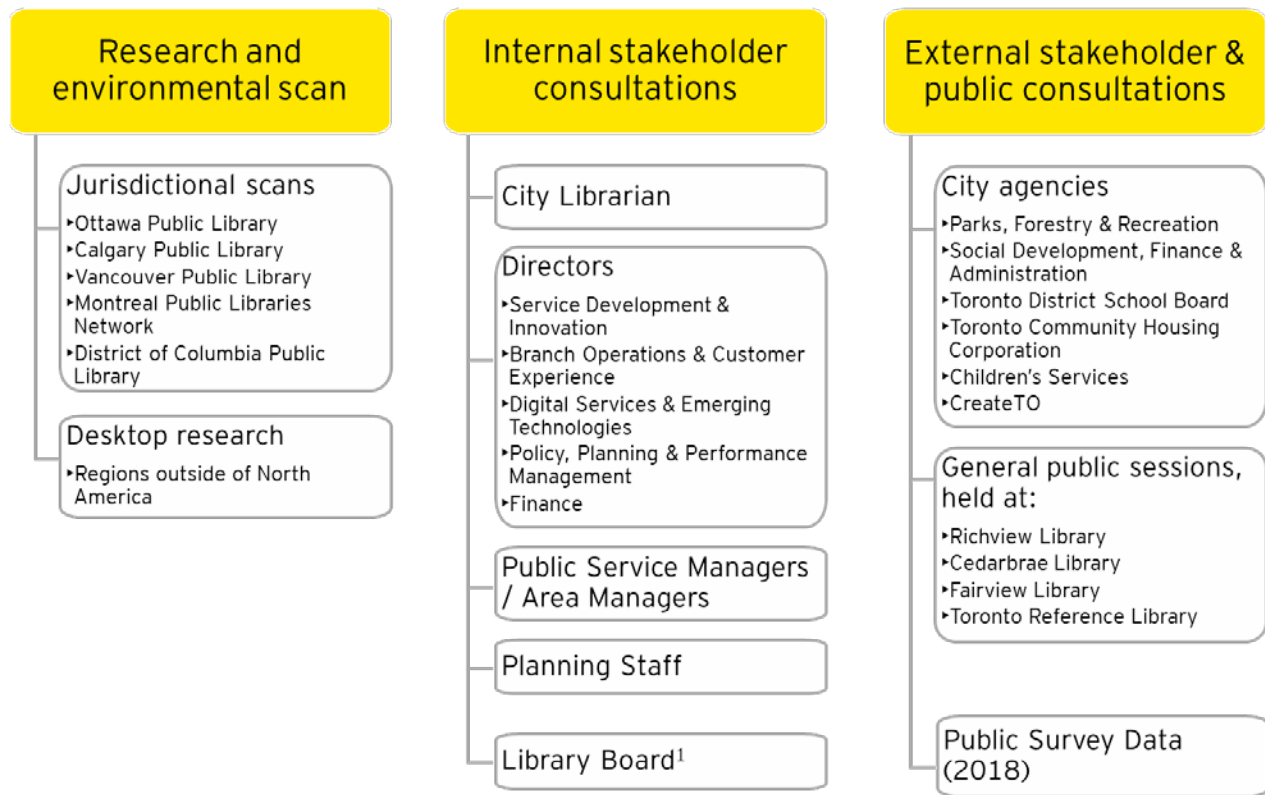


Figure 6 Engagement activities undertaken by TPL.

¹Board consultation was achieved through an online survey completed in July 2018 that six (6) members of TPL's Board completed, with the following takeaways:

- ▶ All agreed that the Library does not receive its fair share of capital funding from the City.
- ▶ All completed surveys placed similar, nearly equal weighting to each of the evaluation criteria within our Prioritization Framework, with AODA and SOGR scoring highest.
- ▶ To improve the organization's funding level, several responses spoke of the need for TPL staff to develop relationships with Councillors.



1.4.1 Research and environmental scan

A leading practices study was performed to understand the portfolio planning and prioritization process undertaken by other large public library networks. The results yielded interviews with five (5) jurisdictions across North America, four (4) Canadian libraries and one (1) American library. The participants included Ottawa Public Library, Calgary Public Library, Vancouver Public Library, Montreal Public Libraries Network and District of Columbia Public Library. Desktop research was also performed in regions outside of North America to complement the consultations findings. The scope included a guided discussion with participants surrounding capital planning and contributors were asked by TPL to identify best practices and lessons learned from other jurisdictions. The following themes surfaced through our research and environmental scans:

- ▶ Various capital planning studies had been completed in most jurisdictions. In several jurisdictions, no formal FMP had been completed while in others, the branch network was currently undertaking a formal process to complete an FMP. It was apparent in most regions, the driving force behind the exercise was the result of extreme demographic growth that was driving the need to an increase in the existing footprint. In addition, the plans contemplated were multi-year capital investment programs which is similar to that of TPL.
- ▶ Specific approaches to capital planning were also related to the future growth's impact on service levels and branch utilization. Participants also noted that it was common to use an established set of criteria to prioritize capital investments. These approaches included reviewing growth patterns within their respective cities in addition to projections determined by planning studies. In some instances, businesses cases were used to present key challenges such as no existing library in close proximity to another and significant increase in usage. The concept of priority zones was raised to address "at risk" neighbourhoods where low income families lack access to resources.
- ▶ Several jurisdictions agreed that challenges exist with respect to requesting additional funding. Typically, projects are funded through some form of taxation or borrowing from the City. Some jurisdictions are able to make use of development cost levies while others have limited access to such funding. There is often limited funding available for new programs and/or service enhancements as they do not qualify for development charges funding which is mandated to be part of a growth planning study.
- ▶ Some organizations have a methodical process surrounding Facility Condition Index ("FCI") assessments while others employed historical information to inform decisions. FCI assessments are not mandated, however, generally participants expressed that completion of FCI analysis strengthens their position when competing for capital. Assessments are made to determine whether or not branches require capital improvements or new construction.



- ▶ Participants shared positive feedback with respect to co-location opportunities. Factors such as enhanced visitor experience and increased traffic in quieter neighborhoods were cited. Primary concerns with co-location surrounded cost allocation and a discussions outlining roles and responsibilities specifically related to property management and janitorial services must occur prior to co-location. It was also noted that none of the jurisdictions have formal service level agreements in place, rather an informal understanding between parties. In addition, contributors articulated the importance of partnering with agencies to better service the customer needs, identifying performance criteria that can be defined, tracked and reviewed, outlining a process for handling the negotiation of disputes should they arise.
-
- ▶ In response to the 21st century patron, libraries continue to evolve into community hubs and leisure centres. Libraries appear to have taken on a new role, frequently offering up their spaces for cultural events such as conferences, exhibits, concerts and other events. It was also noted that an increasing number of branches are entering into partnerships with educational programmers, retailer developers or other government agencies. Visual appeal has also played a role in the appearance of libraries with prominent architectural modern designs, open space and natural light. Spaces are being designed in a flexible manner to allow for different uses throughout the day. Movable structures have been incorporated into floor plans, integrated technology is playing a larger role and accessibility is prioritized. 21st century library attributes have been addressed in developing the FMP.

1.4.2 Stakeholder consultations

Stakeholder consultations were completed with a number of internal stakeholders at TPL in addition to external stakeholders at various City agencies. The objective of the internal consultations was to review the existing capital planning process as well as challenges and opportunities to progress. External consultations were held with a number of other City agencies whereby co-location opportunities may exist with TPL.

Parties engaged through the stakeholder consultations process include Parks, Forestry & Recreation (“PF&R”), Social Development, Finance & Administration, TDSB, Children’s Services and CreateTO. The dialogue addressed the long-term real estate strategy of the agency, SOGR, attributes that make TPL an attractive partner for co-location and complementary programs that are offered.

The following common themes materialized throughout the consultations process:

- ▶ A balance in capital spending between maintaining versus enhancing versus program needs is critical. While significant capital will be required to address the FCI requirements of an aging portfolio, continued enhancement to existing facilities and service offering is also required to improve user experience.
-
- ▶ Decisions should be made through the application of a clear set of metrics and processes to rank various capital project needs. Transparency in the process will ensure equitable and unbiased decision making, a responsibility to both the City and the general public.



- ▶ Capital planning guidelines should be flexible and adaptable to give rise to future opportunities. Special circumstances (e.g. political, philanthropic) may support non-traditional project development, outside of the funding provided by the capital plan. Guidelines outlining responses to these events will help ensure timely decision making.
- ▶ A successful FMP must consider both existing and future demographic needs, including high growth areas and changes in demographic trends (e.g. increase number of young families in the downtown core). This could be addressed through changes in the physical footprint, in the form of expansion, relocation or new facilities. Without altering the footprint, “future proofing” of existing facilities is one way to address these demands through improving the flexibility of existing facilities. This could include the use of modular furniture and shelving as well as convertible and/or multi-use spaces that can be transformed in the future for changes in service offering needs.
- ▶ Changes in technology and different demand segments should be incorporated into an FMP. While not technically real estate attributes, technology and program-related trends play critical roles in determining real estate investments and capital spending.
- ▶ Targeted consultations and public surveys can add significant value to the FMP process as it provides a diverse user perspective across the City. PF&R undertook a significant public consultation process which led to the identification of key themes that guided their FMP. As such, TPL considered this best practice in developing their consultations process.
- ▶ Stakeholders were open to co-locating and view TPL as a desirable partner. Open and frequent communication with City agencies will be valuable in identifying these opportunities at early stages of planning. A review of other agencies’ planned and contemplated facilities in the medium to long term can will allow ample time to discuss space requirements and collaborate on service level agreements.

In addition, TPL held four (4) public consultations to obtain input from the general public. The consultations were held at Richview, Cedarbrae, Fairview and Toronto Reference Library (“TRL”). Themes that have emerged from the consultations are documented herein.

- ▶ Generally, respondents were satisfied with the physical condition of branches and program / services offered when interviewed.
- ▶ Respondents had varying opinions on preferred branch attributes such as location, physical size, architectural style, layout, type of seating, program offering, etc. and recognized the importance to balance these various attributes.




- ▶ TPL has a dedicated facilities team that manages approximately ten (10) ongoing major capital projects at any given time. A balance must be struck to determine the optimal number of ongoing projects due to the limited time and resources available to execute these projects.

Prospective partnerships and co-location

- ▶ Partnership and co-location opportunities with other City agencies exist, especially in high growth areas where new and/or expanded facilities are being contemplated. At these early planning stages, communication between City agencies will be instrumental in identifying and agreeing on space requirements, funding structure and shared services.
- ▶ Libraries are taking on a bigger role in the community than ever before by bringing visitors together through offering a welcoming space, a variety of programs and a range of events. There is an opportunity to partner with local businesses, services and not-for-profit organizations to expand this service offering. Partnerships and co-location may also lead to potential cost saving opportunities and higher utilization of space.
- ▶ CreateTO, a newly-created City real estate agency, will play a key role in forming partnerships across agencies in the future. As part of the City-wide Real Estate Transformation adopted in May 2017, two (2) of the value propositions for the creation of this group included:
 - Optimizing City-Owned Lands and Properties - bringing forward development opportunities from all agencies and corporations portfolios and identifying synergies for sharing land, buildings and leased facilities.
 - Creating Organizational Efficiencies - reducing duplication of functions, vendor contracts, office space requirements and systems management.
- ▶ Through discussion with CreateTO one of the goals of this FMP process is the identification and prioritization of TPL's branch priorities. As the co-ordinating body for future developments, alignment to other agencies' facilities planning such as PF&R may be achieved.

2. Framework





4. TPL is committed to an evidence based approach to capital planning that is fair and equitable.

In order to effectively manage and plan for capital projects, the Library requires an FMP that will identify and prioritize investments in Library facilities based on the Library's current SOGR backlog and the need for equitable access to Library branch services across the City. The Plan both informs the capital budget, including capital needs for both building and digital infrastructure, and provides a roadmap for current and future based requirements.

The FMP prioritizes investment in the development, maintenance and repair of existing Library facilities infrastructure and makes recommendations on expansion and relocation according to the research findings. It will enable strategic investment decisions including sustainability and accessibility considerations, and will help fulfil the Library's 2016 - 2019 strategic plan goals. The Plan will validate medium and short term priorities for capital investment (2019 - 2028) and will also consider longer term investment that aligns with known planning processes that extend to 2037.

5. TPL's FMP will be flexible and accommodating to new opportunities.

The Plan is also flexible so that the Library can adapt its investment strategy to meet future circumstances. It includes a roadmap for investment based on equitable access to library service, community needs and requirements, and the Library's capacity to meet these requirements. It will also provide input into the City's Real Estate strategy as developed by CreateTO. The Plan's time horizon is 2019 to 2028, but it also extends beyond this time frame and will look for long term planning opportunities.

2.2 Desired outcomes

The intention of establishing an FMP was to transform the way capital planning is performed at TPL. The following desired outcomes were articulated as part of the process to develop TPL's FMP and ultimately reflect the key goals and objectives:

- ▶ Develop a mechanism that will assist TPL staff to determine which branches are a priority for investment;
- ▶ Enable strategic decision-making that aligns to the Strategic Plan goals and the provision of equitable access to library service across the City;
- ▶ Provide an investment roadmap over a 30-year timeframe which identifies specific investment recommendations such as branch revitalizations, expansions, or new branches; and,
- ▶ Confirm TPL's investment priorities over the short and medium term capital investment for the 2019 - 2028 period.

The following sections provide a fulsome analysis of the methodology undertaken, the results of our analysis which led to the recommendations included herein.



3. Portfolio triaging and prioritization





3. Portfolio triaging and prioritization

3.1 Identification and prioritization

A thorough analysis was completed to review a variety of elements that influence capital planning decisions. Through this process, a Prioritization Framework was developed as a decision-making tool to assist informing fair and equitable decisions at the branch level. This evidence-based approach proves to be methodical and guide decisions based on supported branch level data on a relative basis to other branches in the network.

The process commenced by conducting a series of workshop with TPL's dedicated Project Team and TPL Directors following a detailed review of the Library's branch database. As documented above, environmental scans were also completed with other public library networks including a review of any publically available facilities master plans of these respective jurisdictions, as well as various consultations with city agencies.

Informed by our current state assessment work, a set of prioritization criteria and sub criteria were developed to score and rank each branch. Subsequent to establishing the scoring methodology, a pilot was launched to validate the model and ensure it was yielding reasonable results as branches were scored on a relative basis for each neighbourhood branches and district branches. This proved to be the most logical approach given that TPL's SDM outlines different attributes for both branch types.

The intention is that capital planning for neighbourhood and district branches will be completed on a proactive basis with the assistance of the prioritization framework. However, the tool is not intended to apply to the two (2) reference libraries in TPL's branch network as discussed herein.

Criteria

The primary criteria form the pillars for decision making and can be separated into three (3) primary categories:

- ▶ **Operational:** measures the frequency in which a branch is used and the effectiveness of the physical space that currently serves its users.
- ▶ **Investment:** considers the financial costs required to meet SOGR, AODA and 21st century library standards.
- ▶ **Market alignment:** assesses the congruency between a branch and its external environment, including current and future population, existing footprint, demographics, socio-economic characteristics and location.

These three (3) primary criteria are comprised of two (2) to four (4) sub-criteria, as illustrated on the following page.

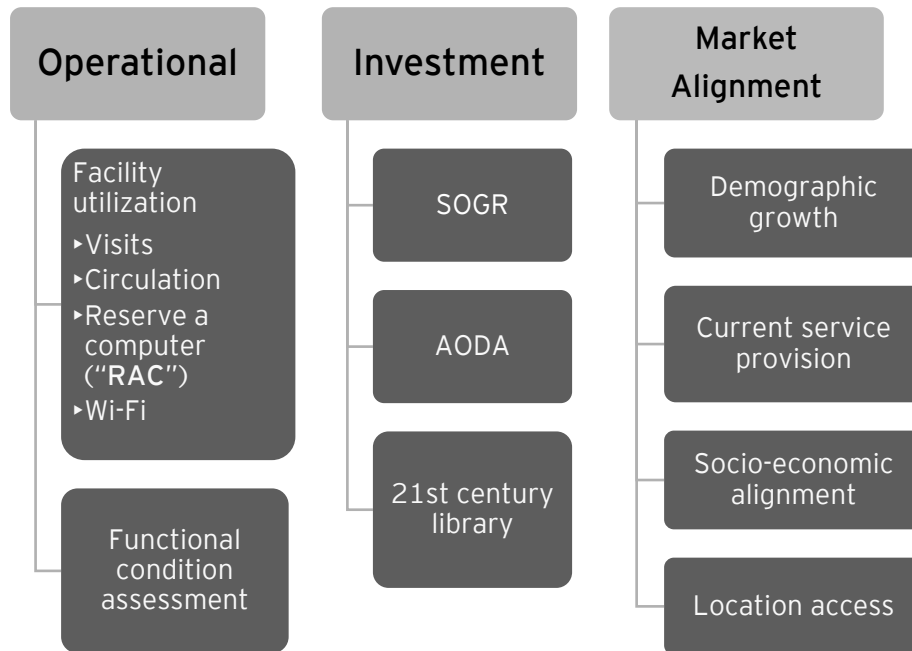


Figure 7 Portfolio prioritization criteria.

Each sub-criteria is supported by a specific data source that is used to drive the scoring process. Operational and investment data was provided by TPL. This included information such as utilization, SOGR, AODA and branch footprint information as it is readily available and tracked. Publically available market information was utilized to score market alignment including demographics, neighbourhood improvement areas and location scores.

Where data was unavailable, a scorecard was developed to evaluate the functional condition of a branch and 21st century library attributes, both of which were completed by TPL staff. Last, weightings are applied across the sub-criteria.

A summary of definitions for the sub-criteria can be found below:

- ▶ **Operational**
 - ▶ **Facility utilization** - measures utilization of branches, including number of visits, circulation, RAC and Wi-Fi use.
 - ▶ **Functional condition assessment** - assesses functionality of branches, such as building exterior, visitor flow, seating, and number of interior spaces. (e.g. teen area, program area)
- ▶ **Investment**
 - ▶ **SOGR** - assesses the current physical condition of branches using the backlog of maintenance/repairs data.
 - ▶ **AODA** - measures the costs associated with meeting accessibility requirements.
 - ▶ **21st century library** - assesses the branches for 21st century attributes such as space for programing, flexibility of space, etc.



▶ **Market alignment**

- ▶ **Demographic growth** - identifies the population growth in various catchment areas.
- ▶ **Current service provision** - identifies the service provision of branches, using a function of physical footprint to catchment population (SF/capita).
- ▶ **Socio-Demographic alignment** - identifies branches located in neighbourhood improvement areas and/or priority neighbourhoods for investment. This data is informed by the NIAs identified as part of the Toronto Strong Neighbourhoods Strategy 2020²⁹. These neighbourhood equity scores comprise a series of 15 data inputs across the domains such as economic opportunity, social development, physical
- ▶ **Location access** - measures walkability and access to local amenities and services, as well branch's transit accessibility.

3.2 Summary of results

The output of the model produced a unique score for each of the district and neighbourhood libraries, with higher scores indicating a priority for capital investment. A summary of the top-scoring ten (10) branches in each of the district and neighbourhood tiers can be found below, which includes an indication of whether or not this branch is included within the 2019-2028 TPL 10-Year Capital Budget, or the subject of a recent major capital investment.

Please consult Appendix 7.1 for a complete listing of branch scores.

TPL FMP Prioritization: Highest Scoring DL and NL Branches	
District Library (Top 10)	Neighbourhood Library (Top 10)
Cedarbrae	Sanderson
Lillian H. Smith	Yorkville
Barbara Frum	St. Lawrence
Fairview	St. Clair Silverthorn
Don Mills	High Park
Albert Campbell	Brookbanks
York Woods	City Hall
Bloor Gladstone	Centennial
Northern District	Parliament
Agincourt	Rexdale

Figure 8 Summary of Prioritization Results.

 Board-Approved, Funded Project	 Recently Completed Named Capital Project
 Board-Approved, Unfunded Project	 Recent Multi-Branch SOGR Investment

²⁹ City of Toronto, *Toronto Strong Neighbourhoods Strategy 2020*, <https://www.toronto.ca/city-government/data-research-maps/research-reports/social-reports/toronto-strong-neighbourhoods-strategy-2020/>.



3.3 Comparison of results versus TPL's existing plan

Considering Figure 8, the evidence would suggest that the results of EY's independent scoring framework exhibit many similarities to the current TPL 2019 10-Year Capital Budget.

When compared against the current budget, 12 of the top-20 scoring branches are included as part of the approved 2019 10-Year 2019-2028 Capital Budget in the form of funded or unfunded Named Project investments.

While eight (8) branches identified above were outside of the current capital plan: Cedarbrae, Fairview, Don Mills, Bloor Gladstone, Agincourt³⁰, Yorkville, Brookbanks and Rexdale, three (3) of these branches have received significant investment over the previous 10-year period. TPL reviewed the breakdown of scores and found that these branches received high scores based on a variety of contributing sub-criteria including utilization, functionality, SOGR, demographic growth among others. Market-related criteria were noted for particularly influencing the high scores of these branches outside of the current capital plan.

The gaps from these eight (8) branches suggest that the weighted prioritization method may offer a holistic and equitable approach to the capital investment decision making process, particularly for branches identified which have been not been the subject to a major Named Project investment.

3.4 Research & Reference Libraries

As libraries which serve a City-wide catchment area, several of the indicators which are used to score DL and NL within the Prioritization Framework may not be applied to the either R&R library. However, given the accessibility, utilization and prominence of these locations as landmarks within the City, it is assumed that they are considered a high-priority and strategic facility investment.

Given the size and scale of these locations, however, it is difficult to weigh and compare their facility investment requirements to the NL and DL portfolios. Consider their impact on the 10-year SOGR backlog projections:

- ▶ The SOGR backlog at TRL is currently \$12.5 million. Identified as a recommended, un-funded Named Project, a \$22.3 million multi-year renovation program has been planned to begin in 2022. Without this major investment, the SOGR backlog at TRL is expected to grow to \$42.1 million over the 10-year period to 2028.
- ▶ North York Central Library is currently undergoing a major revitalization that will eliminate its SOGR backlog upon completion in 2020. Over the 10-year period to 2028, however, the SOGR backlog will then increase again to approximately \$8.0 million.
- ▶ Combined, these two (2) R&R libraries comprise nearly 23% of the total SOGR backlog projected for 2028.

Relative to a NL or DL that is either newly-built or recently-revitalized, until a major investment commitment is secured to support a complete revitalization and/or reconstruction, it should be assumed that on-going SOGR investments will be required at these locations.

³⁰ Potential Section 37 funding is identified for Agincourt in the 2019 Capital Plan and does not represent a Named Project.



SECTION

STEWART STREET

PORTLAND ST

WELLINGTON

VICTORIA SQUARE

FRONT STREET

RAILWAY

DIVISION





4. Facility investment



4. Facility investment

4.1 Aging stock

The age of the portfolio and corresponding capital cost associated with maintenance of facilities has been raised in several consultations as a key challenge for TPL. Marshall Valuation Service (“MVS”) indicates a typical useful life of 40 to 60 years³¹ for public library facilities across North America. This suggests that a significant portion of TPL’s portfolio is at or reaching its useful life, with a weighted average branch age of 44 years. Compared to other libraries across the country, 74% of TPL’s branches are over 31 years old which is 14% greater than the national rate of 60%.³²

More than 62 branches or 70% of the portfolio footprint were constructed prior to 1980, including TRL which was constructed in 1977 and represents 23% of the portfolio footprint. In comparison to TRL, the North York Central library is 31 years old. The following chart illustrates the composition of the real estate portfolio by construction year:

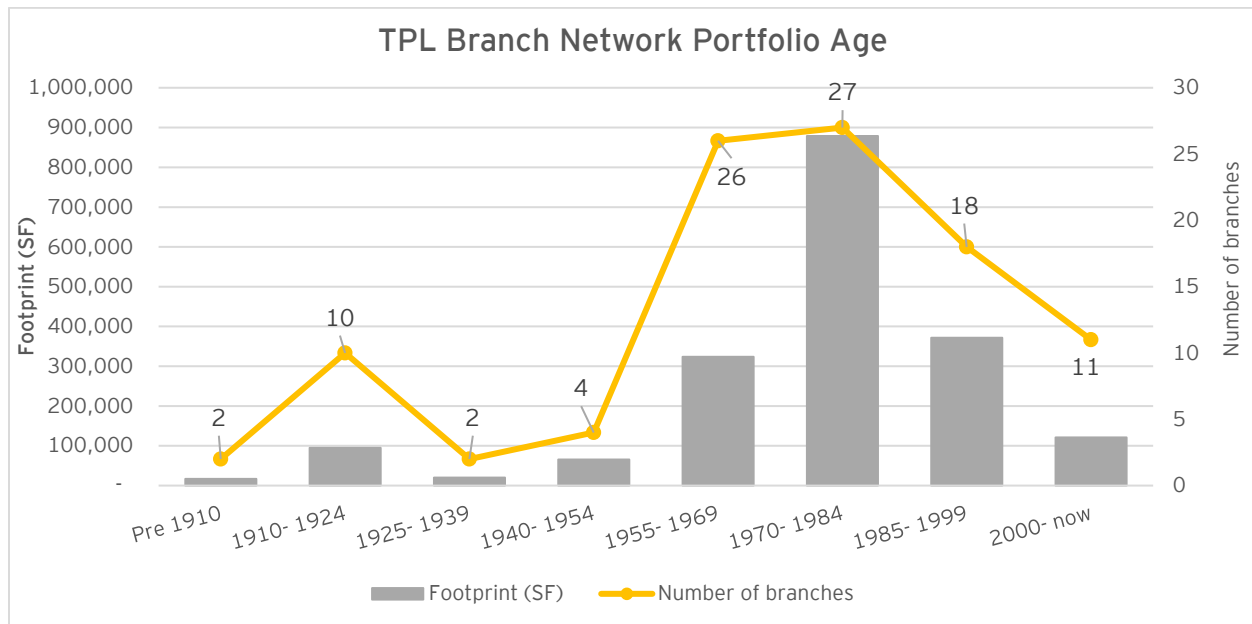


Figure 9 Age of TPL’s Branch Network

While ongoing lifecycle facility maintenance is part of the current TPL capital program, the age of the portfolio will continue to be a growing challenge and require increased capital investment on a go forward basis. Neglecting such maintenance could result in material deterioration of facilities, putting at risk the on-going utilization of branches as a significant community asset by limiting TPL’s ability to provide adequate space and service to the general public.

³¹ Marshall & Swift, Marshall & Swift Valuation Service (December 2016), Section 97 Page 13.

³² Canadian Infrastructure, *Canadian Infrastructure Report 2016*, http://canadianinfrastructure.ca/downloads/Canadian_Infrastructure_Report_2016.pdf.



Through consultation with the TPL facilities team, we were provided with further perspectives on specific SOGR backlog items and building component costing data which had been updated from the 2014 Stantec BCAs.

Using this updated branch-level data provided by TPL, a portfolio-Wide Adjusted SOGR Backlog Estimate (“**Adj. SOGR Backlog**”) of \$101.1 million was assumed for year-end 2018, which accounts for the Multi-Branch Investment program.

Using the 2018 Adj. SOGR Backlog estimates for 2018 prepared by TPL, EY analyzed an adjusted 10-year forecast of Adj. SOGR backlog using Stantec’s lifecycle maintenance budgets and TPL’s 10-Year 2019-2028 Capital Budget items. With this analysis, the SOGR backlog is expected to grow to over \$189.3 million by 2028 under the current level of funding.

As noted, as part of this FMP process, the TPL facilities team undertook a review of the 2014 Stantec BCAs, and prepared updated Adj. SOGR Backlog estimates which were higher than those previously reported by TPL.

Outlined below is the composition of current and estimated 10-year Adj. SOGR, broken out by service level:

Service Tier	# of Branch	Adj. SOGR (2018 est.)	Adj. SOGR (2028 est.)
Reference Libraries	2	~\$12.7 million	~\$50.2 million
District Libraries	17	~\$30.2 million	~\$57.5 million
Neighbourhood Libraries	81	~\$58.2 million	~\$81.8 million
Total		~\$101.1 million	~\$189.3 million

Figure 10 TPL’s SOGR backlog by service tier.

Relative SOGR Burden

As 60% of TPL’s branches were built in the 1970s or earlier, building components are now nearing the end of their useful lives and will require replacement or major overhaul in the next ten (10) years. The large portion of lifecycle replacement may be explained through underfunding and the resultant insufficient, systematic upkeep of facilities.

It is both imperative and strategic for TPL’s capital funding to be maintained, but also increased in order to prevent a surge in the SOGR backlog. An increasing backlog may impose long-lasting financial and operational impacts. Failure to address SOGR backlog will lead to higher capital costs in the long-term as additional building components can no longer be maintained rather would require costly replacements. Further, out-dated inefficient energy systems could lead to much higher operating costs that surpass the expense of a replacement.

As outlined on the following page, TPL’s SOGR backlog is increasing at a faster rate than other City divisions or agencies. With additional debt funding, the SOGR backlog would increase at a lower rate compared to the current. However, the total backlog will still remain above most of the other departments/agencies, largely due to the age of TPL’s building stock.

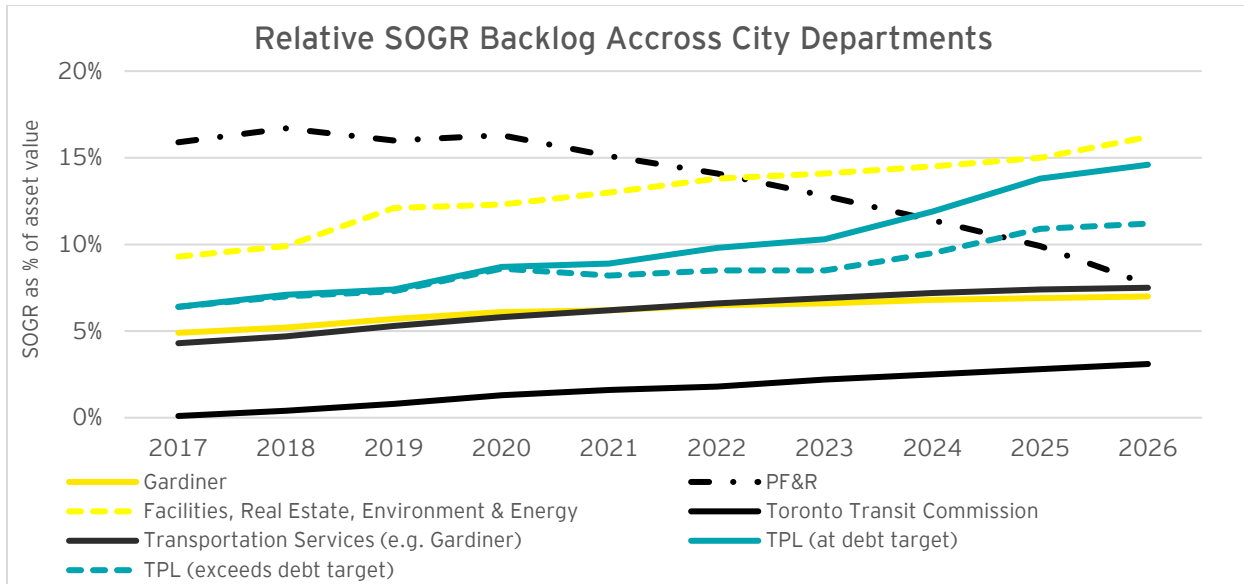


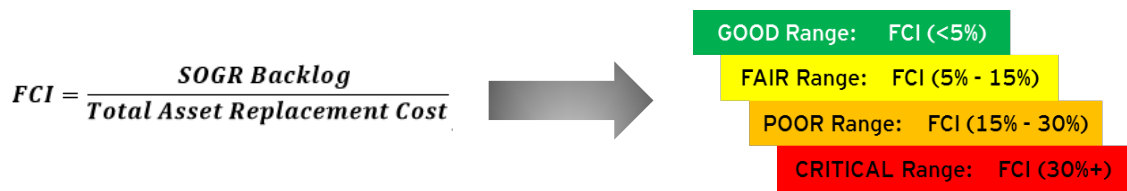
Figure 9 SOGR backlog across City departments.³⁶

4.3 FCI Assessment

A challenging but critical component to strategic asset management is maintaining asset values throughout the building life cycle. With regular maintenance, preventive maintenance and timely capital repairs, it is possible to extend the life of a building. Determining when it becomes ineffective to invest further in an asset to sustain value, however, is a key question. An FCI is a widely used industry indicator that assists organizations answer this question. It allows owners to make informed decisions about the appropriate level of investment by assessing the ratio of deferred maintenance and repairs to the current replacement cost of the building.

FCI is calculated as the ratio of total repairs and capital replacements required against the full cost of replacement for the building at that same point in time. The calculation of FCI requires two (2) main inputs: the total cost for repairs and capital replacements at a given point in time and the total cost for asset replacement. With the respect to the TPL network, this calculation may be compared to the SOGR. To calculate the FCI, the estimated year-end 2018 SOGR backlog and estimated 2018 replacement cost were utilized.

The resulting FCI values may then be grouped by classification from “Good” to “Critical” range, as outlined below:



³⁶ TPL 2018-2027 Capital Budget and Plan Submission. *Chart 4: SOGR Backlog as % of Asset Value*. 25 September 2017.



Using the Adj. SOGR Backlog data provided by TPL, estimated FCI indication values were calculated based upon 2018 replacement cost data, as provided by TPL.³⁷ In addition, using the Board-approved, funded 2019-2028 10-Year Capital plan, a projected future condition rating was assessed using building component lifecycle budgets taken from the Stantec BCAs, and inflated replacement cost values.

A total of 47 branches have been identified in 2018 as being in “Poor” or “Critical” condition which typically indicates an immediate or near-term capital investment consideration. It should be noted that 15 TPL branches included in the 2019 10-year Capital Budget are classified as such. Please consult Appendix 7.1 for a detailed listing of individual branch scores.

As noted above, under the current level of approved funding, the 2018 Adj. SOGR backlog of \$101.1 million is expected to grow to \$189.3 million by 2028. As a result of this growth in the Adj. SOGR backlog, the number of “Poor” or “Critical” branches is projected to grow to 89 branches by 2028, representing a significant majority of the overall branch network.

Under the current funding scenario at levels that meet the City’s debt targets, the overall condition of the portfolio is expected to deteriorate significantly, with the portfolio-wide condition rating shifting to “Poor” condition by 2028 with a 24% FCI.

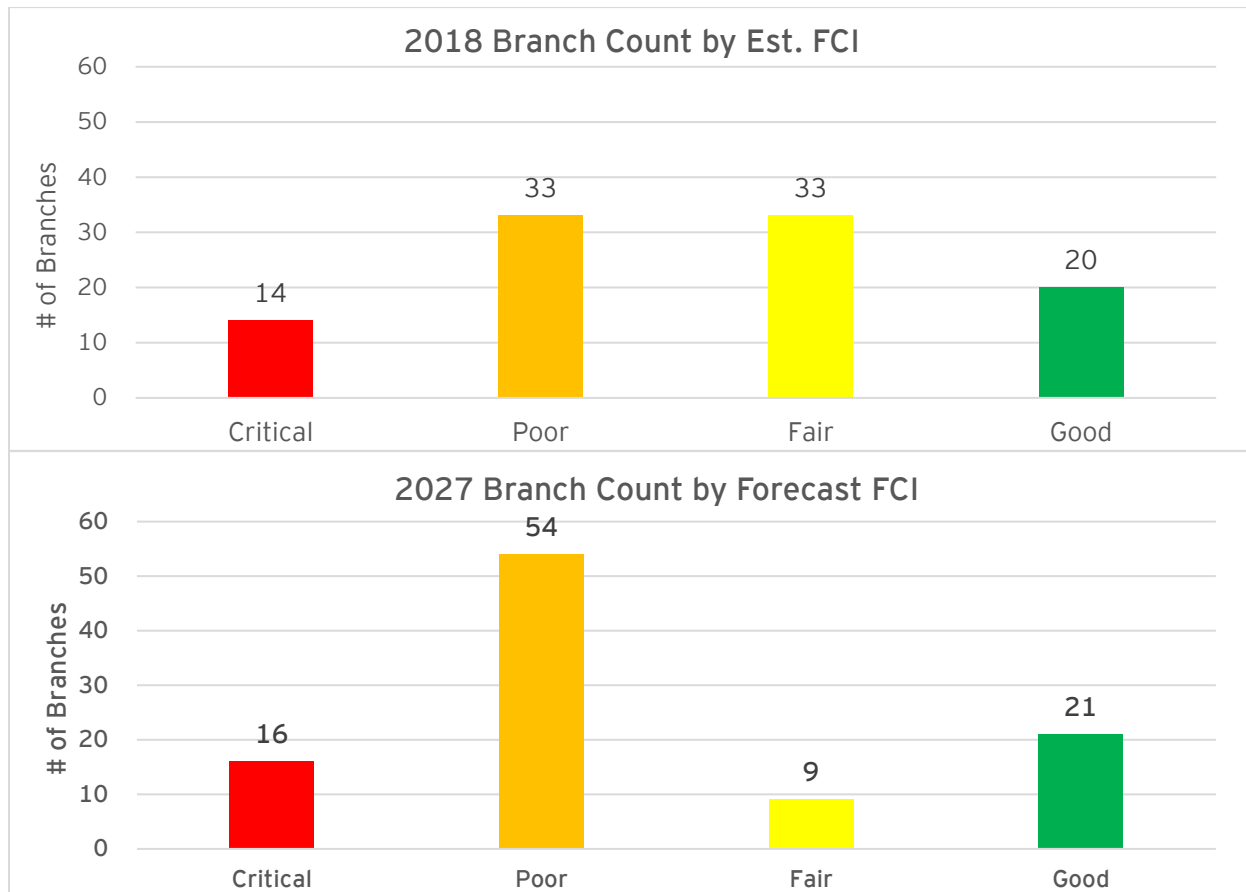


Figure 11 Current & Projected Branch Count by Facility Condition

³⁷ It should be noted FCI values were assessed at a high-level based upon information provided to EY.

4.4 AODA

The *Accessibility for Ontario with Disabilities Act* (“AODA”) is a provincial wide act governing accessibility standards across Ontario related to goods, services, facilities, accommodation, employment, building, structures and premises³⁸. The government has mandated complete provincial AODA compliance by 2025³⁹.

In response to the AODA, the City has created the Accessibility Design Guidelines to provide further guidance on the act as it relates to building design⁴⁰. This has been used by TPL to guide development of new facilities as well as renovation of existing facilities to meet AODA standards.

While newly constructed branches such as Albion and recently renovated branches such as Richview, Steeles and North York Central are compliant with both the AODA requirements and the City of Toronto standards, varying levels of capital investment will be required for the remaining portfolio.

Current costs associated with meeting the standard is approximately \$73.1 million for the TPL portfolio, with a breakdown of the relative cost burden across branch provided below. On average, the cost associated is \$47.79 PSF or approximately \$0.7 million per branch, a breakdown by cost ranges is illustrated below:

AODA Cost Per Branch	Number of Branches
Under \$100,000	8
\$100,000 to \$250,000	4
\$250,000 to \$500,000	44
\$500,000 to \$750,000	14
\$750,000 to \$1,000,000	6
Over \$1,000,000	24

Figure 12 AODA cost ranges.

In the absence of limited dedicated AODA implementation funding, meeting the provincial 2025 deadline will be challenging.

³⁸ Government of Ontario, *Accessibility for Ontarians with Disabilities Act 2015*, <https://www.ontario.ca/laws/statute/05a11>.

³⁹ Government of Ontario, *The Path to 2025: Ontario's Accessibility Action Plan* (June 20, 2017), <https://www.ontario.ca/page/path-2025-ontarios-accessibility-action-plan>.

⁴⁰ City of Toronto, *City of Toronto Accessibility Design Guidelines 2015* (April 28th, 2015), <https://www.toronto.ca/legdocs/mmis/2015/di/bgrd/backgroundfile-79193.pdf>.





5. Roadmap for capital investment





5. Roadmap for capital investment

5.1 TPL FMP Journey

The overarching goal in the development of a FMP for TPL was to assist the organization with guiding capital investments in the branch network, considering both current facility priorities as well as future planning.

Specifically, the following tactical outcomes were targeted for this project:

- ▶ Develop a mechanism that will assist TPL staff to determine which branches are a priority for investment;
- ▶ Enable strategic decision-making that aligns to the Strategic Plan goals and the provision of equitable access to library service across the City;
- ▶ Provide an investment roadmap over a 30-year timeframe which identifies specific investment recommendations such as branch revitalizations, expansions, or new branches; and,
- ▶ Confirm TPL's investment priorities over the short and medium term capital investment for the 2019 - 2028 period.

As detailed in this report, EY's process began with a current state assessment of the portfolio and considered the role of the library in the community and the City of Toronto. In addition to establishing baseline estimates of the current facility condition across the branch network, EY undertook a comprehensive review of the 2018 and 2019 10-Year Capital Budgets and Multi-branch SOGR program to better understand current investment priorities within the organization. In particular, an assessment of above-the-line projects identified as "Affordable" given the current level of funding in addition to the below-the-line projects identified as "Unaffordable" were studied in consultation with TPL.

As discussed in Section 3, a Prioritization Framework was developed as the key mechanism enabling TPL to achieve the overarching goal of this project. The scores which this Prioritization Framework produce are informed by a range of inputs which each respectively respond to specific FMP goals:

- ▶ Through an examination of leading practices in library design today, a perspective was developed on the core physical attributes which drive branch "functionality" and the "21st Century Library Experience", a core component of TPL's Strategic Plan. These attributes were used as evaluation criteria to drive investment priority through internally benchmarking branches based upon the current physical "bricks-and-mortar."
- ▶ In conjunction with the City's planning department, demographic projection data was analyzed to understand key high-growth nodes that will drive the future demand for library services across the City. This data was further employed to consider current and future "bricks-and-mortar" service level provision. Using a SF/capita ratio, an internal benchmarking analysis was undertaken to evaluate the equitable access and distribution of library space across the City.



- ▶ Using location attribute assessment scoring, we have informed this prioritization process by considering the likelihood that a branch’s current location will enable it to create community connections. Our analysis directed higher investment priority scores to branches prominently located in a mixed-use node with significant transit and local amenities. In addition, branches which were situated in somewhat isolated locations with few services/amenities with poor transit access scored high given the likelihood of the library acts as a focal point to create community connections.

5.2 Investment Roadmap Methodology

Using the Prioritization Framework, raw data for each of the evaluation indicators was inputted into an MS Excel-based tool which then calculates investment priority scores based upon a series of scoring ranges and weightings. The resulting portfolio-wide scoring distribution could then be assessed to determine relative an indications of investment priority informed by the multi-faceted, strategic and data-driven “evidence-based-approach”.

To illustrate this, visualized below is the current distribution of TPL’s investment scores, broken out by neighbourhood and district branches.

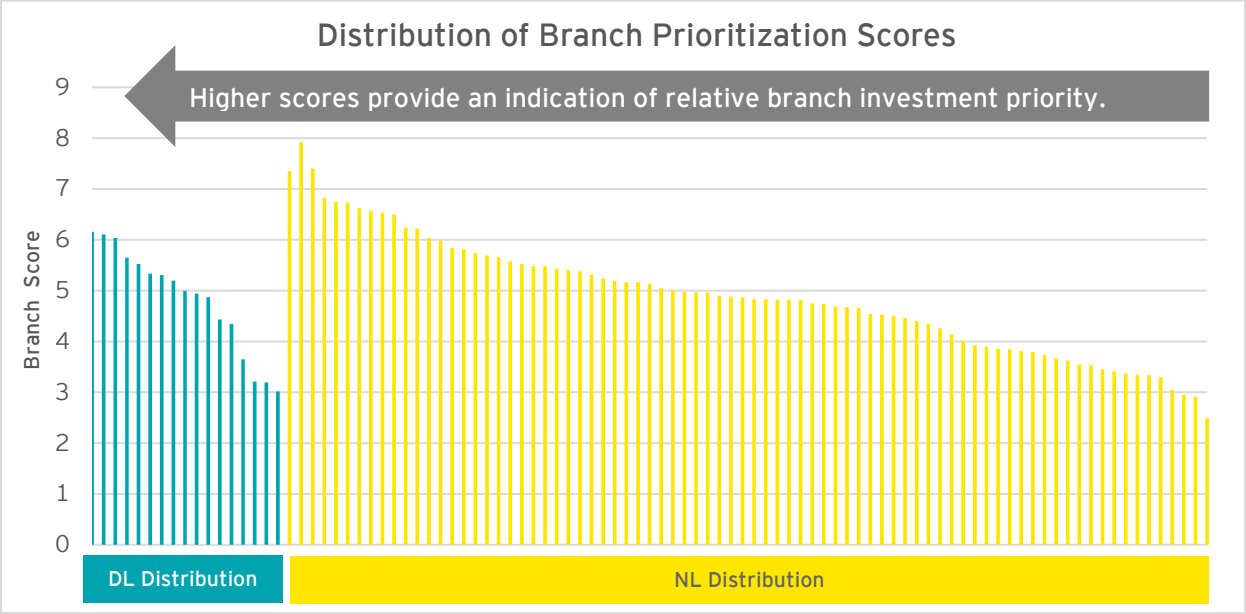


Figure 13 Distribution of District and Neighbourhood Branch Prioritization Scores

This tool over time may be employed by TPL to help guide future decision-making with scoring distributions employed as the guiding primary indicator of relative branch investment priority. Through an analysis of branch scores and related considerations, we can more easily identify which branches may be a candidate for “Named Project” or “Multi-Branch SOGR Investment”.

Named Project	Multi-year major capital investment project where a branch is fully renovated or newly constructed.
Multi-Branch SOGR Investment	Minor renovation project that is typically required to address lifecycle maintenance for the continued useful life of existing building components.



While the Prioritization Framework may act as a central guiding tool as part of an “evidence-based” approach to capital planning, there a number of other factors that must also be considered in parallel; standalone scores do not represent a business case. Where scoring distributions are particularly useful is conducting internal benchmarking where we can compare relative scores across the portfolio with a normal distribution of values⁴¹.

A segmentation of the neighbourhood and district libraries into equal quartiles of properties was conducted, with each quartile characterized by an increasing investment priority scores. Higher-scoring sub-groups are then identified as candidates for further investment consideration and/or business case development.

For the development of this FMP based upon a 30-year timeframe, our analysis was guided by the average score value of 4.82. Branches with a higher prioritization results were then considered an “above-average” investment priority, requiring further consideration. The table below presents the results of branches immediately above and below the average investment priority score value.

District Branches Mid-Range		Neighbourhood Branches Mid-Range	
Bloor Gladstone	5.20	Humberwood	4.82
Northern District	5.00	Pleasant View	4.82
Agincourt	4.94	Danforth Coxwell	4.82
Pape Danforth	4.87	Burrows Hall	4.75
Brentwood	4.43	Port Union	4.74

Sample Branch Analysis

Upon an examination of the branches with scores clustered around the average value of 4.82, we can develop a further perspective on what is driving the score and whether or not it would warrant further analysis and/or business case development. Factors beyond the prioritization score requiring further analysis to determine whether or not a branch is an investment priority may include any of the following, depending on the individual branch characteristics:

- ▶ Weighting amongst the operational, investment and market evaluation criteria, and impact on investment rationale.
- ▶ FCI estimates, even if the relative SOGR burden scores are low.
- ▶ Potential partnership opportunities in joint-use facilities, subject to co-tenancy arrangement.
- ▶ City-led redevelopment initiatives such as a proposed joint-use facility and/or redevelopment.
- ▶ Unique building qualities, such as being a listed heritage building or of some other cultural value.
- ▶ Neighbouring development activity which might impact user experience at current location.

⁴¹ Statistically speaking, with 66% of the sample within +/- 1 standard deviation of the average value, we can assume a normal distribution



The following two (2) examples represent at a high-level the analysis undertaken to assess whether or not it warrants inclusion in a capital plan, as informed by individual criteria scores derived from the Prioritization Framework. Each of the examples includes an extract of the final scoring tables, which have been shaded to reflect relative investment priority within the portfolio where red cells indicate criteria driving higher investment priority and green cells indicating lower investment priority.

Evaluation Criteria	Utilization	Functionality	SOGR	AODA	21st Century
<i>District Branches</i>	<i>Wtd. Score</i>	<i>Avg. Score</i>	<i>\$ Value</i>	<i>\$PSF</i>	<i>Avg. Score</i>
Bloor Gladstone	7.3	2.0	0.5	2.5	2.0

Evaluation Criteria	Demo. Growth	Service Level	Demo. Alignment	Location	
<i>District Branches</i>	<i>Growth Est.</i>	<i>SF/capita</i>	<i>NBHD Score</i>	<i>Transit Score</i>	<i>Walk Score</i>
Bloor Gladstone	10.0	10.0	5.0	10.0	10.0

- ▶ **Bloor Gladstone:** This branch’s above-average investment score is being driven by market-related factors such as location, demographic growth and service-level provision. Situated in a prime downtown location adjacent to several major residential developments, services, and transit, these high investment scores are expected. While the service level provision score indicates a possible expansion opportunity in a highly-utilized branch, all of the physical indicators score high; the branch has a relatively low SOGR burden, there is limited AODA upgrading costs and the branch is evaluated as having with good functionality in a space characterized by 21st Century library attributes. As such, based on the physical condition scores (this branch was renovated in 2009/2010), we would elect to exclude this branch from the Investment Roadmap as a Named Project.
- ▶ It should be noted, however, while the physical branch is not a candidate for a Named Project investment, it is a highly utilized location which should be monitored over time for Multi-Branch SOGR Investments related to the natural wear and tear of internal building components such as furniture and carpeting. This branch represents an example where individual scoring criteria such as utilization may assist in understanding future investment considerations.

Evaluation Criteria	Utilization	Functionality	SOGR	AODA	21st Century
<i>Neighbourhood Branches</i>	<i>Wtd. Score</i>	<i>Avg. Score</i>	<i>\$ Value</i>	<i>\$PSF</i>	<i>Avg. Score</i>
Port Union	6.1	2.0	2.2	7.5	2.0

Evaluation Criteria	Demo. Growth	Service Level	Demo. Alignment	Location	
<i>Neighbourhood Branches</i>	<i>Growth Est.</i>	<i>SF/capita</i>	<i>NBHD Score</i>	<i>Transit Score</i>	<i>Walk Score</i>
Port Union	0.0	10.0	2.5	10.0	10.0

- ▶ **Port Union:** While this branch’s “below-average” investment priority score would not indicate that it be included in the Investment Roadmap, the FCI estimate at this location is 35%, indicating the branch is in “Critical” condition. Upon further examination, the branch scores well in several physical indicator categories. The physical “Functionality” score is high and the branch offers an environment with attributes of the “21st Century Library” user experience. However, the SOGR and the AODA upgrade scores are quite high. Given the significant physical condition scores, this branch would be selected as a short-term “Multi-Branch SOGR Investment” within our 30-year Investment Roadmap.



Initial Investment Prioritization Summary

While select recent capital projects are excluded from the Investment Roadmap, investments are made across the network based on an “evidence-based” methodology to prioritization scoring.

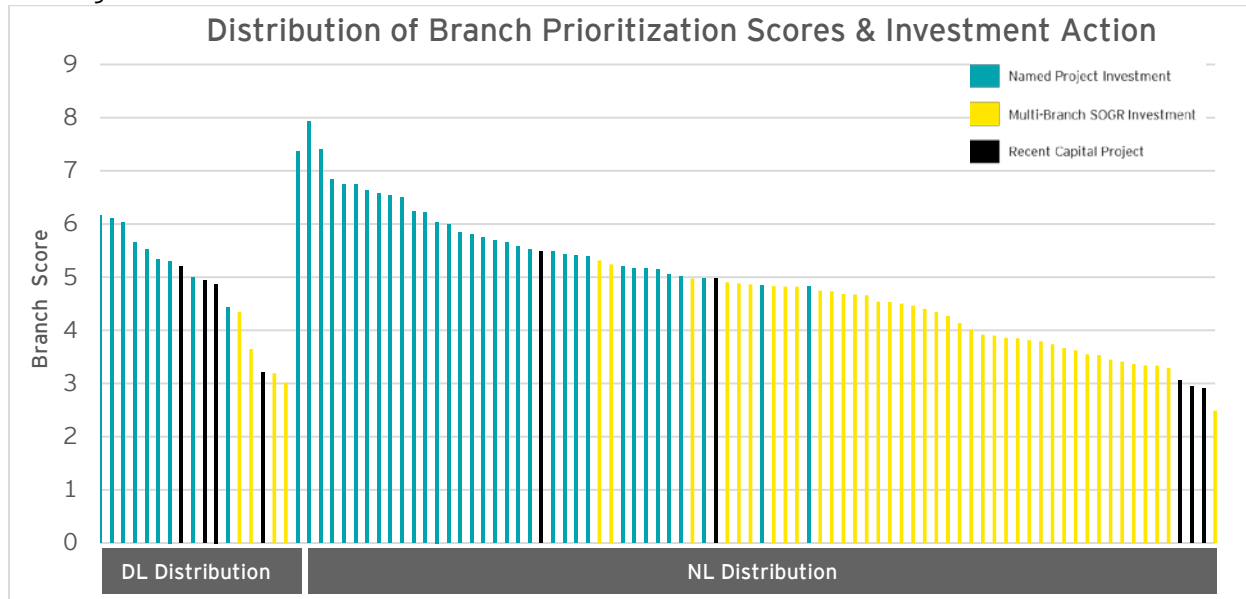


Figure 14 Initial Investment Prioritization Summary & Named Project Priority Summary

The following tables identify FCIs and Investment Scored for those branches which have been selected as Named Project investments within our investment plan, broken out by DL and NL. Excluded from our prioritization analysis are both R&R libraries which have been included in the investment plan, as well the two (2) net, new branches to the current TPL network.

Named Project Identification: District Libraries Selected		
DL Branch	FCI	Inv. Score
Albert Campbell	17%	5.33
Richview	7%	4.34
York Woods	22%	5.30
St. Lawrence	26%	7.36
Barbara Frum	15%	6.04
Lillian H. Smith	20%	6.10
Northern District	15%	5.00
Cedarbrae	9%	6.16
Don Mills	12%	5.53
Fairview	22%	5.65
Avg. Score - DLs Identified as Named Project	16%	5.68
Avg. Score - DLs excluded as Named Projects	6%	4.06



Named Project Identification: Neighbourhood Libraries Selected

DL Branch	FCI	Inv. Score	DL Branch	FCI	Inv. Score
Bayview	17%	5.41	Bridlewood	29%	5.57
Centennial	10%	6.56	Brookbanks	26%	6.74
Dawes Road	19%	5.69	Deer Park	14%	5.43
Guildwood	47%	6.22	Elmbrook Park	38%	5.99
High Park	61%	6.75	Evelyn Gregory	33%	5.05
Mimico	24%	5.19	Gerrard Ashdale	17%	5.14
Parliament	18%	6.53	Goldhawk Park	7%	5.17
Perth Dupont	100%	5.52	Humber Bay	45%	6.01
Rexdale	40%	6.50	Jones	23%	5.17
Sanderson	22%	7.92	Maryvale	13%	5.48
St. Clair Silverthorn	57%	6.83	Mount Pleasant	23%	5.66
Weston	37%	4.97	Spadina Road	31%	4.14
Wychwood	39%	4.84	St. James Town	21%	5.84
Armour Heights	6%	5.38	Yorkville	26%	7.40
Bendale	15%	5.74			
Avg. Score - NLs Identified as Named Projects				29%	5.83
Avg. Score - NLs excluded as Named Projects				13%	4.14

5.3 Investment Roadmap - Named Projects

With priority branches for major capital projects (“Named Projects”) identified, the associated investment action and timing priority may then be assessed to better understand cost considerations, service delivery impact and portfolio-wide characteristics. The evaluation is focused largely on analyzing the individual evaluation criteria (e.g. to determine whether or not an expansion may be supported) in addition to factors outside of the prioritization framework, such as:

Availability of Space

- ▶ Branches with available space and/or appropriate physical conditions to support a size increase were identified as candidates for expansion.

Service Gaps

- ▶ An analysis was performed to identify areas within the City which are currently being underserved to identify candidates for new branches.

Other City Agencies

- ▶ A review of PF&R’s FMP was performed to identify planned and contemplated facilities for possible co-location opportunities.
- ▶ Conversations were also held with other City agencies through the consultation process to identify potential partnership opportunities.

Named Project Investment Typologies

Seven (7) investment project typologies were identified for the classification of Named Project investments, as identified below. For each typology a further description of project characteristics has been provided herein, which includes sample branch analysis selected from one of the recommended Named Project investments identified on Page 48 and 49.

The following table provides results for existing branches broken out by each individual capital project typology, and excludes two (2) branches identified as net, new locations:

Revitalize			
Branch	Tier	FCI	Inv. Score
Fairview	DL	22%	5.65
Richview	DL	7%	4.34
Armour Heights	NL	6%	5.38
Deer Park	NL	14%	5.43
Elmbrook Park	NL	38%	5.99
Gerrard Ashdale	NL	17%	5.14
Weston	NL	37%	4.97
Yorkville	NL	26%	7.40
Toronto Reference Library	RR		
North York Central Phase 2	RR		
Expand			
Albert Campbell	DL	17%	5.33
Barbara Frum	DL	15%	6.04
Cedarbrae	DL	9%	6.16
Don Mills	DL	12%	5.53
Lillian H. Smith	DL	20%	6.10
Northern District	DL	15%	5.00
York Woods	DL	22%	5.30
Bayview	NL	17%	5.41
Bendale	NL	15%	5.74
Dawes Road	NL	19%	5.69
Evelyn Gregory	NL	33%	5.05
Flemingdon Park	NL	13%	6.24
Goldhawk Park	NL	7%	5.17
Guildwood	NL	47%	6.22
High Park	NL	61%	6.75
Mount Pleasant	NL	23%	5.66
St. James Town	NL	21%	5.84
Wychwood	NL	39%	4.84
New Construction/Reconstruction			
Brookbanks	NL	26%	6.74
Centennial	NL	10%	6.56

Board-Approved, Funded Capital Project

Board-Approved, Unfunded Capital Project



New Construction/Reconstruction			
Branch	Tier	FCI	Inv. Score
Jones	NL	23%	5.17
Mimico	NL	24%	5.19
Sanderson	NL	22%	7.92
Spadina Road	NL	31%	4.14
St. Clair Silverthorn	NL	57%	6.83
Relocate/Expand (New Construction)			
City Hall	NL	13%	6.62
Danforth Coxwell	NL	40%	4.82
Humber Bay	NL	45%	6.01
Parkdale	NL	8%	5.81
Parliament	NL	18%	6.53
Perth Dupont	NL	108%	5.52
St. Lawrence	DL	26%	7.36
Relocate/Expand (Fit-Out Required)			
Bridlewood	NL	29%	5.57
Maryvale	NL	13%	5.48
Relocate/Colocate			
Downsview	NL	41%	6.04
Rexdale	NL	40%	6.50

Board-Approved, Funded Capital Project

Board-Approved, Unfunded Capital Project

Sample Branch Typology Assessment

- ▶ **Revitalize** - For locations requiring a complete renovation to address the SOGR backlog and deficient building systems, AODA upgrading, and a revitalization of the interior space to improve functionality and alignment to the physical attributes identified for providers users with a 21st Century library experience.

Evaluation Criteria	Utilization	Functionality	SOGR	AODA	21st Century
<i>Neighbourhood Branches</i>	<i>Wtd. Score</i>	<i>Avg. Score</i>	<i>\$ Value</i>	<i>\$PSF</i>	<i>Avg. Score</i>
Weston	5.3	6.0	5.5	7.5	8.0

Evaluation Criteria	Demo. Growth	Service Level	Demo. Alignment	Location	
<i>Neighbourhood Branches</i>	<i>Growth Est.</i>	<i>SF/capita</i>	<i>NBHD Score</i>	<i>Transit Score</i>	<i>Walk Score</i>
Weston	2.0	2.5	10.0	2.0	2.0

- The Weston branch was identified as an “Above-Average” priority investment with a prioritization score of 4.97. Driving much of this score is the current physical condition of this heritage property, which has one of the highest SOGR backlogs among neighbourhood branches at nearly \$3.4 million, including AODA upgrade requirements. As a heritage property and one of TPL’s Carnegie libraries, there is significant cultural value to the restoration and continued maintenance of this location, which currently is assessed at being in “Critical” condition based on its FCI rating assessment. Additionally, the branch is situated



- With an investment prioritization score of 5.14, the Jones Neighbourhood branch has been identified as a “New Branch/Reconstruction” investment. This location sits in the heart of Leslieville, an area home to a significant population of young families with a strong community identity. A single-level branch built in the 1970s, there are significant physical environmental challenges as indicated by poor “Functionality”, “AODA”, and “21st Century Library” scores with an FCI condition indication of “Poor” with 25%. Given the significantly low service level provision, a reconstructed new branch has been recommended for this location to take advantage of its corner lot location in the heart of this strong, stable neighbourhood.

▶ **Relocate/Expand (new construction) - Relocate an existing branch to a new location (assessed on an individual basis) with the new construction of a replacement branch.**

Evaluation Criteria	Utilization	Functionality	SOGR	AODA	21st Century
<i>Neighbourhood Branches</i>	<i>Wtd. Score</i>	<i>Avg. Score</i>	<i>\$ Value</i>	<i>\$PSF</i>	<i>Avg. Score</i>
Humber Bay	4.6	8.0	1.3	10.0	10.0

Evaluation Criteria	Demo. Growth	Service Level	Demo. Alignment	Location	
<i>Neighbourhood Branches</i>	<i>Growth Est.</i>	<i>SF/capita</i>	<i>NBHD Score</i>	<i>Transit Score</i>	<i>Walk Score</i>
Humber Bay	2.0	10.0	2.5	2.0	10.0

- The Humber Bay branch has been identified as a capital investment priority largely due to growth-related considerations and the current “Critical” FCI condition indication. As identified in Section 1.3.6, this location is one of two (2) neighbourhood branches which serve the Park Lawn/Mimico nodes, one of the City’s largest growing areas. Given the current service provision levels, a relocation of this branch to a location TBD has been recommended to support the investment into library service capacity in an area which has and will continue to see dramatic demographic growth.
- Based on the current branch catchment areas, it should be noted that while the Humber Bay branch’s designated CTs may not be characterized as key high-growth CTs, the branch is located in the near vicinity of a key high-growth node, the Park Lawn/Mimico node. This demonstrates the importance of considering both individual catchment-level data as well as more general City development and growth patterns to understand where service level investments may be required.

▶ **Relocate/Expand (fit-out required) - When a fit-out is required to support the relocation or expansion of branches situated in leased locations (e.g. malls) where TPL is a commercial tenant.**

- Maryvale and Bridlewood are both recommended investment actions for branches situated in mall locations where only a tenant fit-out is required.

▶ **Net, New Branch - Addition of a newly-constructed net, new branch to network.**

- The Etobicoke Civic Centre and Portlands locations have been recommended as future net, new branches to the 100-branch network.

▶ **Relocate/Colocate - Where a co-location opportunity has been identified, branches will be identified as a new construction requirement at a joint-use facility.**

- To better understand potential colocation opportunities, EY consulted with the PF&R FMP, and had informal discussions with CreateTO.

- Initial observations would indicate that relocation opportunities may exist for the Rexdale and Downsview branches into planned joint-use, co-located facilities with initial public plans and progress on these projects should be monitored.

Named Project Investment Priority

To determine the timing of Named Projects within our 30-year investment roadmap implementation period, a variety of factors have been considered, including the current level of facility condition, investment prioritization scoring, as well as more external factors such as the emergence of a City-led initiative (e.g. Etobicoke City Centre) or projected planning periods for high-growth areas. (e.g. Portlands).

For planning purposes, investment priority has been delineated into three (3) timing horizons; Horizon A, Horizon B, and Horizon C. Given the multi-year nature of TPL's capital projects, and the reality that over time a variety of external factors may influence the relative priority of timing in branch investment.

While timing horizons may be considered indications of relative priority, the overall Investment Roadmap should be communicated as the investment goal with all investment priorities identified. Timing priorities are indications of relative priority based on current levels of funding and financial capacity as well as equitable City-wide distribution of capital investments projects.

Outlined on the following page are the results from our investment prioritization exercise, which includes summary statistics outlining average FCI estimates and prioritization scoring across the three timing horizons.



Horizon A Priority			Horizon B Priority			Horizon C Priority		
District Libraries	FCI	Inv. Score	District Libraries	FCI	Inv. Score	District Libraries	FCI	Inv. Score
Albert Campbell	17%	5.33	Barbara Frum	15%	6.04	Cedarbrae	9%	6.16
Richview	7%	4.34	Lillian H. Smith	20%	6.10	Don Mills	12%	5.53
York Woods	22%	5.30	Northern District	15%	5.00	Fairview	22%	5.65
St. Lawrence	26%	7.36	Etobicoke Civic Centre			Neighbourhood Libraries		
Neighbourhood Libraries			Neighbourhood Libraries			Armour Heights	6%	5.38
Bayview	17%	5.41	City Hall	13%	6.62	Bendale	15%	5.74
Centennial	10%	6.56	Danforth Coxwell	40%	4.82	Bridlewood	29%	5.57
Dawes Road	19%	5.69	Downsview	41%	6.04	Brookbanks	26%	6.74
Guildwood	47%	6.22	Flemingdon Park	13%	6.24	Deer Park	14%	5.43
High Park	61%	6.75	Parkdale	8%	5.81	Elmbrook Park	38%	5.99
Mimico	24%	5.19	Port Lands			Evelyn Gregory	33%	5.05
Parliament	18%	6.53	Research & Reference Libraries			Gerrard Ashdale	17%	5.14
Perth Dupont	100%	5.52	Toronto Reference Library			Goldhawk Park	7%	5.17
Rexdale	40%	6.50	Average Score			Humber Bay	45%	6.01
Sanderson	22%	7.92		21%	5.83	Jones	23%	5.17
St. Clair Silverthorn	57%	6.83				Maryvale	13%	5.48
Weston	37%	4.97				Mount Pleasant	23%	5.66
Wychwood	39%	4.84				Spadina Road	31%	4.14
Research & Reference Libraries						St. James Town	21%	5.84
North York Central Phase 2						Yorkville	26%	7.40
Average Score						Average Score		
	34%	5.96					21%	5.64

- Board approved, funded capital project.
- Board approved, un-funded capital project.

Figure 15 - Named Project Investment Roadmap

5.4 Investment Roadmap - Multi-Branch SOGR

In addition to the prioritization of Named Projects, it is equally important to consider lifecycle maintenance for all branches which are not subject to a major capital investment over the timeframe of our 30-year investment plan. Investment in these branches will be required in addition to the investments in Named Projects to maximize the economic life of these physical assets and address the growing SOGR backlog.

While these branches' overall investment scores are lower relative to those selected as a Named Project, each of these locations represents a valuable community asset warranting investment to ensure consistent service levels across the City.

It should be noted that over time and as branch renovations are completed, their relative investment priority as a candidates for major capital investment will decrease. Particularly, scores for physical attributes such as the level of relative SOGR and AODA upgrade cost, branch "Functionality" and "21st Century Library" user experience will all decrease significantly so lower-scoring branches today will become highest-ranking priorities over time. Implementing a Prioritization Framework into the capital planning process provides a mechanism to ensure a fair distribution of investments over time and across the network.

As outlined on the following page, branches in this investment category have been segmented across similar timeframes of Horizon A, B, and C, based upon the FCI condition rating assessment.



Horizon A Priority			Horizon B Priority			Horizon C Priority		
Neighbourhood Libraries	FCI	Inv. Score	District Libraries	FCI	Inv. Score	District Libraries	FCI	Inv. Score
Locke	44%	4.83	Pape Danforth	19%	4.87	Malvern	7%	3.65
New Toronto	25%	3.63	Neighbourhood Libraries			Maria A. Shchuka	7%	3.19
Pleasant View	28%	4.82	Forest Hill	16%	3.86	S. Walter Stewart	2%	3.02
Port Union	35%	4.74	Hillcrest	17%	4.97	Neighbourhood Libraries		
Queen Saulter	37%	4.90	Humber Summit	24%	3.45	Alderwood	12%	3.90
Riverdale	28%	3.34	Long Branch	23%	4.01	Amesbury Park	14%	3.54
Taylor Memorial	27%	3.92	Main Street	19%	4.53	Annette Street	14%	3.55
Average Score	30%	4.31	McGregor Park	18%	5.32	Beaches	3%	3.34
			Morningside	12%	4.50	Black Creek	7%	4.46
			Oakwood Village	17%	3.41	Burrows Hall	5%	4.75
			Palmerston	24%	4.40	Cliffcrest	5%	3.80
			Woodview Park	21%	4.67	College Shaw	8%	4.66
			Average Score	19%	4.36	Davenport	6%	3.67
						Dufferin St. Clair	2%	4.54
						Fort York	0%	3.81
						Highland Creek	10%	4.86
						Humberwood	9%	4.82
						Jane Dundas	3%	3.37
						Jane Sheppard	5%	4.26
						Kennedy Eglinton	9%	4.68
						Leaside	4%	2.49
						Northern Elms	7%	4.35
						Runnymede	6%	3.29
						Swansea	11%	3.85
						Thornccliffe	7%	5.24
						Victoria Village	14%	4.88
						Woodside Square	3%	3.90
						Average Score	7%	3.99

Figure 16 Multi-Branch SOGR Investment Roadmap

5.5 Funding the Investment Roadmap

Canada's public library systems feature organizational structures that differ from jurisdiction to jurisdiction. Library funding in over half of Canada's provinces, including Ontario, is largely funded by municipal governments. As a result of the limited funding by municipalities, libraries have typically responded with reduced hours, diminished services, and cuts to staffing levels and /or locations of library branches. The financial pressures faced by public library systems has encouraged the serious consideration of all possible options and innovations to ensure the viability of continued operations.

Based on independent research and consultations, access to capital continues to be a challenge across all branch networks. In addition, the aging inventory of the City poses challenges for organizations like TPL and others to prioritize the capital they do receive in the most efficient and effective manner to ensure the citizens of Toronto benefit from the investment. Opportunities exist in high growth neighbourhoods where funding is available for expansions to satisfy growth forecasts. For regions not experiencing strong growth, there are additional obstacles to overcome to receive funding.

TPL's funding for capital projects is largely driven by three (3) sources: City-debt targets, development charges; and Section 37 funding.

- ▶ **City-debt targets** - the City publishes debt targets upon which TPL is directed funding to direct towards its capital program.
- ▶ **Development charges** - development charges are collected by the City when new residential and commercial projects are built to fund the required public infrastructure supporting growth. As a municipal social service, TPL's capital program is routinely a major recipient of these funds in growing areas of the City.
- ▶ **Section 37 funding** - in some development projects, Section 37 funding is negotiated as part of the planning process whereby increases in density and/or height may be offered in exchange for funding provisions, which may be directed towards library capital projects. Section 37 funding is the only source available in high-growth areas. This presents a challenge in slower growth areas where these strong, stable sources of capital funding are not available.

Capital funding from the City and Section 37 are major factors impacting facility conditions of the 100-branch network. Decreases in funding levels would lead to higher levels of SOGR backlog and a greater number of branches falling into poor or critical conditions. In contrast, increases in funding would improve branches' overall condition and provide revitalization or expansion opportunities.

TPL's current 10-year 2019-2028 Capital Budget and plan includes Board-approved and funded capital spending of \$242.2 million of capital spending which is comprised of \$182.6



million allocated for Named Projects in addition to the nearly \$59.6 million for its Multi-Branch SOGR Renovation Program.

The 2019-2028 Capital Budget also includes Board-approved Named Projects and SOGR investments which are not funded under the current TPL capital funding framework. Over the 10-year period, costs for these “below-the-line” project comprise \$14.1 for Named Projects and \$0.5 million for select SOGR investments.

Avg. Annual Spend: TPL 10-Year 2019-2028 Capital Budget	
Board-Approved, Funded Projects	
Named Projects	\$18.2M/year
Multi-Branch SOGR Renovation Program	\$5.9M/year
Board-Approved Funded Avg. Annual Spend	\$24.2M/year
Board-Approved, Unfunded Projects	
Named Projects	\$14.1M/year
Multi-Branch SOGR Renovation Program	\$0.5M/year
Total - Unfunded	\$14.6M/year
Board-Approved Unfunded Avg. Annual Spend	\$38.8M

Figure 16 Current Board-Approved Funded & Unfunded Annual Capital Spend

In order to assess the financial capability to deliver on the recommended 30-Year Investment Roadmap, approximate order of magnitude capital costs have been developed to compare against the current TPL funded and unfunded capital budgets. Using comparable data from recently-executed capital projects at TPL, average unit costs (\$/SF) for Named Projects have been estimated based on the branch size and project type.

In addition to Named Projects, funding required over the 30-Year implementation timeframe to support portfolio sustainability over the long-term with the Multi-Branch SOGR Program was considered. Using a 30-year forecast, this annual calculation has been based upon targeted public-sector industry guidelines of 2.00% of replacement costs. The table below outlines the results of this analysis on an aggregate basis over the 30-year investment timeframe.

Avg. Annual Spend: Recommended 30-Year Investment Roadmap ⁴²	
Named Projects	\$21.0M/year
Multi-Branch SOGR Renovation Program	\$13.9M/year
Total Recommended Avg. Annual Spend	\$34.3M

Figure 17 Recommended Investment Roadmap Annual Spend

⁴² Order of magnitude estimates. All costs are in 2018 dollars and have not been adjusted for inflation.

Current Capital Funding Gap

The results of our financial analysis would indicate 30-year total project costs of \$631.1 million for Named Projects and \$416.5 million for Multi-Branch SOGR Investments, which equates to \$34.4 million on an annual basis.

To assess the current capital funding gap for implementation of this program, EY considered the currently approved annual funding levels as a proxy for expected levels of funding over the 30-year period. Acknowledging this is an estimated amount and subject to change based on future funding conditions, this “Estimated Funding Outlook” value provides an order of magnitude indication of the level of funding gap based upon the current financial environment and approved near-term funding levels.

Using the approved funding within the current 10-year 2019-2028 Capital Plan as an assumed indication of future funding availability, a 30-year projection of the aggregate funding gap was assessed to consider current affordability for the recommended Investment Roadmap.

30-year Funding Gap Analysis	
Named Projects	
Estimated Funding Outlook	\$548.0M
Recommended Investment Projects	\$631.1M
Total Funding Gap - Named Projects	\$83.1M (\$2.7M/year)
Multi-Branch SOGR Renovation Budget	
Estimated Funding Outlook	\$178.8M
Recommended Investment Program	\$416.5M
Total Funding Gap - Multi-Branch SOGR	\$237.7M (\$7.9M/year)
Total Funding Gap	\$328.8M (\$10.7M/year)

Figure 18 30-Year Funding Gap Analysis

Based upon EY’s high-level future funding outlook assumptions and order-of-magnitude project costs, increased and/or alternative capital funding will be required to support recommended investments that will secure City-wide service delivery levels, AODA upgrade requirements, and the continued implementation of TPL’s strategic goals.

Real Estate Operating Costs

While the scope of TPL’s FMP was focused on capital funding, an analysis to understand the operating impact of recommended projects was conducted. Using data from TPL’s 2017 Actual operating statements, an average operating cost of \$11.51 psf was calculated.⁴³ Using the expanded portfolio size of approximately 2,008 million sf, an increase of 173,000 sf is estimated to yield an annual cost increase of \$1.9 million per year upon full implementation.

⁴³ The 2017 Actual operating statements include a line item entitled “Services & Rent” which includes items such as common area building maintenance, grounds keeping, and janitorial contracts.





6. Recommendations

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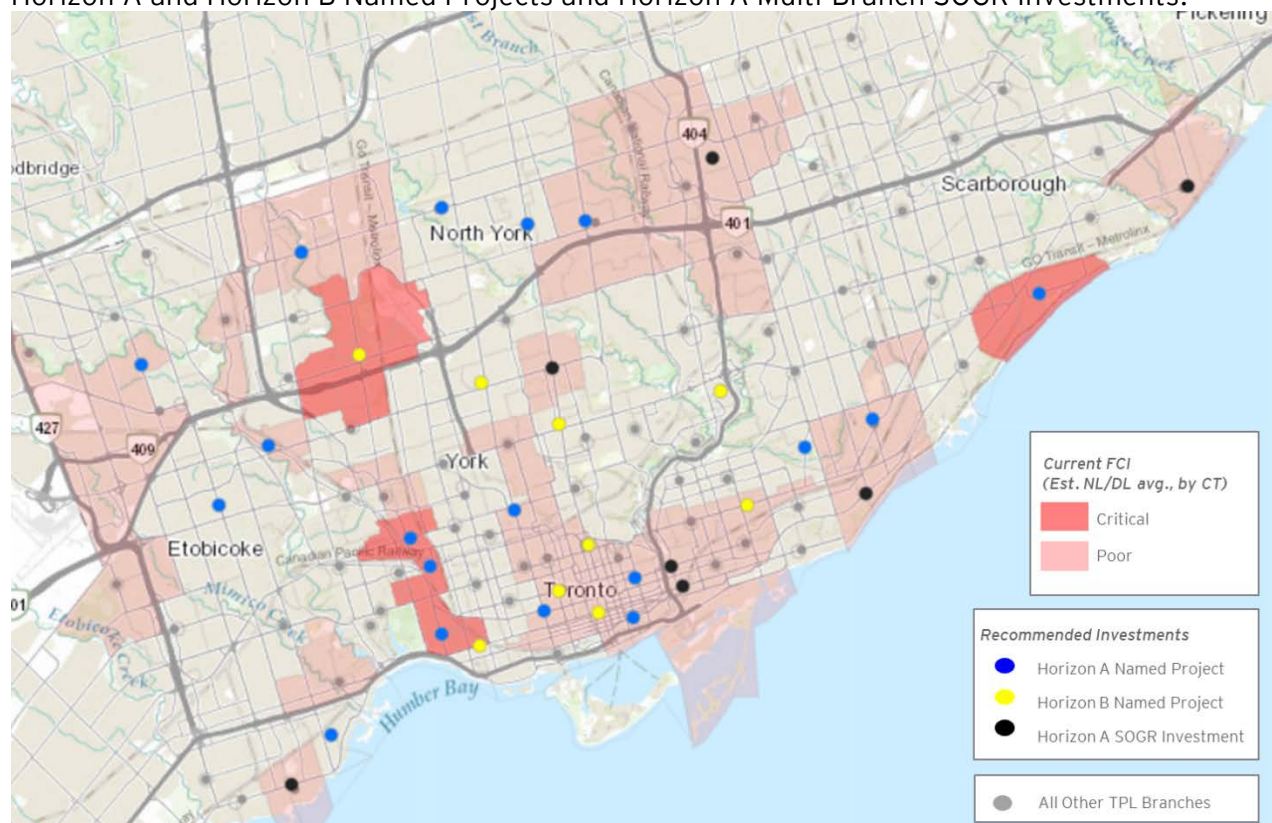
6. Recommendations

6.1 Facility Investment

From a facility investment perspective, based upon the results of this FMP analysis under within the current funding environment, TPL may consider this FMP's 30-year Investment Roadmap as an independent confirmation of the organization's recommended investments within their current 2019-2028 10-Year Capital Plan. It should be noted that two (2) branches were identified as short or near-term priorities which were not included within their capital budget; Rexdale and Flemingdon Park. These branches should be considered by TPL as potential candidates for investment and future inclusion in the organization's capital plans.

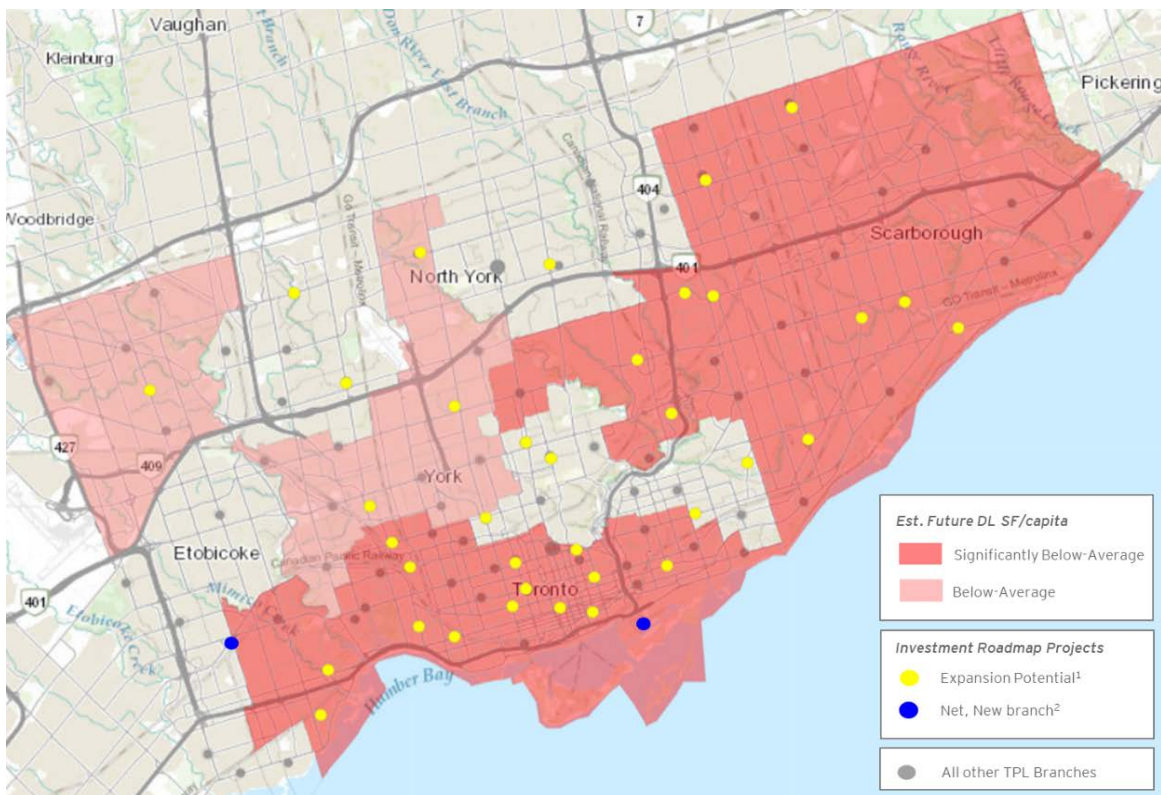
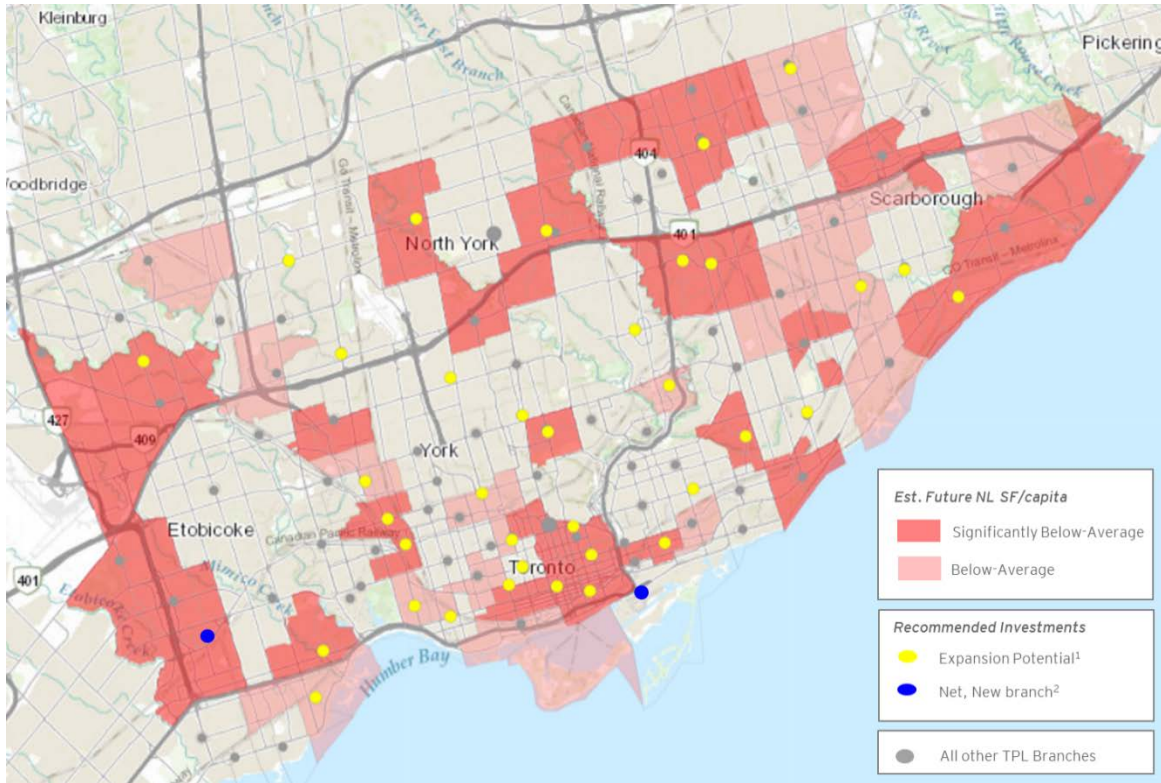
To evaluate this recommended investment program on a City-wide basis, a series of maps have been developed to consider City-wide equitable distribution of investment based upon physical condition, demographic growth, and community need.

The map below projects physical condition across CTs where each CTs respective district and neighbourhood libraries' FCI rating was averaged and then characterized by an overall "Poor" or "Critical" condition rating. Given the immediacy of investment in facilities which are deteriorating and at risk of limiting user experiences, overlaid on this data is the current Horizon A and Horizon B Named Projects and Horizon A Multi-Branch SOGR Investments.



Based upon a visual examination of this data, it would appear that from a physical condition perspective, there does not appear any gaps in immediate investment priority across the City.

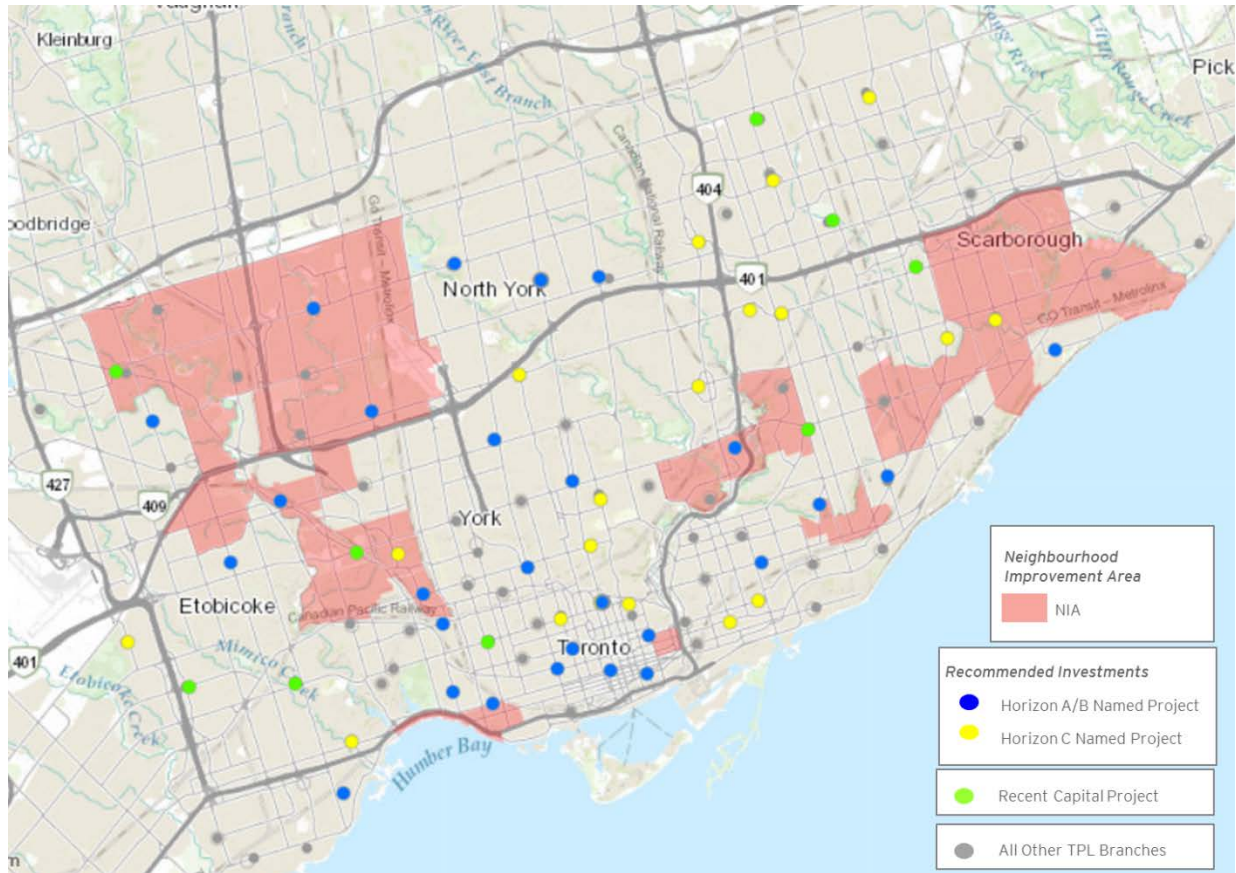
To assess the ability of the current network to support growth, the SF/capita ratio enables the consideration of branch capacity. Outlined below are respective distributions of projected future SF/capita ratios based upon population projections prepared by the City.





Based upon a visual examination of the demographic growth data, there does not appear to be any major gaps in future service level provision. The data indicated that sufficient City-wide investment coverage given the current range of expansion projects or the potential for expansion in areas of significantly below or below-average service level provision, as defined by their SF/capita ratios.

While the inclusion of Neighbourhood Index Scores in the Prioritization Framework provides an input to reflect community need, to further consider City-wide investment in priority neighbourhoods, projection of the City's NIAs was prepared which overlaid both recent capital projects and those planned within the recommended 30-year timeframe have been identified.



Based upon a visual examination of this data, there does not appear to be any City-wide investment gaps in NIAs based on recent capital projects and the Investment Roadmap, which is consistent with the evaluations of future service level provision and immediate physical condition investment requirements.

Recommendation 1: TPL should pursue the facility investments which have been identified over the 30-year timeframe within this FMP, including both recommended Named Projects as well as an increased Multi-Branch SOGR investment budget.

Recommendation 2: TPL requires increased Multi-Branch SOGR investment to address the growing SOGR backlog. Industry norms of 2.00% of facility replacement cost should be adopted by the organization as a mechanism to prevent service interruption and higher-cost building component failure which may occur as the age of TPL facilities reached the end of their economic useful life.

Recommendation 3: TPL should assess the business case for investment in Rexdale and Flemingdon Park branches as Named Projects which have been identified as Named Projects in the recommended Investment Roadmap.

Net, New Libraries & TPL's Future Branch Network

Included within the recommended Investment Roadmap are two (2) proposed net, new branches; the Etobicoke Civic Centre and Portlands locations. It should be acknowledged that as an organization through its 2005 Planning Framework for TPL's Capital Program, it was communicated at that time that the 100-branch network would not be extended, and that services were to be enriched at existing locations. However, significant city-building and growth-related factors are driving the important decisions to plan for investment in these net, new branches.

Given the uniqueness of each opportunity, an increase of two (2) additional branches to the 100-branch network is recommended. Further net, new branches however are not likely to be supported over the timeframe of this FMP given the significant investment requirements within the current portfolio. To confirm this, TPL may employ SF/capita data to better communicate the impact of proposed net, new branches upon service level provision. Only in cases where the population level of a current catchment area increases to a size that is double the prescribed service population within the SDM would it be appropriate to consider a net, new branch. However, even in these circumstances an expansion of an existing location may be preferred to maximize investments across the portfolio.

Based upon an assessment of future growth in the City as previously discussed, the recommended expansion projects within the Investment Roadmap will, in our view, provide sufficient coverage over the mid to long-term.

Recommendation 4: The current portfolio and proposed investments have been assessed as adequately supporting coverage across the City to support future growth areas. As such, additional net new branches should not be prioritized given the level of investment required in the current portfolio. With the recommended addition of two (2) additional net, new branches, at the Etobicoke Civic Centre and the Port Lands, the TPL network will support growth over the 30-year period and no further additional net, new branches are recommended.

Recommendation 5: TPL should employ the use of catchment-level SF/capita data to assess net, new branch opportunities which may be presented to the organization.

Recommendation 6: In high-growth areas where service level provision is increasingly limited, TPL may consider adjusting its capital plan to include a branch expansion in the area or alternative service level enhancements such as increased operating hours.

Recommendation 13: Using the individual indicators (e.g. SF/capita, utilization) within the Prioritization Framework, TPL should consult internally to determine specific key metrics which may be considered to augment the guidelines within the Service Delivery Model.

6.3 Funding

Across City agencies it is acknowledged that securing incremental and sufficient funding to invest in the growing SOGR backlog as well as new facilities is a challenge. The impact of many facilities reaching or beyond their economic life limits funding across agencies. For TPL the impact is particularly challenging; as outlined in Section 4.2, TPL's SOGR burden is increasing at a faster pace relative to many other City agencies.

To execute this FMP, a funding gap of approximately \$10.7M/year exists above the funded 2019-2028 10-Year Capital Budget average annual spend. In order to fill this gap in funding, TPL will be required to either seek additional funding from the City or consider alternative strategies to advancing its investment priorities within this FMP.

Recommendation 14: TPL staff should develop a communications strategy with recently-elected Councillors to inform them on ward branch priorities, SOGR requirements as well as key performance indicators and the associated community and economic value of Library investment. In addition to the direction of potential Section 37 funding, Councillors may become an advocate for TPL.

Given challenges associated with receiving increased funding from the City, it is our view that TPL should be particularly focused on the assessing alternative funding strategies that may exist to support its investment priorities. This may include a partnership with other City agencies in a joint-use facility or with a developer on property owned by TPL. The organization benefits from an extensive branch network where significant value may be extracted through various partnership arrangements.

Recommendation 15: TPL should investigate the development of a pre-determined partnership model with associated guidelines that govern all facets of proposed projects - proposal evaluation, project design and procurement, operations and ownership structures. This could be developed in partnership with CreateTO.

Recommendation 16: TPL should use the this FMP's recommended Investment Roadmap as a communications tool to garner interest from prospective public and private-sector partners that may enable cost-effective or cost-neutral branch investments.

Recommendation 17: TPL should work closely with CreateTO as the co-ordinating real estate management agency for all City departments to explore potential partnerships.

Recommendation 18: Given the emergence of successful partnership arrangements among many public-sector bodies (e.g. CreateTO, TDSB, Toronto Community Housing), it is recommended that TPL undertake a more comprehensive consultation process with key stakeholders to understand recommended "go-forward" approaches and lessons learned.



7. Appendix





7. Appendix

7.1 Appendix A: FCI analysis

Branch	2018 Replacement	2018 Adj. SOGR Backlog	Est. FCI	Critical	Poor	Fair	Good
Agincourt	\$14,509,560	\$823,375	6%			X	
Albert Campbell	\$13,676,400	\$2,139,276	16%		X		
Alderwood	\$3,846,684	\$429,391	11%			X	
Amesbury Park	\$3,311,680	\$416,666	13%			X	
Annette Street	\$4,090,344	\$514,730	13%			X	
Armour Heights	\$1,565,712	\$80,107	5%			X	
Barbara Frum	\$23,223,156	\$3,085,656	13%			X	
Bayview	\$3,318,492	\$500,625	15%		X		
Beaches	\$4,192,000	\$124,808	3%				X
Bendale	\$4,454,000	\$589,890	13%			X	
Black Creek	\$3,029,768	\$198,643	7%			X	
Bloor Gladstone	\$10,808,548	\$329,420	3%				X
Brentwood	\$9,170,000	\$34,520	0%				X
Bridlewood	\$4,192,000	\$1,103,801	26%		X		
Brookbanks	\$4,156,892	\$1,001,800	24%		X		
Burrows Hall	\$3,406,000	\$154,811	5%				X
Cedarbrae	\$13,728,800	\$1,146,843	8%			X	
Centennial	\$3,597,784	\$331,136	9%			X	
City Hall	\$2,658,776	\$318,754	12%			X	
Cliffcrest	\$2,546,116	\$118,207	5%				X
College Shaw	\$4,015,936	\$283,968	7%			X	
Danforth Coxwell	\$5,039,308	\$1,839,668	37%	X			
Davenport	\$1,888,496	\$104,295	6%			X	
Dawes Road	\$3,406,000	\$601,080	18%		X		
Deer Park	\$21,049,604	\$2,751,306	13%			X	
Don Mills	\$11,299,012	\$1,227,350	11%			X	
Downsview	\$10,488,384	\$3,899,146	37%	X			
Dufferin St. Clair	\$5,872,992	\$102,133	2%				X
Eatonville	\$6,394,372	\$42,787	1%				X
Eglinton Square	\$5,240,000	\$0	0%				X
Elmbrook Park	\$1,886,400	\$652,939	35%	X			
Evelyn Gregory	\$3,248,800	\$970,420	30%		X		
Fairview	\$35,287,208	\$6,995,794	20%		X		
Flemingdon Park	\$3,799,000	\$464,471	12%			X	
Forest Hill	\$5,449,076	\$802,485	15%			X	

Branch	2018 Replacement	2018 Adj. SOGR Backlog	Est. FCI	Critical	Poor	Fair	Good
Gerrard Ashdale	\$3,408,096	\$515,062	15%		X		
Goldhawk Park	\$5,868,800	\$365,754	6%			X	
Guildwood	\$1,577,240	\$672,139	43%	X			
High Park	\$4,637,400	\$2,559,143	55%	X			
Highland Creek	\$3,668,000	\$329,258	9%			X	
Hillcrest	\$3,915,852	\$616,806	16%		X		
Humber Bay	\$1,257,600	\$509,824	41%	X			
Humber Summit	\$4,736,960	\$1,037,649	22%		X		
Humberwood	\$3,011,952	\$254,347	8%			X	
Jane Dundas	\$6,216,212	\$177,840	3%				X
Jane Sheppard	\$3,668,000	\$157,556	4%				X
Jones	\$1,905,264	\$398,742	21%		X		
Kennedy Eglinton	\$4,008,600	\$314,565	8%			X	
Leaside	\$6,288,000	\$205,281	3%				X
Lillian H. Smith	\$13,590,988	\$2,528,125	19%		X		
Locke	\$6,103,028	\$2,417,980	40%	X			
Long Branch	\$3,363,032	\$711,977	21%		X		
Main Street	\$4,539,936	\$766,337	17%		X		
Malvern	\$15,512,496	\$931,200	6%			X	
Maria A. Shchuka	\$13,348,900	\$902,155	7%			X	
Maryvale	\$2,626,288	\$307,582	12%			X	
McGregor Park	\$4,100,300	\$689,651	17%		X		
Mimico	\$9,153,756	\$2,030,016	22%		X		
Morningside	\$3,668,000	\$397,669	11%			X	
Mount Dennis	\$5,947,400	\$29,612	0%				X
Mount Pleasant	\$3,054,396	\$637,236	21%		X		
New Toronto	\$5,200,700	\$1,203,658	23%		X		
North York Central Library	\$88,043,528	\$1,258,429	1%				X
Northern District	\$61,544,848	\$2,615,394	4%				X
Northern Elms	\$2,038,360	\$124,234	6%			X	
Oakwood Village	\$9,049,480	\$1,425,288	16%		X		
Palmerston	\$4,450,332	\$982,204	22%		X		
Pape Danforth	\$4,283,700	\$741,643	17%		X		
Parkdale	\$12,619,492	\$939,631	7%			X	
Parliament	\$7,668,216	\$1,275,018	17%		X		
Perth Dupont	\$1,900,548	\$1,875,150	99%	X			
Pleasant View	\$3,668,000	\$933,971	25%		X		
Port Union	\$2,620,000	\$840,146	32%	X			
Queen Saulters	\$1,549,468	\$525,945	34%	X			

7.2 Appendix B: Facility triaging and prioritization results

TPL FMP Prioritization - Final Summary

<i>District Branch</i>	<i>Final Score</i>
Cedarbrae	6.16
Lillian H. Smith	6.10
Barbara Frum	6.04
Fairview	5.65
Don Mills	5.53
Albert Campbell	5.33
York Woods	5.30
Bloor Gladstone	5.20
Northern District	5.00
Agincourt	4.94
Pape Danforth	4.87
Brentwood	4.43
Richview	4.34
Malvern	3.65
Albion	3.21
Maria A. Shchuka	3.19
S. Walter Stewart	3.02

TPL FMP Prioritization - Final Summary

<i>Neighbourhood Branch</i>	<i>Final Score</i>
Sanderson	7.92
Yorkville	7.40
St. Lawrence	7.36
St. Clair Silverthorn	6.83
High Park	6.75
Brookbanks	6.74
City Hall	6.62
Centennial	6.56
Parliament	6.53
Rexdale	6.50
Flemingdon Park	6.24
Guildwood	6.22
Downsview	6.04
Humber Bay	6.01
Elmbrook Park	5.99
St. James Town	5.84
Parkdale	5.81
Bendale	5.74
Dawes Road	5.69
Mount Pleasant	5.66
Bridlewood	5.57
Perth Dupont	5.52
Steeles	5.48
Maryvale	5.48
Deer Park	5.43
Bayview	5.41
Armour Heights	5.38
McGregor Park	5.32
Thorncliffe	5.24
Mimico	5.19
Jones	5.17
Goldhawk Park	5.17
Gerrard Ashdale	5.14
Evelyn Gregory	5.05
Hillcrest	4.97
Weston	4.97
Eatonville	4.97
Queen Saulter	4.90
Victoria Village	4.88
Highland Creek	4.86

- TPL 2019-2028 Capital Plan - Named Project (funded)
- TPL 2019-2028 Capital Plan - Named Project (unfunded)
- Included as part of the multi-branch SOGR plan



TPL FMP Prioritization - Final Summary

<i>District Branch</i>	<i>Final Score</i>
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TPL FMP Prioritization - Final Summary

<i>Neighbourhood Branch</i>	<i>Final Score</i>
Wychwood	4.84
Locke	4.83
Humberwood	4.82
Pleasant View	4.82
Danforth Coxwell	4.82
Todmorden Room	4.80
Burrows Hall	4.75
Port Union	4.74
Woodview Park	4.67
College Shaw	4.66
Northern Elms	4.60
Dufferin St. Clair	4.54
Main Street	4.53
Morningside	4.47
Black Creek	4.46
Palmerston	4.40
Kennedy Eglinton	4.31
Jane Sheppard	4.26
Spadina Road	4.14
Long Branch	4.01
Taylor Memorial	3.92
Alderwood	3.90
Woodside Square	3.90
Forest Hill	3.86
Swansea	3.85
Cliffcrest	3.80
Davenport	3.67
New Toronto	3.63
Amesbury Park	3.54
Annette Street	3.52
Humber Summit	3.45
Fort York	3.44
Oakwood Village	3.41
Jane Dundas	3.37
Riverdale	3.34
Beaches	3.31
Runnymede	3.29
Mount Dennis	3.01
Scarborough Civic Centre	2.95
Eglinton Square	2.91
Leaside	2.47

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