

**THE GEORGINA PUBLIC LIBRARY BOARD
REPORT TO TOWN COUNCIL – GPL – 2018-01
FOR THE CONSIDERATION OF
COUNCIL
9 May 2018**

SUBJECT: PROPOSED MURC BRANCH LIBRARY SPACE NEEDS

1. RECOMMENDATIONS:

- I. That Council receive as information Report GPL-2018-01 prepared by the Georgina Public Library Board regarding the determination of space allocation for a branch library at the proposed Multi-Use Recreational Complex (MURC).
- II. That Council endorses the Georgina Public Library Board's recommendation for the construction of a branch library of approximately 10,000 square feet within the Multi-Use Recreational Complex (MURC) at an estimated cost of \$4,000,000 to \$4,500,000 based on a square footage cost of \$400 to \$450.
- III. That Council make it their intention to recover the additional Library capital costs related to having a 10,000 square foot facility into the next Development Charge By-Law in 2021 and that the Town Treasurer be directed to include these additional costs in the next Development Charge Background Study in 2021.

2. PURPOSE:

To provide Council with background information on the Library Board's recommendation for a branch library at the MURC location in south Keswick.

3. BACKGROUND:

- 3.1. In 2016, The Georgina Public Library Board commissioned a Library and Facilities Master Plan, to guide the development of the Library over the next 10 years. This plan included an assessment of the long-perceived need for a branch servicing the south end of Keswick. Although the original concept was for an "express branch" in the Recreation Facility needs Study (2014), the analysis by the Library's consultant recommended a full-service branch of 15,000 square feet. It is believed that the MURC branch would be a heavily used facility, and that South Keswick residents would view the MURC library branch as their "home branch", and expect the level of service to match that of the other branches.

- 3.2. The Town of Georgina commissioned a Development Charges Background Study (August 2016). The study estimated the total cost of the MURC project cost at \$30.68 million, with the Library's share as \$2.98 million (p. 78) based on the 10% of the total facility cost.
- 3.3. Discussions between the Library and Department of Recreation and Culture in May 2017 identified shared space opportunities that would reduce the proposed MURC branch library size from 15,000 to 10,000 square feet, while still realizing the Library Board's strategic goals to provide service levels consistent with other locations. The Library Board formally adopted the proposal of a 10,000 sq. ft. branch by resolution (GPL-2017-0053) at its Board Meeting on May 18, 2017.
- 3.4. On March 2, 2018, Mr. Marc Pourvahidi, Director of Special Capital Initiatives for the Town, made a presentation to Town Council on the MURC project. His presentation noted the inclusion of a branch library size of 5,100 square feet with the caveat that the Library Board would be approaching Council with a request for a 10,000 square feet branch.

4. **ANALYSIS:**

- 4.1. The Library currently provides 31,510 gross square feet of library space allocated among its three branches. On a system-wide basis, GPL currently provides 0.67 square feet per capita. Accepted professional guidelines for library space allocation established by the Administrators of Rural and Public Libraries of Ontario (ARUPLO) sets the standard at 1.0 square foot per capita, thus indicating a current and growing shortfall. The Library Services and Facilities Master Plan 2016 (p. 80) demonstrates this shortfall as follows:

GPL Current & Projected Space Shortfall			
	2016	2021	2031
Population	47,000	51,700	62,200
Total Sq. Ft. Available in 2016 (and Today)	31,510	31,510	31,510
Shortfall @ 1.0 Gross Square Feet / Capita			
Total Sq. Ft. Required by 1 Sq. Ft. /Capita	47,000	51,700	62,200
Shortfall in Gross Sq. Ft.	15,490	20,190	30,690
Shortfall in Assignable Sq. Ft*	11,618	15,143	23,018

*Assignable Sq.Ft estimated to be 75% of Gross Sq.Ft.

As the chart demonstrates, this shortfall in assignable space will only increase as the population continues to grow.

5. RELATIONSHIP TO LIBRARY STRATEGIC PLAN 2017-2021

This project supports the Library Board's strategic SPACES goal to "*actively work with the municipality in the design and construction of a new branch in the south end of Keswick*".

The Library Board's vision for the South Keswick Branch at the MURC envisions an inviting and comfortable branch that is flexible in design to adapt to the changing needs of the local community. The Board clearly recognizes the need for a dedicated space for Children's and Young Adult programming and collections, given the expected influx of new young families, as well as quiet study space and group study rooms for students, given the close proximity of 6 schools. As part of a community hub, the branch will provide comfortable seating for parents awaiting their children at swimming lessons or library programs, and a large programming venue of presentations and events. Adult services would be focused on a small popular lending collection of books, DVDs and books on CD. The Board also sees the branch as having a digital literacy component with a computer training lab, green screen media lab and makerspace.

The Library Board believes that a 10,000 square foot branch would incorporate all these needed services for the residents of South Keswick.

6. FINANCIAL AND BUDGETARY IMPACT:

6.1. Capital Costs

Based on a cost of \$400 to \$450 per square foot, a 10,000 square foot library space at the MURC will cost between \$4,000,000 and \$4,500,000. The current Development Charge By-Law that was approved in 2016 allocated 10% of the overall MURC costs to the Library, which equates to \$2,983,600. This amount will be funded by current development charge reserves of \$766,226, development charges that will be collected during the period 2016-2025 of \$1,560,254, future development charges that are anticipated to be collected post 2025 of \$358,760, and the remaining \$298,360, which is the legislative 10% reduction that can't be funded by development charges, would be funded by another source, such as a discretionary reserve.

Based on the additional square footage requested, there is a funding gap of approximately \$1,000,000 to \$1,500,000. There are three options proposed to fund the shortage:

1. Council could make it their intention to add the additional costs into the next DC Background study and By-Law which will be completed in 2021.

Advantages:

- The additional cost may be 90% recoverable from future development charges.
- The tax levy impact would be minimal.

Disadvantages:

- Due to restrictions on the amount of development charges that the Town can collect, these additional DC's would likely not be recoverable until the period 2026 to 2036.
- Council should be aware that if the population estimates do not occur, then it may take longer than expected to collect the additional DC's, and if that occurs, the remaining payments on the development charge related debenture may need to be paid for with the tax levy.

2. The increased amount could be funded from the Corporate Capital/New Infrastructure reserve. Currently the Town is setting aside approximately \$683,000/year to go towards the non-DC eligible portion of the MURC. There is currently enough money in the Corporate Capital/New Infrastructure reserve to cover the non-DC eligible portions of the MURC, so Council could reallocate this reserve contribution in 2019 and 2020 to go towards the Library.

Advantages:

- No future tax levy impact as the contribution is already in the base budget.

Disadvantages:

- These additional funds would no longer be available for any unforeseen contingencies that may occur.
- These funds would not be recoverable by DC's later on and therefore would have been paid for by current tax payers rather than future development.

3. The increased amount could be funded by a tax levy debenture. Depending on the interest rate and the term, the tax levy increase related to this debenture would be between 0.25 and 0.75%.

Advantages:

- Eliminates the risk associated with development forecasts.
- Keeps funds available in discretionary reserves should contingencies be needed.

Disadvantages:

- These costs will no longer be eligible for potential development charge funding in the future.

Recommendation:

If Council intends to build a 10,000 square foot facility, then staff would recommend Option 1, which is for Council to make it their intention to add the additional costs into the next DC Background Study and By-Law, which will be completed in 2021. We do not need to amend the current by-law because the development charges related to the increased size would not be recoverable until post 2025. Although there is a future risk that a portion of the development charges may not be collected, this option remains to have the least impact on the general tax payer.

6.2. Estimated Additional One-Time Capital Set Up Costs

The cost of furnishing the branch with tables, chairs, and shelving, along with the cost of a base collection is estimated at approximately \$200,000. The Library Board's Capital Reserve will be used to cover these initial costs.

6.3. Estimated Annual Operating Costs

Based on the currently operating costs of the Sutton branch of 11,260 sq. ft., and assuming the same service levels (e.g. hours of operations) as other branches of 61 hours per week, the estimated annual operating cost of a South Keswick Branch would be as follows:

Items	Estimated Cost
Staffing	\$385,000
Collections (Annual Purchases)	\$30,000
Telecommunications	\$5,000
Library Operations	\$10,000
Cleaning Services & Maintenance	\$15,500
Hydro & Heating	\$25,000
Estimated Annual Operating Cost TOTAL	\$470,500

The majority of the operating costs would be in staffing, which would not lessen with a smaller branch footprint.

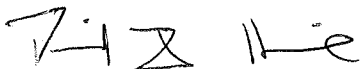
7. PUBLIC CONSULTATION AND NOTICE REQUIREMENTS:

Public consultation will be in partnership with the Town as the MURC project progresses.

8. CONCLUSION:


The Georgina Public Library Board looks forward to working collaboratively with the Town of Georgina on the MURC project, and confirms the Board's recommendation for a 10,000 square foot branch with shared space opportunities, to meet the service requirements of our growing municipality, within available financial resources.

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