

DISCUSSION

The Surrey Public Library Facilities Master Plan that was approved by the Library Board in 2008 anticipated that a new City Centre Library would have a floor area of 85,000 square feet to accommodate the library programming needs of the City over the longer term. However, the grants (\$20 million) that were recently received from the federal and provincial governments under the economic stimulus infrastructure program application process, together with the City's matching \$10 million contribution, provide a project budget of \$30 million, which is only sufficient for a 65,000 square foot library building.

BTA has reviewed the building program with a view to determining how the new Library could be constructed so as to allow for its future expansion by 10,000 square feet from 65,000 square feet to 75,000 square feet. BTA has concluded that the City should consider constructing the additional space as part of the current project and seek commercial tenants to rent that space until the space is absorbed by the City in the future for library purposes. A similar approach was taken by the City of Vancouver when the new Vancouver Central Library was constructed approximately 20 years ago. Additional space was constructed as part of the initial library building project and was leased out to commercial tenants as a means of holding the space until it was necessary for library purposes. Vancouver is now preparing to take this commercial space over for library purposes some 20 years after its construction. As a result of this foresight, the current expansion of the Vancouver Central Library is much less difficult to accomplish since the floor area is already available to take over in the same building that contains the Central Library.

Furthermore, BTA considered the addition of two levels of underground parking under the Library that could eventually be part of a parking authority in City Centre, similar to parking authorities found in other cities. After considering the tight timeline to deliver the project, it was recommended one level of underground parking be built. This will add flexibility to the operation of the Library while ensuring there is some parking for patrons of the Library and visitors to the City Centre, while keeping the projected completion of the project in line with the requirements of the economic stimulus infrastructure program.

Parks, Recreation and Culture staff will work with the Public Art Advisory Committee and the project team to select an artist. The artist will work with project team to achieve an integrated public art form in the building. BTA is recommending consideration of the following public art integrated options:

1. the furniture and fitting of the children's library;
2. the ceiling structure made from plywood members; or
3. scripts printed onto the sun shade louvers that will be located outside the Library.

Demand for Commercial Space in Surrey City Centre

Preliminary work with commercial realtors indicates that there is a strong market for tenants that would be interested in locating in the new City Centre Library, including some tenants associated with the SFU Surrey Campus. The floor area should generate lease rates that would be sufficient to cover the cost of borrowing funds to construct the additional floor area along with the operation and maintenance of this floor area.

Budget Requirement

It is estimated the additional \$6 million funding will allow the construction of a 75,000 square foot Library, as presented to Council on January 11, 2009, that will include 40,000 square feet of library fitted library space and 35,000 square feet of additional "shelled out" floor area that will cost \$6 million to design and construct. It is anticipated that an additional 20,000 square feet of the shelled out Library space could be finished and fitted out within the added budget. That would be determined through the tendering process for the project and the remaining 15,000 square feet would be shelled out space for commercial tenant(s). The future tenant(s) of such space would be responsible for the tenant improvements associated with "fitting out" this space for their use.

Funding

Subject to Council approval, \$6 million of additional funding for the project could be borrowed either internally or through the Municipal Finance Authority. The borrowed funds would be repaid with the revenues generated through the commercial lease of the additional floor area. A further report will be presented to Council in March 2010 that will outline the funding strategy for the City's new Parking Authority.

CONCLUSION

Based on the above discussion, it is recommended that Council:

- Approve an increase of \$6 million in the Capital budget for the City Centre Library project to allow for the design and construction of an additional 10,000 square feet of floor area as part of the project, which will be used for commercial purposes until, over the longer term, the additional floor area is taken over for library purposes as the City's population and related demand for library services continue to grow; and
- Approve the construction of one level of underground parking, which will be part of a future Parking Authority in City Centre.

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