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Corporate Services

**REPORT TO THE ELECTORAL AREA SERVICES COMMITTEE
MEETING OF WEDNESDAY, 01 APRIL 2009**

SUBJECT **Application for a Federal “Building Canada” Grant to fund the construction of a new library building on Salt Spring Island**

PURPOSE/ISSUE

The purpose of this report is to request CRD Board support for the Salt Spring Island Library Association’s application for a “Building Canada” grant in the amount of \$2,000,000 and give the first three readings to bylaws amending the maximum levy and providing the authority to borrow.

BACKGROUND

The current library building in Ganges Village is old and increasingly decrepit. No part of the building meets current building codes, especially seismic stability requirements, and it falls far short of current library standards for accessibility.

The library presently has an area of about 5,700 square feet, which is inadequate for its level of use. Over two-thirds of the island’s population, or about 6,900 people, hold library cards. There are 51,000 items in the library’s collection, and well over 126,000 items circulate each year. It handles more than 101,000 visits and receives 30,000 website hits per year. It is staffed by two part-time professional librarians and 150 volunteers. In addition, it houses the Salt Spring Historical Society Archives collection.

The minimum area required for the collection, its current usage, the archives, and a modest amount of expansion in the future, is approximately 15,000 square feet.

A referendum was held in 2005 which approved borrowing \$600,000 to go towards purchase the lot next door to the existing library. Along with the support and donations from many members of the community, the lot was purchased in 2006.

Grant Program

The Building Canada Fund – Communities Component (BCF-CC) is to support local government infrastructure projects in communities with a population of less than 100,000 people. The BCF-CC is focused on delivering cleaner air and water, safer roads, shorter commutes, prosperous and liveable communities. The eligible project categories include culture and recreation, categories that cover a library building.

Applicants must demonstrate that their share of funding has been, or is being secured. Therefore, attached are two bylaws. Bylaw No. 3612 amends Bylaw No. 2725 to increase the maximum requisition to cover the cost of the debt servicing and Bylaw No. 3613 is a loan authorization in the amount of \$4,850,000 to cover the cost of the library building.

As a previous grant application was unsuccessful, bylaw Nos. 3410 and 3411 that accompanied that application must be rescinded. The Salt Spring Island Library Association is planning to go to referendum in October, 2009, and will then be seeking consent of the electors for Bylaw No. 3612 cited as “Salt Spring Island Public Library Service Area Establishment Bylaw No. 1, Amendment Bylaw No. 3, 2009” and Bylaw No. 3613 cited as “Salt Spring Island Public Library Loan Authorization Bylaw No. 2, 2009”.

ALTERNATIVES

- 1) a) That the Board support the application of the Salt Spring Island Library Association to BCF-CC for a \$2,000,000 grant;
- 2) b) That third, second and first reading of Bylaw No. 3410 “Salt Spring Island Public Library Service Area Establishment Bylaw No. 1, Amendment Bylaw No. 2, 2007” be rescinded;

- c) That third, second and first reading of Bylaw No. 3411 “Salt Spring Island Public Library Loan Authorization Bylaw No. 1, 2007” be rescinded;
 - d) That Bylaw No. 3612, “Salt Spring Island Public Library Service Area Establishment Bylaw No. 1, Amendment Bylaw No. 3, 2009” be introduced and read a first time, read a second time and read a third time;
 - e) That Bylaw No. 3613 “Salt Spring Island Public Library Loan Authorization Bylaw No. 2, 2009” be introduced and read a first time, read a second time and read a third time;
- 3) That the Board not support the application of the Salt Spring Island Library Association from the BCF-CC for a \$2,000,000 grant, not rescind bylaw Nos. 3410 and 3411 and not introduce and give three readings to Bylaws No. 3612 and 3613.

FINANCIAL IMPLICATIONS

A loan in the amount of \$4,850,000 requires annual debt servicing in the sum of \$533,214 or \$83.33 per average household for the Electoral Area of Salt Spring Island. The current levy is \$148,900 or \$23.27 per average household. Combined with the debt servicing for a new loan authorization bylaw, the maximum levy would be \$683,500 annually or \$106.60 per average household.

SUMMARY/CONCLUSIONS

The Salt Spring Island Library Association wishes to apply for a \$2,000,000 to build a new library building. In order to conform to the grant program offered by BCF-CC, applicants must demonstrate that their share of funding has been, or is being, secured. Therefore, Bylaw No. 3612 is needed to amend the maximum requisition that would be needed to service the loan contemplated in Bylaw No. 3613.

As this grant has been applied for previously and been unsuccessful, bylaw Nos. 3410 and 3411 were given the first three readings in 2007. It is more efficient to rescind these bylaws and draft new ones with the correct amounts.

RECOMMENDATION(S)

- 1) a) That the Board support the application of the Salt Spring Island Library Association to BCF-CC for a \$2,000,000 grant;
- b) That third, second and first reading of Bylaw No. 3410 “Salt Spring Island Public Library Service Area Establishment Bylaw No. 1, Amendment Bylaw No. 2, 2007” be rescinded;
- c) That third, second and first reading of Bylaw No. 3411 “Salt Spring Island Public Library Loan Authorization Bylaw No. 1, 2007” be rescinded;
- d) That Bylaw No. 3612, “Salt Spring Island Public Library Service Area Establishment Bylaw No. 1, Amendment Bylaw No. 3, 2009” be introduced and read a first time, read a second time and read a third time;
- e) That Bylaw No. 3613 “Salt Spring Island Public Library Loan Authorization Bylaw No. 2, 2009” be introduced and read a first time, read a second time and read a third time;

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