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REPORT TO THE ELECTORAL AREA SERVICES COMMITTEE  
MEETING OF WEDNESDAY, 2 SEPTEMBER 2009

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**SUBJECT**      **SALT SPRING ISLAND PUBLIC LIBRARY ESTABLISHMENT AND LOAN  
AUTHORIZATION BYLAW AMENDMENTS**

**PURPOSE/ISSUE**

The purpose of this report is to request approval to amend Bylaw 3612 being "Salt Spring Public Library Service Area Establishment Bylaw No. 1, Amendment Bylaw No. 3, 2009" and Bylaw 3613 being "Salt Spring Island Public Library Loan Authorization Bylaw No. 2, 2009".

**HISTORY/BACKGROUND**

On April 8, 2009, the Board endorsed the application to the Building Canada Fund, as prepared by the Salt Spring Island Library Association, to fund a portion (up to \$2 million) of the project costs to construct a new public library and gave first, second and third readings to the above bylaws which assumed capital costs net of the grant. Announcement of a grant award has not been received. The Library Association wishes to proceed to referendum this fall to obtain the assent of the electors to replace the existing library building and has obtained a preliminary architectural design and cost estimates. The Association wishes to amend the bylaws to increase the cost of construction from \$4,850,000 to \$6,850,000, the amount needing to be borrowed from \$4,850,000 to \$6,850,000 and the annual maximum requisition from \$683,500 to \$901,996.

**ALTERNATIVES**

1. That the Committee recommend that the Board approve the following amendments to Bylaws 3612 & 3613:

- i. That third reading of Bylaw No. 3612, cited as "Salt Spring Island Public Library Service Area Establishment Bylaw No. 1, Amendment Bylaw No. 3, 2009" be rescinded;
- ii. That Bylaw No. 3612 be amended as follows:

Remove and replace Section 1 with:

"1. Salt Spring Island Public Library Local Service Area Establishment Bylaw No. 1, 1999 is amended as follows:

By deleting Section 5 and replacing it with the following:

**"Maximum Requisition**

The maximum amount that may be requisitioned under Section 800.1(e) of the *Local Government Act* for the annual cost of the local service will be the greater of:

- (a) \$901,996 Dollars; OR
- (b) An amount equal to the amount that could be raised by a property value tax of \$0.278 per one thousand dollars (\$1,000) which when applied to the net taxable value of lands and improvements within the Local Service Area will yield the maximum amount that may be requisitioned under Section 806.1."

- iii. That Bylaw No. 3612, as amended, be read a third time.
- iv. That third reading of Bylaw No. 3613, cited as "Salt Spring Island Public Library Loan Authorization Bylaw No. 2, 2009" be rescinded;
- v. That Bylaw No. 3613 be amended as follows:

By replacing the words "Four Million Eight Hundred and Fifty Thousand (\$4,850,000)" wherever they appear in the bylaw with the words "Six Million Eight Hundred and Fifty Thousand (\$6,850,000)"

- vi. That Bylaw No. 3613, as amended, be read a third time.
2. That the committee recommend that the Board not approve the amendments

### **FINANCIAL IMPLICATIONS**

A loan in the amount of \$6,850,000 requires annual debt servicing in the sum of \$753,096 or \$117.69 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 \$901,996 annually or \$140.96 per average household.

### **SUMMARY/CONCLUSIONS**

The Salt Spring Island Public Library Association and the Electoral Area Director support the amendment to increase both the Maximum Requisition in the Establishment Bylaw and maximum borrowing amount in the Loan Authorization Bylaw for the Salt Spring Library.

### **RECOMMENDATION**

That the Committee recommend that the Board approve the following amendments to Bylaws 3612 & 3613:

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- iii. That Bylaw No. 3612, as amended, be read a third time.
  - iv. That third reading of Bylaw No. 3613, cited as "Salt Spring Island Public Library Loan Authorization Bylaw No. 2, 2009" be rescinded;
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  - vii. That Bylaw No. 3613, as amended, be read a third time.

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Brian MacDonald  
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General Manager, Corporate Services  
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