

# Special City Council Meeting Agenda



**Tuesday, February 13, 2018 – 6:00 p.m.**  
**Council Chambers, Guelph City Hall, 1 Carden Street**

Please turn off or place on non-audible all electronic devices during the meeting.

Please note that an electronic version of this agenda is available on [guelph.ca/agendas](http://guelph.ca/agendas).

---

## **Open Meeting– 6:00 p.m.**

### **Disclosure of Pecuniary Interest and General Nature Thereof**

---

## **Special Council - Baker District Redevelopment Status Update**

### **Guelph Public Library New Main Library Business Case**

#### **Presentation:**

Lisa Maslove, Chair, Guelph Public Library Board  
Bruce Peever, Director, Public Sector Advisory, KPMG  
Douglas Tipple, Principal, Creva Group Ltd.  
Carly Klassen, Guelph Public Library Board Member

#### **Delegations:**

Rick Petersen  
John Lawson  
Cameron Fioret  
Donna Jennison  
Randalin Ellery  
Marty Williams, Executive Director, Downtown Guelph Business Association

#### **Correspondence:**

Paul Fair  
Betty Wickett  
Andrew Whitfield  
Janine Buisman Wilcox

**Recommendation:**

1. That the size of the library component of the Baker District Development be confirmed to be 88,000 ft<sup>2</sup> as recommended in the KPMG Guelph Public Library business case dated January 24, 2018.
2. That \$1,900,000 be approved in the capital budget to allow for the establishment of preliminary design concepts and construction costs for the library component of the Baker District Development, to be funded as per the February 13, 2018 IDE-2018-22 report entitled Baker District Redevelopment Status Update.
3. That preliminary library design concepts be co-ordinated with the preferred development partner and Guelph Public Library under the City of Guelph's Tier 1 Project Management Governance and Community Engagement Framework.
4. That staff explore various ownership structures for the library with the preferred development partner; including full ownership, lease to own and long-term lease and report back to Council on the findings by Q4 2019.

**Adjournment**



# Guelph Public Library New Main Library Business Case

**Presentation to the Council of the City of Guelph**

February 13, 2018



# Guelph Public Library New Main Library Business Case

## Disclaimer

This report is based on information and documentation that was made available to KPMG LLP ("KPMG") by the client at the date of this report. KPMG has not audited or otherwise attempted to independently verify the information provided unless otherwise indicated. Should additional information be provided to KPMG after the issuance of this report, KPMG reserves the right (but will be under no obligation) to review this information and adjust its comments accordingly.

Pursuant to the terms of our engagement dated September 7, 2017, it is understood and agreed that all decisions in connection with the implementation of advice and recommendations as provided by KPMG during the course of this engagement shall be the responsibility of, and made by, Guelph Public Library. KPMG has not and will not perform management functions or make management decisions for Guelph Public Library.

This report may include or make reference to future oriented financial information. Readers are cautioned that since financial projections are based on assumptions regarding future events, actual results will vary from the information presented even if the hypotheses occur, and the variations may be material.

Comments in this report are not intended, nor should they be interpreted, to be legal advice or opinion.

KPMG has no present or contemplated interest in Guelph Public Library; accordingly, we believe we are independent of Guelph Public Library and are acting objectively.



# Introduction and context



**Guelph Public Library**  
Explore • Connect • Thrive

## Introduction

KPMG was engaged by Guelph Public Library (“GPL” or the “Library”) to undertake the development of a business case for a new Main Library facility. The overall goal of the review is to prepare a business plan based upon the service delivery model, demand profile and financial resources available to the City of Guelph (“City”) and GPL.

The business case for a new Main Library facility involved the following objectives:

- a. Determine the case for change and establish the need for new library infrastructure investment
- b. Prepare a financial model estimating the future operating cost of a new Main Library
- c. Conduct an economic impact analysis of a new Main Library
- d. Facilitate a public meeting to garner feedback from the community

This business case will provide the necessary support for the Council of the City of Guelph to create a foundation for the development of detailed architectural plans and recommendations to improve the overall effectiveness and efficiency of the current service delivery model for library services.

# Executive Summary

# Statement of Business Need

*A well-crafted business case contains a clear articulation of the business need in the form of a well structured statement of no more than one or two sentences that addresses the problem or opportunity.*

The Guelph Public Library requires a Main Library with the necessary square footage to serve as a community hub and accommodate the current collection and future anticipated growth, program space needs, member seating, staff and support services and public amenities.

Importantly, the new Main Library will be the foundation for the City's ambition for Downtown Guelph ensuring that it will continue to be the cultural and civic hub for the City and larger region; where people live, work, shop, dine, play and celebrate.



*Guelph Public Main Library, 100 Norfolk Street*

# Executive Summary

# Drivers For Change

*A thoughtful business case needs to identify the drivers that triggered the investment proposal. Both internal and external drivers of change should be identified and clearly linked to the business need.*

Drivers for Change impacting the Guelph Public Library include:

1. The purpose and role of libraries has evolved in the last fifty years. There is a lack of programming space, seating, community meeting space and public amenities within the current building to meet the needs of all Guelph citizens regardless of economic position.
2. Current building is a 52 year old building that will require extensive upgrades to its building fabric and mechanical and electrical systems to bring it into compliance with the current building code.
3. There are significant safety and accessibility deficiencies that will require an additional 11,000 ft<sup>2</sup> to correct and bring into compliance with the AODA.
4. The collection of the Main Library is constrained by the limited space of the current building.
5. Membership's technology expectations have grown beyond what the current facility can provide.



*Current inaccessible collection stacks of the GPL Main Library*

# Executive Summary

# Business Outcomes

*In order to level set expectations, a business case needs to establish the business outcomes, specifically the expected result or benefit that the organization is striving to achieve at the end of an intervention or change.*

The development of a new Main Library has the following desired primary outcomes:

1. Architectural excellence within the Guelph downtown consistent with the objectives and targets of the City's downtown secondary plan
2. A community hub with space for all citizens with specific emphasis on increasing services to children and young adults
3. Addresses spatial issues, specifically the undersized floor plan that limits collection, membership and programming services
4. Increased and improved technological services available to library members
5. Library accessibility for all Guelph citizens and compliance with the Accessibility for Ontarians with Disabilities Act

The development of a new Main Library facility also has the following secondary outcomes:

1. Archival space for the City of Guelph's corporate history
2. Exhibit space for local artists
3. New revenue opportunities for the library system



*New Calgary Central Library*

# Functional Space Plan Based Upon Library Benchmarks

Current Main Library total collection space is 13,337 ft<sup>2</sup>. The 2017 Functional Plan calls for 15,570 ft<sup>2</sup>, however, consideration has to be given to AODA requirements and the meeting of industry standards. If AODA requirements are applied to the current collection size of 150,314 books, then using an eight book per ft<sup>2</sup> metric, the required floor area would equal 16,910 ft<sup>2</sup>. If the collection size is increased to reflect the Wisconsin standard of 2.5 books per capita and a target population of 185,000, then the space requirements increases again to 26,808 ft<sup>2</sup>. In effect, to meet the current AODA standards and to meet the projected future growth of the City, the total collection space will have to double from the current state.

| Category                      | Wisconsin Benchmark         | SOLS (AODA Compliant) Benchmark | Current Main Library         | 2017 Functional Plan         | Main Library Current Collection 2017 | Main Library 2036 Service Level |
|-------------------------------|-----------------------------|---------------------------------|------------------------------|------------------------------|--------------------------------------|---------------------------------|
| <b>Collection Space</b>       |                             |                                 |                              |                              |                                      |                                 |
| <b>Books</b>                  | 10 volumes/ft <sup>2</sup>  | 8 volumes/ft <sup>2</sup>       | 12,213 ft <sup>2</sup>       | 14,130 ft <sup>2</sup>       | 16,910 ft <sup>2</sup>               | 26,808 ft <sup>2</sup>          |
| <b>Magazine</b>               | 1 item/ft <sup>2</sup>      | 1 item/ft <sup>2</sup>          | 110 ft <sup>2</sup>          |                              | 270 ft <sup>2</sup>                  | 270 ft <sup>2</sup>             |
| <b>Non-print</b>              | 10 items/ft <sup>2</sup>    | 12 items ft <sup>2</sup>        | 616 ft <sup>2</sup>          |                              | 2,738 ft <sup>2</sup>                | 2,738 ft <sup>2</sup>           |
| <b>Computers</b>              | 45 ft <sup>2</sup> per stn  | 45 ft <sup>2</sup> per stn      | 398 ft <sup>2</sup>          | 1,440 ft <sup>2</sup>        | 1,440 ft <sup>2</sup>                | 2,025 ft <sup>2</sup>           |
| <b>Total Collection Space</b> |                             |                                 | <b>13,337 ft<sup>2</sup></b> | <b>15,570 ft<sup>2</sup></b> | <b>21,358 ft<sup>2</sup></b>         | <b>31,841 ft<sup>2</sup></b>    |
| <b>Seating Space</b>          |                             |                                 |                              |                              |                                      |                                 |
| <b>Reader Seating Space</b>   | 30 ft <sup>2</sup> per seat | 30 ft <sup>2</sup> per seat     | 1,305 ft <sup>2</sup>        | 6,090 ft <sup>2</sup>        | 8,340 ft <sup>2</sup>                | 8,340 ft <sup>2</sup>           |
| <b>Staff Work Space</b>       |                             |                                 |                              |                              |                                      |                                 |
| <b>Staff Work Space</b>       | 140 ft <sup>2</sup> per stn | 150 ft <sup>2</sup> per stn     | 5,046 ft <sup>2</sup>        | 10,689 ft <sup>2</sup>       | 7,280 ft <sup>2</sup>                | 7,800 ft <sup>2</sup>           |

# Executive Summary

## Comparison to Standards

In order to meet 2036 service levels for a 185,000 design population, the gross building area requirement is estimated to approximate 88,000 ft<sup>2</sup>. This represents a significant increase from the current space which will impact the overall budget for the project.

| Category   | Wisconsin Benchmark        | SOLS (AODA Compliant) Benchmark | Current Main Library         | 2017 Functional Plan         | Main Library Current Collection 2017 | Main Library 2036 Service Level |
|--|----------------------------|---------------------------------|------------------------------|------------------------------|--------------------------------------|---------------------------------|
| <b>Meeting Room Space</b>  |                            |                                 |                              |                              |                                      |                                 |
| <b>Total Meeting Room Space</b> (e.g. multi-purpose, conference, Storytime & computer lab rooms) |                            |                                 | 1,314 ft <sup>2</sup>        | 5,565 ft <sup>2</sup>        | 3,850 ft <sup>2</sup>                | 3,850 ft <sup>2</sup>           |
| <b>Special Use Space</b>   |                            |                                 |                              |                              |                                      |                                 |
| <b>Special Use Space</b> (e.g. small group study rooms, copy centres, café etc)                  | 17% of gross building area | 825 ft <sup>2</sup>             | 577 ft <sup>2</sup>          | 11,231 ft <sup>2</sup>       | 11,094 ft <sup>2</sup>               | 13,834 ft <sup>2</sup>          |
| <b>Non-assignable Space</b>  |                            |                                 |                              |                              |                                      |                                 |
| <b>Non-assignable Space</b> (e.g. restrooms, stairwells, mechanical rooms, elevators)            | 27% of gross building area | 25% of gross building area      | 5,785 ft <sup>2</sup>        | 30,847 ft <sup>2</sup>       | 17,621 ft <sup>2</sup>               | 21,971ft <sup>2</sup>           |
| <b>Total Gross Square Feet</b>   |                            |                                 | <b>27,364 ft<sup>2</sup></b> | <b>79,992 ft<sup>2</sup></b> | <b>66,162 ft<sup>2</sup></b>         | <b>87,636 ft<sup>2</sup></b>    |

# Service Level Variations & Gross Square Feet Impact

The Wisconsin model has four levels of service for a library's collection: basic, moderate, enhanced and excellent. Using a target population of 185,000 people, the collection size ranges from 238,000 volumes to 353,000 volumes depending upon the service level.

Accordingly, the service level standard applied to the library's collection can have a significant impact on the calculation of gross square feet.

The table below shows the impact on the gross floor square footage if the other types of library work space are held constant. The gross square feet varies between 87,636 ft<sup>2</sup> and 108,591 ft<sup>2</sup>, a difference of approximately 21,000 ft<sup>2</sup> or 24%.

Given that the current collection does not meet the basic benchmark for the Wisconsin model, KPMG has calculated the required gross floor square footage on the basic benchmark of 2.5 volumes per capita.

The remaining types of library work space (seating space, staff work space, meeting room space, special use space and non-assignable space) were derived from the updated 2017 functional plan and are constant across the different service levels for the collection space.

|  | Wisconsin Model |               |                |                |
|--|-----------------|---------------|----------------|----------------|
|  | Basic           | Moderate      | Enhanced       | Excellent      |
| Collection per capita  | 2.5             | 3.0           | 3.4            | 3.7            |
| 2036 Main Branch Book Collection Size                            | 238,289         | 285,946       | 324,073        | 352,667        |
| 2036 Main Branch Book Collection Size less 10% <sup>1</sup>      | 214,460         | 257,352       | 291,665        | 317,400        |
| Collection Square Footage @ 8 books/ft <sup>2</sup>              | 26,808          | 32,169        | 36,458         | 39,675         |
| <b>Total Gross Floor Square Footage @ 8 Books/Ft<sup>2</sup></b> | <b>87,636</b>   | <b>96,367</b> | <b>103,352</b> | <b>108,591</b> |

<sup>1</sup> For collections of more than 100,000 volumes, 10% is assumed to be in circulation at any given time.

# Key Findings – Spatial Analysis

In order to identify the ideal future state, KPMG utilized the Wisconsin Department of Public Instruction benchmarks which are an accepted library standard. In the determination of collection space, we used the lowest metric for service levels which can be interpreted as the basic standard. **It is important to note, however, for most Ontario libraries the Wisconsin basic standard is the accepted standard for collection size. The Wisconsin basic benchmark should not be considered as a metric indicating an inadequate or inferior library collection.**

The OPL benchmarks for **total collection** (books, periodicals, audio/video recordings) per capita, place the GPL system above a moderate service level standard. Nevertheless, the size of a library's book collection has the greatest impact on spatial requirements in the planning of a new library. To that end, the Main Library has experienced a decline in its book collection as the library culls its collection to meet the space constraints of the Main Library. The GPL branches have absorbed some of the collection growth, but they have no more collection space for books.

KPMG forecasted future Main Library space requirements using a target population of 185,000 in 2036 as established by the Province of Ontario in the recently released *Places To Grow 2017 Update*.

## Key findings - Spatial Analysis:

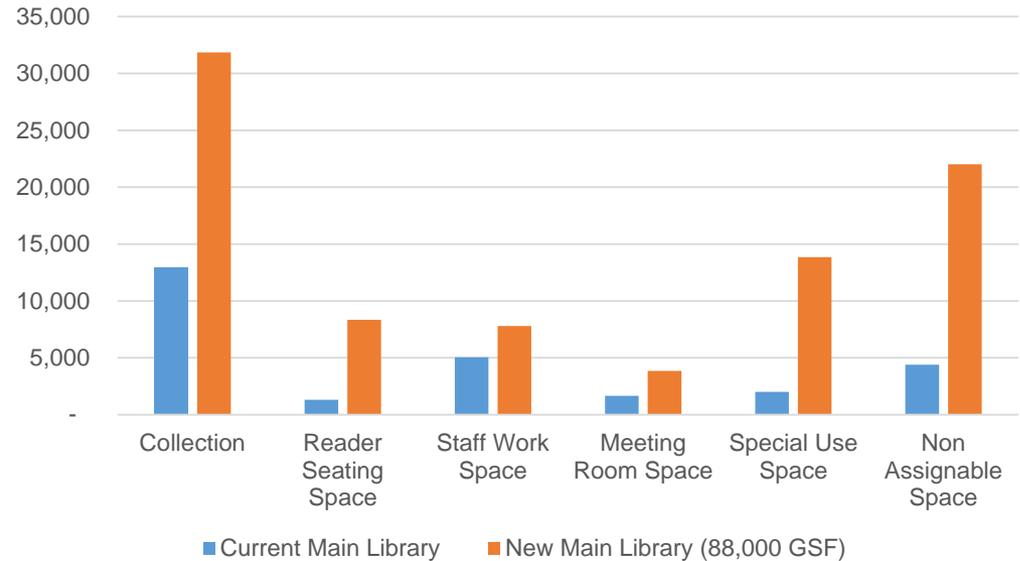
1. From our analysis, we identified a gap in the recommended number of collection volumes, reader seating space, and special use space.
2. Based upon the application of the Wisconsin basic benchmark to the required collection of a 185,000 design population, a new Main Library building would require approximately 88,000 ft<sup>2</sup>. This figure does not include a 300 seat multi-purpose room.
3. The cost to operate a facility that is almost three times the size of the current facility will significantly increase current cost levels. These operating costs will be dependent upon building design, construction and operations.

# Comparison of Current Main Library To Proposed New Main Library

A comparison of the current Main Library building's space type to the proposed Main Library at 88,000 ft<sup>2</sup>, illustrates where there will be substantial changes.

- Collection space and reader seating space will increase by more than 100% from the current square footage.
- There will be an increase in staff work space from approximately 5,000 ft<sup>2</sup> to 7,800 ft<sup>2</sup>.
- Meeting Room space will double to 3,850 ft<sup>2</sup>.
- The present library has no special use space. The proposed Main Library will have approximately 14,000 ft<sup>2</sup> of special use space. This space reserves space for features that are unique to the community the library serves. Its specific uses will be determined during the design phase after public consultation.
- Non-assignable space increases from 4,400 ft<sup>2</sup> to 22,000 ft<sup>2</sup> reflecting the requirements of the current building code and facility infrastructure.

Comparison of Gross Square Feet by Space Type



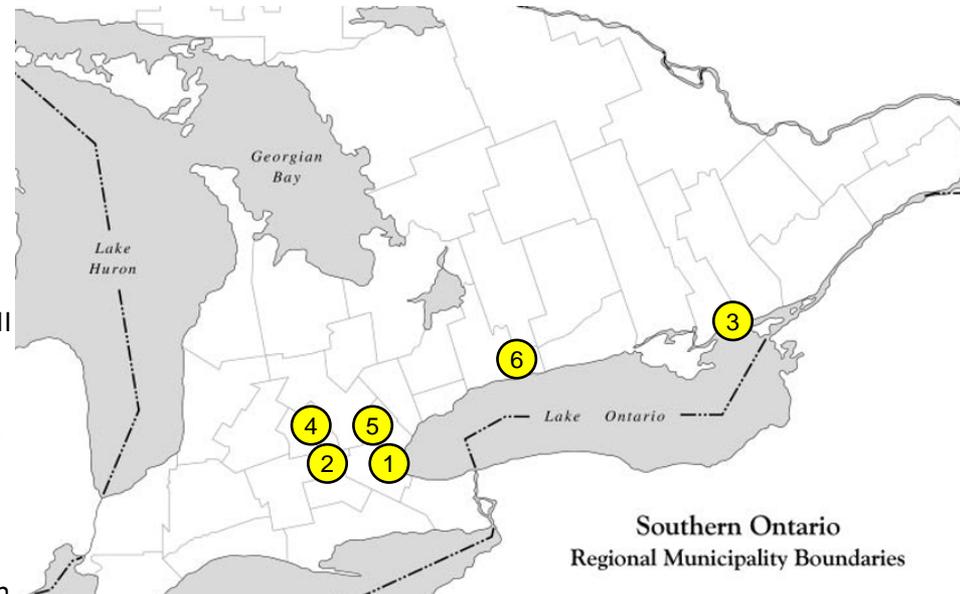
# Key Findings - Benchmarking

KPMG conducted a survey of recently constructed main libraries in Southern Ontario and two libraries under construction. The comparator libraries included:

1. Burlington
2. Cambridge (under construction)
3. Kingston Frontenac (under construction)
4. Kitchener
5. Milton
6. Whitby

There were several key findings from the benchmarking.

- The comparator libraries (with the exception of Kitchener) all experienced an increase in library membership.
- The number of library programs increased in all the comparators reflecting the increased capacity offered by the new facility.
- The circulation of the comparator libraries all substantially increased following the construction of the new facility.
- Increases in the operational budget were all financed through either increases in the tax levy for the municipality or through technological efficiencies.
- Five of the six libraries operate a café within the library.
- All the libraries are compliant or plan to be compliant with AODA legislation.
- Only one library comparator has a formal auditorium. The remaining libraries either have no auditorium or they have a large multi purpose room with seating ranging from 90 - 200 seats and a portable stage.



# Key Findings – Economic Impact Analysis

The investment in a new Main Library will make a significant contribution to the local, provincial and national economies. This is demonstrated through both the economic and social impacts that are created as a result of capital expenditures of the project, as well as the annual ongoing expenditures once a new Main Library is operational.

The following is a summary of key quantifiable impacts made by investing in a new Main Library:

- The construction of a new Main Library will contribute approximately \$46.1 million to Canada's GDP and 419.4 FTEs in Canada over three years. The majority (approximately 90%) of these impacts are accrued in Ontario.
- KPMG estimates that the operations of a new Main Library will have an annual impact of \$9.3 million to Canada's GDP and 97.8 FTEs in Canada.
- Anecdotally, the City of Guelph should capture many of the economic impacts associated with the construction of the new Main Library.

In addition to the quantifiable impacts above, GPL provides a number of other significant benefits to the community it serves. Research on the return on investment of public libraries found that proximity to a library increases spending for those businesses located near the library. The experience of the Seattle downtown validates this research.

Residents view GPL as a vital community resource that improves the quality of life in the City. Investing in a new Main Library directly aligns with the economic development goals the City set out for itself in *Prosperity 2020*. Specifically, the Project aligns following strategic directives set out for the City:

- Investing in people and ideas;
- Investing in the downtown; and
- Investing in hard and green infrastructure.

Investing in a new Main Library demonstrates the City's commitment to the economic development goals it set out for itself to achieve by 2020 and beyond.

# Risk Assessment Findings

| Risk Source                                | A<br>Likelihood of<br>Occurrence | B<br>Severity of<br>Impact | A*B<br>Overall Level of<br>Risk |
|--|----------------------------------|----------------------------|---------------------------------|
| Overall Assessment - General Project Risks | 5: Very Likely                   | 3: Moderate                | Significant 11 - 16             |
| Overall Assessment - Financial Risks       | 3: Possible                      | 3: Moderate                | Moderate 7 - 10                 |
| Overall Assessment - Construction Risks    | 3: Possible                      | 3: Moderate                | Moderate 7 - 10                 |
| Overall Assessment - Operational Risks     | 3: Possible                      | 3: Moderate                | Moderate 7 - 10                 |

## Findings

The Main Library project would currently be assessed as possessing **moderate risk** at this early feasibility stage. The major factor creating project risk is its incorporation within a much larger development scheme on the Baker Street block. The City is currently in the process of selecting and negotiating with a developer to conduct the development. Early concepts show a three story Library, underground parking and a residential component being built above the Library. This type of development will likely incur planning and zoning issues, require funding of the residential component and negotiating legal agreements dealing with the various forms of ownership and operations. For example, the Library could be delayed pending the developer obtaining the necessary funding to proceed with the residential development. As these risks have been identified at an early stage, the City should develop mitigation plans and, to the greatest extent feasible, transfer of risks to the private sector developer.

# Executive Summary

# Conclusions

KPMG was engaged by GPL to undertake the development of a business case for a new Main Library facility. The overall goal of the review is to prepare a business plan based upon the service delivery model, demand profile and financial resources available to the City of Guelph and GPL.

The following key findings were determined in the business case for a new Main Library facility.

1. There are key structural issues with the existing Main Library that need to be addressed in order to meet the current building code and ensure membership safety. The building does not meet the accessibility requirements as required by the AODA and City of Guelph policy.
2. Based upon the application of the Wisconsin basic benchmark to the required collection of a 185,000 design population, a new Main Library building would require approximately 88,000 ft<sup>2</sup>.
3. Comparator libraries (with the exception of Kitchener) all experienced an increase in library membership, an increase in library programs and an increase in the circulation of library materials. Increases in the operational budget were all financed through either increases in the tax levy for the municipality or through technological efficiencies.
4. The Main Library project would currently be assessed as possessing **moderate risk** at this early feasibility stage. The major factor creating project risk is its incorporation within a much larger development scheme on the Baker Street block.
5. Based upon a new Main Library with 88,000 GSF, the operational expenditures for the Guelph Public Library system should be expected to increase by \$2.2 million to \$7.86 million.
6. The total cost for a new Main Library of 88,000 gross square feet is forecast to be approximately \$46.25 million dollars. Projected out to 2021 at a 2% inflation rate, the total project cost is \$50.06 million.
7. The construction of a new Main Library will contribute approximately \$46.1 million to Canada's GDP and 419.4 FTEs in Canada over three years. The majority (approximately 90%) of these impacts are accrued in Ontario. KPMG estimates that the operations of a new Main Library will have an annual impact of \$9.3 million to Canada's GDP and 97.8 FTEs in Canada. Anecdotally, the City of Guelph should capture many of the economic impacts associated with the construction of the new Main Library.

In summary, KPMG trusts this business case provides the necessary support for the Council of the City of Guelph to determine the appropriateness of progressing to the development of detailed architectural plans.



[kpmg.ca](http://kpmg.ca)



© 2018 KPMG LLP, a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (“KPMG International”), a Swiss entity. All rights reserved. The KPMG name and logo are registered trademarks or trademarks of KPMG International.



# Guelph Public Library New Main Library Business Case

**Final Report**

January 24, 2018



# Disclaimer

This report is based on information and documentation that was made available to KPMG LLP (“KPMG”) by the client at the date of this report. KPMG has not audited or otherwise attempted to independently verify the information provided unless otherwise indicated. Should additional information be provided to KPMG after the issuance of this report, KPMG reserves the right (but will be under no obligation) to review this information and adjust its comments accordingly.

Pursuant to the terms of our engagement dated September 7, 2017, it is understood and agreed that all decisions in connection with the implementation of advice and recommendations as provided by KPMG during the course of this engagement shall be the responsibility of, and made by, Guelph Public Library. KPMG has not and will not perform management functions or make management decisions for Guelph Public Library.

This report may include or make reference to future oriented financial information. Readers are cautioned that since financial projections are based on assumptions regarding future events, actual results will vary from the information presented even if the hypotheses occur, and the variations may be material.

Comments in this report are not intended, nor should they be interpreted, to be legal advice or opinion.

KPMG has no present or contemplated interest in Guelph Public Library; accordingly, we believe we are independent of Guelph Public Library and are acting objectively.

# Table of contents

**The contacts at KPMG in connection with this report are:**

**John Rockx**  
Advisory  
Partner

Tel: 905-523-2247  
jrockx@kpmg.ca

**Bruce Peever**  
Management Consulting  
Director

Tel: 905-523-2224  
bpeever@kpmg.ca

**Kirsten Saguil**  
Global Infrastructure  
Specialist

Tel: 416-777-3381  
ksaguil@kpmg.ca

**Doug Tipple**  
Creva Group Ltd.  
Principal

Tel: 416-646-6610  
doug.tipple@crevagroup.com

|                            | Page |
|----------------------------|------|
| Disclaimer                 | 2    |
| Executive Summary          | 4    |
| Project Overview           | 17   |
| The Strategic Context      | 23   |
| Current State Assessment   | 39   |
| Spatial Analysis           | 55   |
| Benchmarking Summary       | 65   |
| Risk Assessment            | 73   |
| Financial Impact           | 86   |
| Economic Impact Assessment | 89   |
| Conclusion                 | 106  |
| References                 | 108  |





# Executive Summary

**Guelph Public Library Business Plan For A New Main Library  
Final Report**





**Guelph Public Library**  
Explore • Connect • Thrive

## Introduction

KPMG was engaged by Guelph Public Library (“GPL” or the “Library”) to undertake the development of a business case for a new Main Library facility. The overall goal of the review is to prepare a business plan based upon the service delivery model, demand profile and financial resources available to the City of Guelph (“City”) and GPL.

The business case for a new Main Library facility involved the following objectives:

- a. Determine the case for change and establish the need for new library infrastructure investment
- b. Prepare a financial model estimating the future operating cost of a new Main Library
- c. Conduct an economic impact analysis of a new Main Library
- d. Facilitate a public meeting to garner feedback from the community

This business case will provide the necessary support for the Council of the City of Guelph to create a foundation for the development of detailed architectural plans and recommendations to improve the overall effectiveness and efficiency of the current service delivery model for library services.

# Executive Summary

## Statement of Business Need

*A well-crafted business case contains a clear articulation of the business need in the form of a well structured statement of no more than one or two sentences that addresses the problem or opportunity.*

The Guelph Public Library requires a Main Library with the necessary square footage to serve as a community hub and accommodate the current collection and future anticipated growth, program space needs, member seating, staff and support services and public amenities.

Importantly, the new Main Library will be the foundation for the City's ambition for Downtown Guelph ensuring that it will continue to be the cultural and civic hub for the City and larger region; where people live, work, shop, dine, play and celebrate.



*Guelph Public Main Library, 100 Norfolk Street*

## Executive Summary

# Drivers For Change

*A thoughtful business case needs to identify the drivers that triggered the investment proposal. Both internal and external drivers of change should be identified and clearly linked to the business need.*

Drivers for Change impacting the Guelph Public Library include:

1. The purpose and role of libraries has evolved in the last fifty years. There is a lack of programming space, seating, community meeting space and public amenities within the current building to meet the needs of all Guelph citizens regardless of economic position.
2. Current building is a 52 year old building that will require extensive upgrades to its building fabric and mechanical and electrical systems to bring it into compliance with the current building code.
3. There are significant safety and accessibility deficiencies that will require an additional 11,000 ft<sup>2</sup> to correct and bring into compliance with the AODA.
4. The collection of the Main Library is constrained by the limited space of the current building.
5. Membership's technology expectations have grown beyond what the current facility can provide.



*Current inaccessible collection stacks of the GPL Main Library*

# Executive Summary

## Business Outcomes

*In order to level set expectations, a business case needs to establish the business outcomes, specifically the expected result or benefit that the organization is striving to achieve at the end of an intervention or change.*

The development of a new Main Library has the following desired primary outcomes:

1. Architectural excellence within the Guelph downtown consistent with the objectives and targets of the City's downtown secondary plan
2. A community hub with space for all citizens with specific emphasis on increasing services to children and young adults
3. Addresses spatial issues, specifically the undersized floor plan that limits collection, membership and programming services
4. Increased and improved technological services available to library members
5. Library accessibility for all Guelph citizens and compliance with the Accessibility for Ontarians with Disabilities Act

The development of a new Main Library facility also has the following secondary outcomes:

1. Archival space for the City of Guelph's corporate history
2. Exhibit space for local artists
3. New revenue opportunities for the library system



*New Calgary Central Library*

# Functional Space Plan Based Upon Library Benchmarks

Current Main Library total collection space is 13,337 ft<sup>2</sup>. The 2017 Functional Plan calls for 15,570 ft<sup>2</sup>, however, consideration has to be given to AODA requirements and the meeting of industry standards. If AODA requirements are applied to the current collection size of 150,314 books, then using an eight book per ft<sup>2</sup> metric, the required floor area would equal 16,910 ft<sup>2</sup>. If the collection size is increased to reflect the Wisconsin standard of 2.5 books per capita and a target population of 185,000, then the space requirements increases again to 26,808 ft<sup>2</sup>. In effect, to meet the current AODA standards and to meet the projected future growth of the City, the total collection space will have to double from the current state.

| Category                      | Wisconsin Benchmark         | SOLS (AODA Compliant) Benchmark | Current Main Library         | 2017 Functional Plan         | Main Library Current Collection 2017 | Main Library 2036 Service Level |
|-------------------------------|-----------------------------|---------------------------------|------------------------------|------------------------------|--------------------------------------|---------------------------------|
| <b>Collection Space</b>       |                             |                                 |                              |                              |                                      |                                 |
| <b>Books</b>                  | 10 volumes/ft <sup>2</sup>  | 8 volumes/ft <sup>2</sup>       | 12,213 ft <sup>2</sup>       | 14,130 ft <sup>2</sup>       | 16,910 ft <sup>2</sup>               | 26,808 ft <sup>2</sup>          |
| <b>Magazine</b>               | 1 item/ft <sup>2</sup>      | 1 item/ft <sup>2</sup>          | 110 ft <sup>2</sup>          |                              | 270 ft <sup>2</sup>                  | 270 ft <sup>2</sup>             |
| <b>Non-print</b>              | 10 items/ft <sup>2</sup>    | 12 items ft <sup>2</sup>        | 616 ft <sup>2</sup>          |                              | 2,738 ft <sup>2</sup>                | 2,738 ft <sup>2</sup>           |
| <b>Computers</b>              | 45 ft <sup>2</sup> per stn  | 45 ft <sup>2</sup> per stn      | 398 ft <sup>2</sup>          | 1,440 ft <sup>2</sup>        | 1,440 ft <sup>2</sup>                | 2,025 ft <sup>2</sup>           |
| <b>Total Collection Space</b> |                             |                                 | <b>13,337 ft<sup>2</sup></b> | <b>15,570 ft<sup>2</sup></b> | <b>21,358 ft<sup>2</sup></b>         | <b>31,841 ft<sup>2</sup></b>    |
| <b>Seating Space</b>          |                             |                                 |                              |                              |                                      |                                 |
| <b>Reader Seating Space</b>   | 30 ft <sup>2</sup> per seat | 30 ft <sup>2</sup> per seat     | 1,305 ft <sup>2</sup>        | 6,090 ft <sup>2</sup>        | 8,340 ft <sup>2</sup>                | 8,340 ft <sup>2</sup>           |
| <b>Staff Work Space</b>       |                             |                                 |                              |                              |                                      |                                 |
| <b>Staff Work Space</b>       | 140 ft <sup>2</sup> per stn | 150 ft <sup>2</sup> per stn     | 5,046 ft <sup>2</sup>        | 10,689 ft <sup>2</sup>       | 7,280 ft <sup>2</sup>                | 7,800 ft <sup>2</sup>           |

# Executive Summary

## Comparison to Standards

In order to meet 2036 service levels for a 185,000 design population, the gross building area requirement is estimated to approximate 88,000 ft<sup>2</sup>. This represents a significant increase from the current space which will impact the overall budget for the project.

| Category   | Wisconsin Benchmark        | SOLS (AODA Compliant) Benchmark | Current Main Library         | 2017 Functional Plan         | Main Library Current Collection 2017 | Main Library 2036 Service Level |
|--|----------------------------|---------------------------------|------------------------------|------------------------------|--------------------------------------|---------------------------------|
| <b>Meeting Room Space</b>  |                            |                                 |                              |                              |                                      |                                 |
| <b>Total Meeting Room Space</b> (e.g. multi-purpose, conference, Storytime & computer lab rooms) |                            |                                 | 1,314 ft <sup>2</sup>        | 5,565 ft <sup>2</sup>        | 3,850 ft <sup>2</sup>                | 3,850 ft <sup>2</sup>           |
| <b>Special Use Space</b>   |                            |                                 |                              |                              |                                      |                                 |
| <b>Special Use Space</b> (e.g. small group study rooms, copy centres, café etc)                  | 17% of gross building area | 825 ft <sup>2</sup>             | 577 ft <sup>2</sup>          | 11,231 ft <sup>2</sup>       | 11,094 ft <sup>2</sup>               | 13,834 ft <sup>2</sup>          |
| <b>Non-assignable Space</b>  |                            |                                 |                              |                              |                                      |                                 |
| <b>Non-assignable Space</b> (e.g. restrooms, stairwells, mechanical rooms, elevators)            | 27% of gross building area | 25% of gross building area      | 5,785 ft <sup>2</sup>        | 30,847 ft <sup>2</sup>       | 17,621 ft <sup>2</sup>               | 21,971ft <sup>2</sup>           |
| <b>Total Gross Square Feet</b>   |                            |                                 | <b>27,364 ft<sup>2</sup></b> | <b>79,992 ft<sup>2</sup></b> | <b>66,162 ft<sup>2</sup></b>         | <b>87,636 ft<sup>2</sup></b>    |

# Service Level Variations & Gross Square Feet Impact

The Wisconsin model has four levels of service for a library's collection: basic, moderate, enhanced and excellent. Using a target population of 185,000 people, the collection size ranges from 238,000 volumes to 353,000 volumes depending upon the service level.

Accordingly, the service level standard applied to the library's collection can have a significant impact on the calculation of gross square feet.

The table below shows the impact on the gross floor square footage if the other types of library work space are held constant. The gross square feet varies between 87,636 ft<sup>2</sup> and 108,591 ft<sup>2</sup>, a difference of approximately 21,000 ft<sup>2</sup> or 24%.

Given that the current collection does not meet the basic benchmark for the Wisconsin model, KPMG has calculated the required gross floor square footage on the basic benchmark of 2.5 volumes per capita.

The remaining types of library work space (seating space, staff work space, meeting room space, special use space and non-assignable space) were derived from the updated 2017 functional plan and are constant across the different service levels for the collection space.

|  | Wisconsin Model |               |                |                |
|--|-----------------|---------------|----------------|----------------|
|  | Basic           | Moderate      | Enhanced       | Excellent      |
| Collection per capita  | 2.5             | 3.0           | 3.4            | 3.7            |
| 2036 Main Branch Book Collection Size                            | 238,289         | 285,946       | 324,073        | 352,667        |
| 2036 Main Branch Book Collection Size less 10% <sup>1</sup>      | 214,460         | 257,352       | 291,665        | 317,400        |
| Collection Square Footage @ 8 books/ft <sup>2</sup>              | 26,808          | 32,169        | 36,458         | 39,675         |
| <b>Total Gross Floor Square Footage @ 8 Books/Ft<sup>2</sup></b> | <b>87,636</b>   | <b>96,367</b> | <b>103,352</b> | <b>108,591</b> |

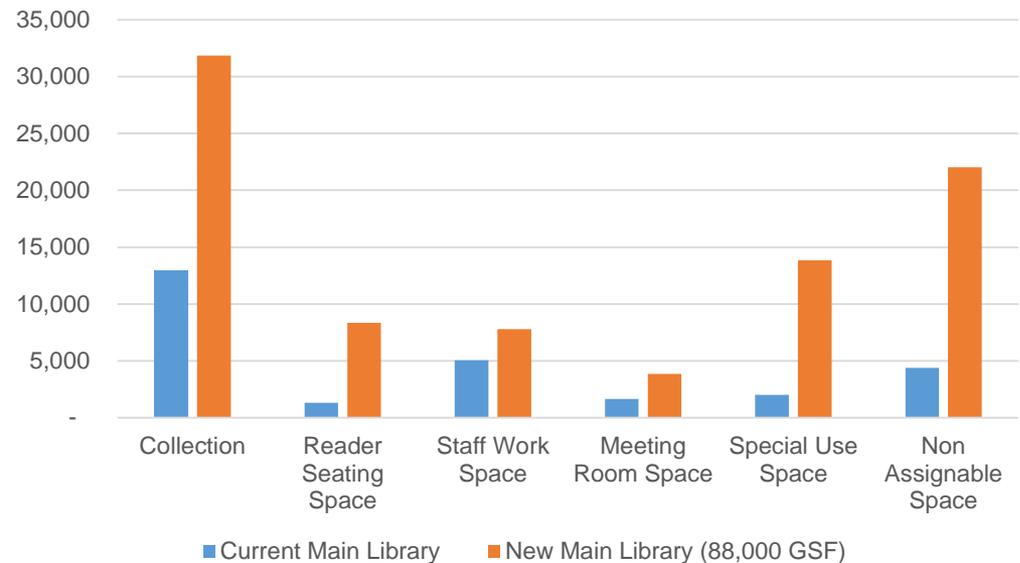
<sup>1</sup> For collections of more than 100,000 volumes, 10% is assumed to be in circulation at any given time.

# Comparison of Current Main Library To Proposed New Main Library

A comparison of the current Main Library building's space type to the proposed Main Library at 88,000 ft<sup>2</sup>, illustrates where there will be substantial changes.

- Collection space and reader seating space will increase by more than 100% from the current square footage.
- There will be an increase in staff work space from approximately 5,000 ft<sup>2</sup> to 7,800 ft<sup>2</sup>.
- Meeting Room space will double to 3,850 ft<sup>2</sup>.
- The present library has no special use space. The proposed Main Library will have approximately 14,000 ft<sup>2</sup> of special use space. This space reserves space for features that are unique to the community the library serves. Its specific uses will be determined during the design phase after public consultation.
- Non-assignable space increases from 4,400 ft<sup>2</sup> to 22,000 ft<sup>2</sup> reflecting the requirements of the current building code and facility infrastructure.

Comparison of Gross Square Feet by Space Type



# Key Findings – Spatial Analysis

In order to identify the ideal future state, KPMG utilized the Wisconsin Department of Public Instruction benchmarks which are an accepted library standard. In the determination of collection space, we used the lowest metric for service levels which can be interpreted as the basic standard. **It is important to note, however, for most Ontario libraries the Wisconsin basic standard is the accepted standard for collection size. The Wisconsin basic benchmark should not be considered as a metric indicating an inadequate or inferior library collection.**

The OPL benchmarks for **total collection** (books, periodicals, audio/video recordings) per capita, place the GPL system above a moderate service level standard. Nevertheless, the size of a library's book collection has the greatest impact on spatial requirements in the planning of a new library. To that end, the Main Library has experienced a decline in its book collection as the library culls its collection to meet the space constraints of the Main Library. The GPL branches have absorbed some of the collection growth, but they have no more collection space for books.

KPMG forecasted future Main Library space requirements using a target population of 185,000 in 2036 as established by the Province of Ontario in the recently released *Places To Grow 2017 Update*.

## Key findings – Spatial Analysis:

1. From our analysis, we identified a gap in the recommended number of collection volumes, reader seating space, and special use space.
2. Based upon the application of the Wisconsin basic benchmark to the required collection of a 185,000 design population, a new Main Library building would require approximately 88,000 ft<sup>2</sup>. This figure does not include a 300 seat multi-purpose room.
3. The cost to operate a facility that is almost three times the size of the current facility will significantly increase current cost levels. These operating costs will be dependent upon building design, construction and operations.

# Executive Summary

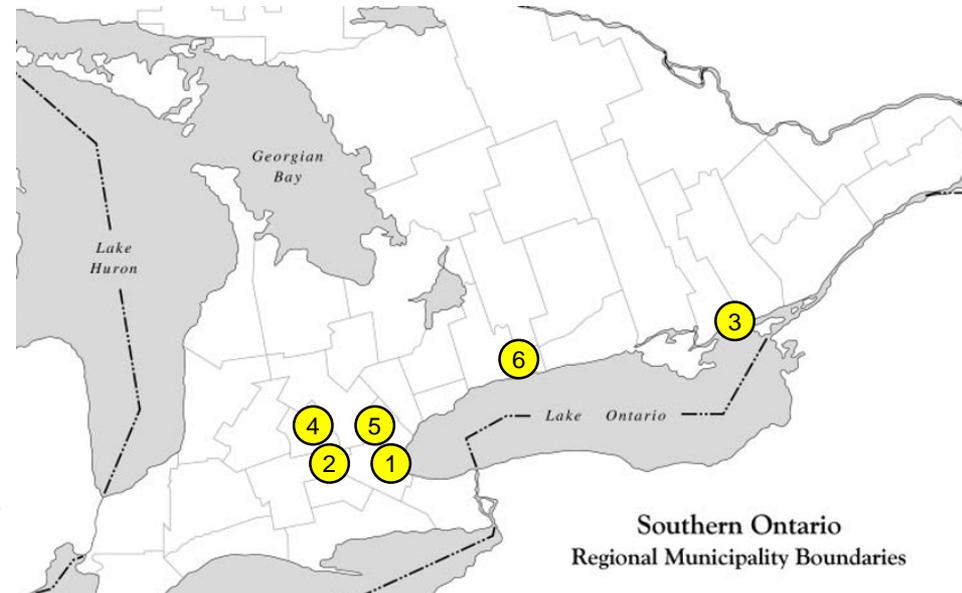
## Key Findings - Benchmarking

KPMG conducted a survey of recently constructed main libraries in Southern Ontario and two libraries under construction. The comparator libraries included:

1. Burlington
2. Cambridge (under construction)
3. Kingston Frontenac (under construction)
4. Kitchener
5. Milton
6. Whitby

There were several key findings from the benchmarking.

- The comparator libraries (with the exception of Kitchener) all experienced an increase in library membership.
- The number of library programs increased in all the comparators reflecting the increased capacity offered by the new facility.
- The circulation of the comparator libraries all substantially increased following the construction of the new facility.
- Increases in the operational budget were all financed through either increases in the tax levy for the municipality or through technological efficiencies.
- Five of the six libraries operate a café within the library.
- All the libraries are compliant or plan to be compliant with AODA legislation.
- Only one library comparator has a formal auditorium. The remaining libraries either have no auditorium or they have a large multi purpose room with seating ranging from 90 – 200 seats and a portable stage.



# Key Findings – Economic Impact Analysis

The investment in a new Main Library will make a significant contribution to the local, provincial and national economies. This is demonstrated through both the economic and social impacts that are created as a result of capital expenditures of the project, as well as the annual ongoing expenditures once a new Main Library is operational.

The following is a summary of key quantifiable impacts made by investing in a new Main Library:

- The construction of a new Main Library will contribute approximately \$46.1 million to Canada’s GDP and 419.4 FTEs in Canada over three years. The majority (approximately 90%) of these impacts are accrued in Ontario.
- KPMG estimates that the operations of a new Main Library will have an annual impact of \$9.3 million to Canada’s GDP and 97.8 FTEs in Canada.
- Anecdotally, the City of Guelph should capture many of the economic impacts associated with the construction of the new Main Library.

In addition to the quantifiable impacts above, GPL provides a number of other significant benefits to the community it serves. Research on the return on investment of public libraries found that proximity to a library increases spending for those businesses located near the library. The experience of the Seattle downtown validates this research.

Residents view GPL as a vital community resource that improves the quality of life in the City. Investing in a new Main Library directly aligns with the economic development goals the City set out for itself in *Prosperity 2020*. Specifically, the Project aligns following strategic directives set out for the City:

- Investing in people and ideas;
- Investing in the downtown; and
- Investing in hard and green infrastructure.

Investing in a new Main Library demonstrates the City’s commitment to the economic development goals it set out for itself to achieve by 2020 and beyond.

## Executive Summary

# Conclusions

KPMG was engaged by GPL to undertake the development of a business case for a new Main Library facility. The overall goal of the review is to prepare a business plan based upon the service delivery model, demand profile and financial resources available to the City of Guelph and GPL.

The following key findings were determined in the business case for a new Main Library facility.

1. There are key structural issues with the existing Main Library that need to be addressed in order to meet the current building code and ensure membership safety. The building does not meet the accessibility requirements as required by the AODA and City of Guelph policy.
2. Based upon the application of the Wisconsin basic benchmark to the required collection of a 185,000 design population, a new Main Library building would require approximately 88,000 ft<sup>2</sup>.
3. Comparator libraries (with the exception of Kitchener) all experienced an increase in library membership, an increase in library programs and an increase in the circulation of library materials. Increases in the operational budget were all financed through either increases in the tax levy for the municipality or through technological efficiencies.
4. The Main Library project would currently be assessed as possessing **moderate risk** at this early feasibility stage. The major factor creating project risk is its incorporation within a much larger development scheme on the Baker Street block.
5. Based upon a new Main Library with 88,000 GSF, the operational expenditures for the Guelph Public Library system should be expected to increase by \$2.2 million to \$7.86 million.
6. The total cost for a new Main Library of 88,000 gross square feet is forecast to be approximately \$46.25 million dollars. Projected out to 2021 at a 2% inflation rate, the total project cost is \$50.06 million.
7. The construction of a new Main Library will contribute approximately \$46.1 million to Canada's GDP and 419.4 FTEs in Canada over three years. The majority (approximately 90%) of these impacts are accrued in Ontario. KPMG estimates that the operations of a new Main Library will have an annual impact of \$9.3 million to Canada's GDP and 97.8 FTEs in Canada. Anecdotally, the City of Guelph should capture many of the economic impacts associated with the construction of the new Main Library.

In summary, KPMG trusts this business case provides the necessary support for the Council of the City of Guelph to determine the appropriateness of progressing to the development of detailed architectural plans.



# Project Overview

**Guelph Public Library Business Plan For A New Main Library  
Final Report**





**Guelph Public Library**  
Explore • Connect • Thrive

## Introduction

KPMG was engaged by Guelph Public Library (“GPL” or the “Library”) to undertake the development of a business case for a new Main Library facility. The overall goal of the review is to prepare a business plan based upon the service delivery model, demand profile and financial resources available to the City of Guelph (“City”) and GPL.

The business case for a new Main Library facility involved the following objectives:

- a. Determine the case for change and establish the need for new library infrastructure investment
- b. Prepare a financial model estimating the future operating cost of a new Main Library
- c. Conduct an economic impact analysis of a new Main Library
- d. Facilitate a public meeting to garner feedback from the community

This business case will provide the necessary support for the Council of the City of Guelph to create a foundation for the development of detailed architectural plans and recommendations to improve the overall effectiveness and efficiency of the current service delivery model for library services.

## Setting the stage

Originally established in 1883, the GPL is the oldest free public library in the Province of Ontario. The Library operates under the terms of the Public Libraries Act (1990) that defines the size and composition of the Library Board, its relationship to the City of Guelph and the regulatory framework for the delivery of library services in the City.

The original library located at 100 Norfolk Street was a Carnegie library constructed in 1905. It was replaced in 1965 by the existing Main Library building with 25,000 ft<sup>2</sup>. In 1975, the Main Library added an additional 4,000 ft<sup>2</sup> of floor plan.

In the year 2000, Council approved a three phase process for a new central library in the downtown business district:

Phase 1 – Feasibility Study

Phase 2 – Comprehensive Design

Phase 3 – Detailed Design

Subsequently, Monteith Planning Consultants (“MPC”) were retained to prepare a feasibility study for a new Main Library. MPC determined that the size of a new Main Library should be 65,000 ft<sup>2</sup>. In 2007, MPC was again retained to assess the potential for a new central library at the 100 Norfolk Site and prepare a short-list of potential sites in the downtown core.



## Setting the stage

In 2009, Walterfedy Partnership prepared a series of concept plans for a new library and residences on the Baker Street site in the downtown business district.

Garwood - Jones & Hanham Architects were retained in 2012 to develop a functional plan for a Main Library at the Baker Street site. This functional plan proposed a site plan of 90,000 ft<sup>2</sup> at a total project cost of \$50 million.

In 2017, Invizij Architects Inc. were retained to update the functional plan for the proposed Main Library. Invizij reviewed nine possible sites for a Main Library against the following criteria:

1. Lot size/footprint
2. Visibility
3. Parking
4. Availability/ownership
5. Adjacent Uses

Of the nine sites, only the Baker Street site and the existing library location at 100 Norfolk Street were considered to be feasible.

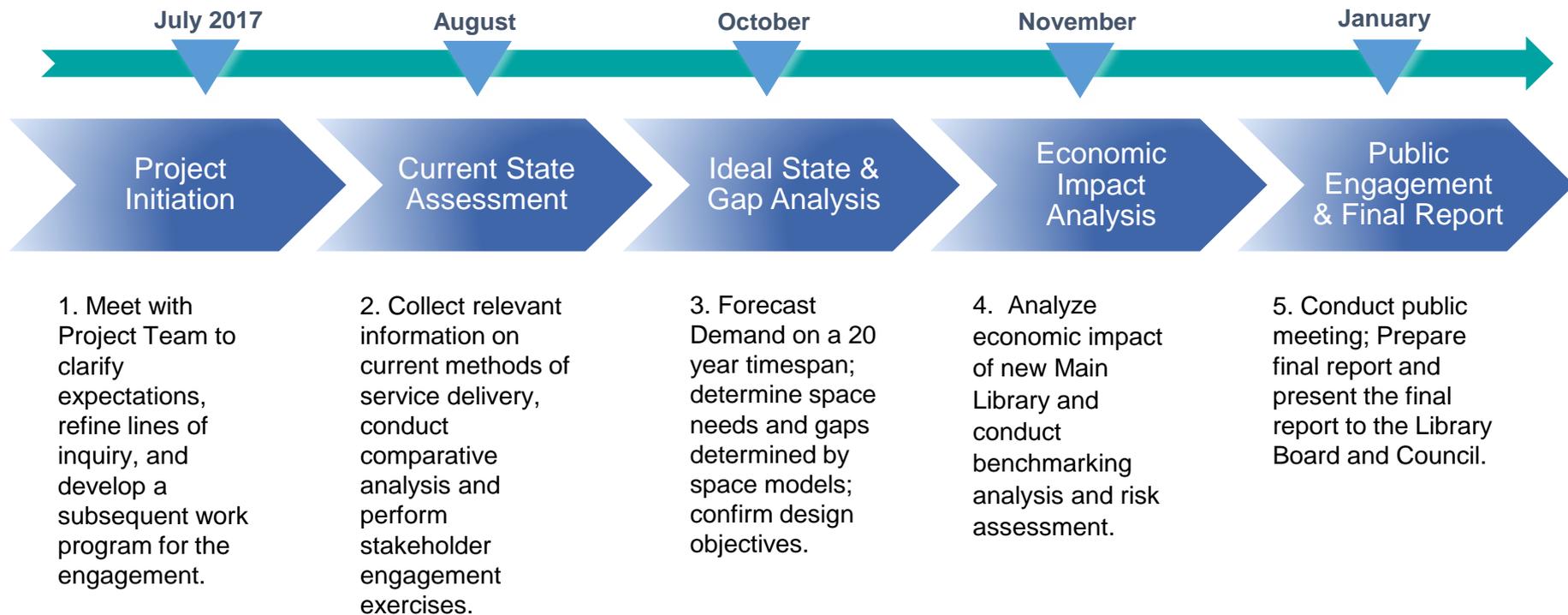
The revised functional plan also reduced the required floor area to 80,000 ft<sup>2</sup> at a cost of \$41.3 million.

In 2017, the City began the process of issuing an RFP for the development of the Baker Street site. Council requested that a business case be prepared to validate the proposed Main Library plan for the site. KPMG was subsequently retained by GPL to prepare the required business case for a groundbreaking in 2023.



## Project scope and deliverables

- **Phase 1: Project Initiation and Planning**
  - Kick-off meeting with Project Team
  - Project charter and project schedule
- **Phase 2: Current State Assessment**
  - Collect and review documentation and tour library
  - Develop interview guides and validate with project manager
  - Stakeholder consultation (15 thirty minute interviews)
  - Prepare Current State Profile
- **Phase 3: Ideal State & Gap Analysis**
  - Forecast demand on a 20 year timespan
  - Determine space needs
  - Confirm design objectives
- **Phase 4: Economic Impact Analysis**
  - Analysis of economic impact of new Main Library
  - Benchmarking summary
  - Risk assessment
- **Phase 5: Final report and presentation**
  - A final report (in PowerPoint format) consolidating the different phases of the project
  - Electronic versions of all project documents
  - Presentation to the Library Board, Council and Public meeting





# The Strategic Context

**Guelph Public Library Business Plan For A New Main Library  
Final Report**



# Strategic Environment Organizational Overview

*To build a strong rationale for a proposed investment, the current environment needs to be described. An organizational overview should include the organization's Mission, Vision and Strategic Objectives, as well as, its current services, organizational structure and financial capacity.*

## **Guelph Public Library Mission**

We provide ways for people to explore their world, enrich their lives and connect with their community.

## **Guelph Public Library Vision**

A thriving community. Created Together



# Strategic Environment Organizational Overview



## Guelph Public Library Values

The following values guide our decisions and actions:

**Accessibility:** we believe in making library services available to all

**Accountability:** by ensuring library services are efficient and fiscally responsible

**Balance:** we make decisions that balance the needs of customers and employees

**Diversity:** we gain strength from our differences

**Excellence:** we do whatever it takes to deliver excellent service

**Innovation:** we are constantly recalibrating and capitalizing on opportunities

**Integrity:** we support intellectual freedom and universal access to information

**Lifelong Learning:** we believe in the power of information

**Literacy:** we believe that our passion for reading and learning should be shared

**Wellness:** we contribute to a strong and healthy community

# Strategic Environment Organizational Overview

## Guelph Public Library Strategic Priorities

### Design a Library to Hold the Heart of the Community

We commit to breaking ground on a new Main Library in the next five years. We want the Library's physical presence to align with the values at the heart of this community, and provide a space where those values can be expressed, shared and shaped. This includes caring for each other and the natural world, respecting our past and embracing our future.

### Reflect our Changing Community

As Guelph grows, it is becoming increasingly diverse. By reflecting this diversity and adapting to meet the community's needs, we will create a welcoming environment for all. We want everyone to see their identities and interests represented in library programming, collections and staff.

### Create a Dynamic Space

We want the Library to be an exciting, attractive destination. This requires library spaces that are a joy to spend time in, and are designed with community use in mind. We will examine the use of our spaces to better balance the Library's roles as an interactive, social place, and a place for quiet study and reflection.



# Strategic Environment Organizational Overview

## Guelph Public Library Strategic Priorities

### Bridge the Gap

Many people face barriers to living the life they want and feeling included in the community. We will lessen these barriers by connecting with underserved groups, improving accessibility and delivering technology and services in more ways.

### Strengthen Our Reach

We will strengthen our identity and increase community awareness of our purpose, services, and programs. We want to regularly check in with the community to ensure we are responsive to local needs. At the same time, we want to invite the community in, to shape our Library and advocate for its importance. It's together that we create a valued and valuable Library.

### Work Together to Build a Resilient Community

We want to be a facilitator of community knowledge and connection. We will work with and learn from partners to connect people to the supports they want, ensure people feel safe in the Library, and play our role in truth and reconciliation. We will strive to be successful collaborators and invest in staff resources and training to support this role.

### Re-Pour the Foundation

As the Library changes to better reflect community needs, our process and structures must change too. We will review and revamp these practices, using the feedback and experience of staff to inform our decisions. We plan to start with our staff roles and responsibilities, communication techniques and programming process. When our processes consume less time and energy, we can focus on what matters.



# Strategic Environment

## City of Guelph Downtown Secondary Plan



In 2016, the City of Guelph approved a new downtown secondary plan. The downtown secondary plan is a comprehensive vision for revitalizing downtown Guelph up to 2031. It addresses the requirements of both municipal and provincial growth plans by planning for increased residential development to complement continued commercial and employment growth and cultural activities in the downtown core.

Several objectives and targets contained within the downtown secondary plan are applicable to the development of a new Main Library.

### Objectives

- Ensure Downtown remains a focus for investment in institutional and region-wide public services.
- Maintain Downtown as the centre of governance and services by the County of Wellington and City of Guelph, and a hub for Provincial judiciary and other services.

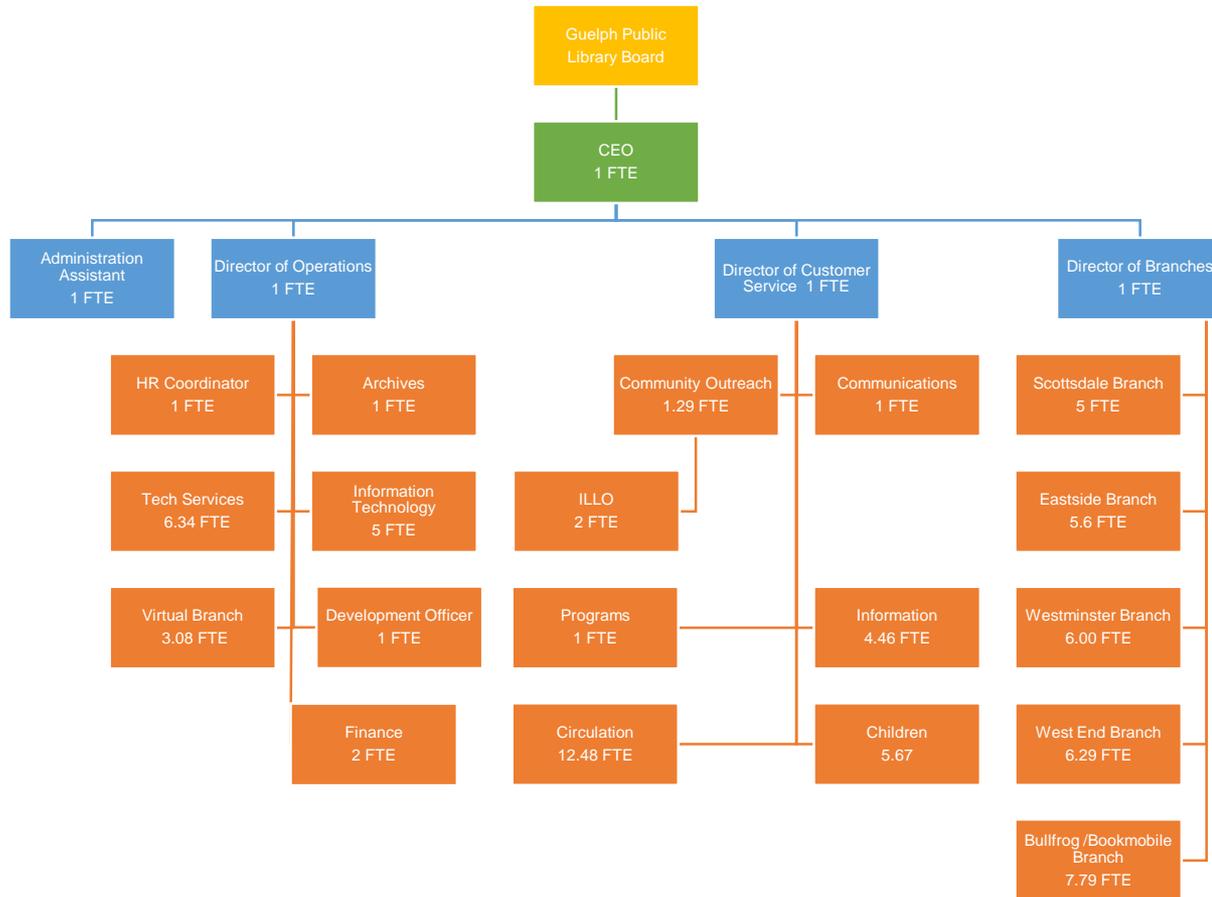
### Targets

- Increase the number of institutional jobs and institutions Downtown, including at the City, County, Provincial and Federal levels.
- Increase the number of cultural events that occur Downtown.
- Increase each year, at a rate greater than the City's population growth, the number of persons visiting Downtown to shop, dine and experience cultural events.

# Organizational Overview – Current Services

|                     |  |  |   |   |
|---------------------|--|--|---|---|
| <p>Members Need</p> | <ul style="list-style-type: none"> <li>• Reading opportunities</li> <li>• Digital literacy</li> <li>• Family activities</li> <li>• Stages of life programming</li> </ul>   | <ul style="list-style-type: none"> <li>• Study space</li> <li>• Connectivity</li> <li>• Career support</li> <li>• Information gateway</li> <li>• Lifelong learning</li> <li>• Educational programming</li> </ul>   | <ul style="list-style-type: none"> <li>• Community space</li> <li>• Business support</li> <li>• Health &amp; wellbeing</li> <li>• Local History</li> <li>• To stay connected</li> </ul>   | <ul style="list-style-type: none"> <li>• Social activities</li> <li>• Safe, accessible facility</li> <li>• Support for vulnerable populations</li> <li>• Volunteer opportunities</li> </ul>   |
| <p>GPL Delivers</p> | <ul style="list-style-type: none"> <li>• Early literacy stations</li> <li>• Story time</li> <li>• Summer Reading Challenge</li> <li>• Coding workshops</li> <li>• Born to Read Program</li> <li>• Preschool &amp; STEAM Programming</li> </ul> | <ul style="list-style-type: none"> <li>• Free Wi-Fi</li> <li>• Study space</li> <li>• Multi-format collection</li> <li>• Teen and Older Adult Advisory Groups</li> <li>• Reader’s Advisory</li> <li>• Online courses</li> <li>• Makerspaces &amp; programs</li> <li>• Online Homework Help</li> <li>• Host and support book clubs</li> </ul> | <ul style="list-style-type: none"> <li>• Local information &amp; civic engagement</li> <li>• Books &amp; e-resources</li> <li>• Career Expos</li> <li>• Health workshops</li> <li>• Lendable technology (Fitbits, hydro meters, binoculars, air cleaners)</li> <li>• Assistive devices (DAISY readers, magnifiers)</li> </ul> | <ul style="list-style-type: none"> <li>• Events &amp; activities</li> <li>• Social spaces</li> <li>• Home/mobile library services</li> <li>• Genealogy</li> <li>• Intergenerational programming</li> <li>• Personal tech support</li> <li>• 24 hour virtual access</li> </ul> |
| <p>Service Gaps</p> | <ul style="list-style-type: none"> <li>• Lack of space to provide non-traditional lending opportunities</li> <li>• No dedicated space for young adults</li> <li>• Inadequate work space for staff</li> <li>• No growth potential</li> </ul>    | <ul style="list-style-type: none"> <li>• Serious deficiency of multipurpose space</li> <li>• Lack of space to expand technology</li> <li>• Lack of space to maintain and expand physical collections</li> <li>• Shortage of public computers to meet provincial targets</li> </ul>   | <ul style="list-style-type: none"> <li>• Insufficient services for newcomers (English As Second Language)</li> <li>• Inadequate storage space for professional archives</li> <li>• No space to develop special collections (Indigenous)</li> <li>• No large public assembly space</li> </ul>                                  | <ul style="list-style-type: none"> <li>• Serious accessibility issues for all ages</li> <li>• Lack of adjustable space for private meetings</li> <li>• Adaptable social spaces</li> <li>• Lack of space for community partners</li> </ul>                                     |

# Strategic Environment Organizational Overview - Staffing



## Staffing Capacity

1. Current staffing complement for GPL is 82 full time equivalent positions ("FTE").
2. There are three departments within GPL:
  - a. Operations - HR, IT, Finance, Development & Archives
  - b. Customer Service – Inter-library loans, programming, communications, community outreach
  - c. Branches – delivery of front line library services to 5 branches
3. Corporate support positions represent 27% of the total complement.
4. Main Library positions for the Library system total 51.32 positions or 62% of the staffing complement. Branch staffing makes up the remaining 38% of the staffing complement.
5. Average staffing per branch is 6.3 FTEs (excluding Main library).

# Organizational Overview - Summary of Historical Financial Results

## Summary of Historical Financial Results

The historical operating results of GPL for the 2015 and 2016 fiscal years as well as the fiscal 2016 budgeted operating results are presented in the table to the right.

Library user fees and service charges are GPL's primary non-levy revenue source accounting for 2.8% and 3.2% of total revenue in fiscal 2016 and 2015, respectively. In addition, over the past two fiscal years, GPL received grant revenue from the province of Ontario of \$168,000 accounting for 1.8% and 2.0% of total revenue in fiscal 2016 and 2015, respectively. Furthermore, donations are primarily received from patrons/supporters of the library.

Salaries and benefits expenditures for GPL's 82 FTEs accounted for approximately 63.0% of total operating expenses in fiscal 2016 and is GPL's main operating expense. Amortization (non-cash operating expense) accounted for approximately 11.8% of total operating expenses in fiscal 2016. Capital expenditures have averaged \$1.39 million for the past two fiscal years.

Without consideration of tax levy revenue, GPL has operated at a deficit in the last two fiscal years. The operating deficit (without inclusion of the tax levy) in fiscal 2016 and 2015 was \$8.728 million and \$8.078 million, respectively. This 8.0% operating deficit increase from fiscal 2015, was primarily the result of increased salaries and benefits costs, operating supplies expenditures, and amortization.

## Financial Impacts from a New Main Library Facility

1. Estimated increase in gross floor area by a quantum of 3.0 (88,000 ft<sup>2</sup>) will increase the number of required staff and associated salaries and benefits expenditures.
2. Operating and utility expenditures will also increase with the larger gross floor area regardless of the increased energy efficiency of the new building.
3. Given its new construction, a new Main Library should decrease the required repairs and maintenance expenditures of the current building in the short and medium term.

| Guelph Public Library Board<br>For the fiscal years ended December 31 | Budget<br>FY 2016 | Actual<br>FY 2016 | Actual<br>FY 2015 |
|---|-------------------|-------------------|-------------------|
| <b>in '\$'000s</b>  |                   |                   |                   |
| <b>Revenue</b>  |                   |                   |                   |
| Tax levy  | \$ 7,467          | 8,728             | 8,078             |
| Fees and service charges  | 290               | 257               | 275               |
| Grant - Province of Ontario   | 168               | 168               | 168               |
| Donations   | 69                | 102               | 89                |
| Sundry revenue  | 23                | 40                | 20                |
| <b>Total revenue</b>  | <b>8,017</b>      | <b>9,295</b>      | <b>8,630</b>      |
| <b>Expenses</b>   |                   |                   |                   |
| Salaries and benefits   | 5,666             | 5,842             | 5,686             |
| Amortization  | -                 | 1,098             | 944               |
| Rental and leases   | 949               | 788               | 862               |
| Operating supplies  | 439               | 581               | 246               |
| Repairs and maintenance   | 526               | 460               | 424               |
| Communications  | 178               | 195               | 170               |
| Utilities and taxes   | 139               | 159               | 143               |
| Consulting and professional fees                                      | 43                | 121               | 87                |
| Training  | 40                | 44                | 32                |
| Administrative and office   | 8                 | 6                 | 12                |
| Furniture and equipment   | 29                | 1                 | 5                 |
| Interest on long-term debt  | -                 | -                 | 19                |
| <b>Total expenses</b>   | <b>8,017</b>      | <b>9,295</b>      | <b>8,630</b>      |
| <b>Net operating income / (deficit)</b>                               | <b>\$ -</b>       | <b>-</b>          | <b>-</b>          |

# Strategic Environment Statement of Business Need

*A well-crafted business case contains a clear articulation of the business need in the form of a well structured statement of no more than one or two sentences that addresses the problem or opportunity.*

The Guelph Public Library requires a Main Library with the necessary square footage to serve as a community hub and accommodate the current collection and future anticipated growth, program space needs, member seating, staff and support services and public amenities.

Importantly, the new Main Library will be the foundation for the City's ambition for Downtown Guelph ensuring that it will continue to be the cultural and civic hub for the City and larger region; where people live, work, shop, dine, play and celebrate.



*Guelph Public Main Library, 100 Norfolk Street*

# Strategic Environment Drivers For Change

*A thoughtful business case needs to identify the drivers that triggered the investment proposal. Both internal and external drivers of change should be identified and clearly linked to the business need.*

Drivers for Change impacting the Guelph Public Library include:

1. The purpose and role of libraries has evolved in the last fifty years. There is a lack of programming space, seating, community meeting space and public amenities within the current building to meet the needs of all Guelph citizens regardless of economic position.
2. Current building is a 52 year old building that will require extensive upgrades to its building fabric and mechanical and electrical systems to bring it into compliance with the current building code.
3. There are significant safety and accessibility deficiencies that will require an additional 11,000 ft<sup>2</sup> to correct and bring into compliance with the AODA.
4. The collection of the Main Library is constrained by the limited space of the current building.
5. Membership's technology expectations have grown beyond what the current facility can provide.



*Current inaccessible collection stacks of the GPL Main Library*

# Strategic Environment Business Outcomes

*In order to level set expectations, a business case needs to establish the business outcomes, specifically the expected result or benefit that the organization is striving to achieve at the end of an intervention or change.*

The development of a new Main Library has the following desired primary outcomes:

1. Architectural excellence within the Guelph downtown consistent with the objectives and targets of the City's downtown secondary plan
2. A community hub with space for all citizens with specific emphasis on increasing services to children and young adults
3. Addresses spatial issues, specifically the undersized floor plan that limits collection, membership and programming services
4. Increased and improved technological services available to library members
5. Library accessibility for all Guelph citizens and compliance with the Accessibility for Ontarians with Disabilities Act

The development of a new Main Library facility also has the following secondary outcomes:

1. Archival space for the City of Guelph's corporate history
2. Exhibit space for local artists
3. New revenue opportunities for the library system



*New Calgary Central Library*

# Strategic Environment Strategic Fit

*To make a robust case for change, any business case should demonstrate how the proposed investment fits within the organization's service delivery model and contributes toward its goals and objectives. The strategic fit maps the investment proposal to the service delivery model.*

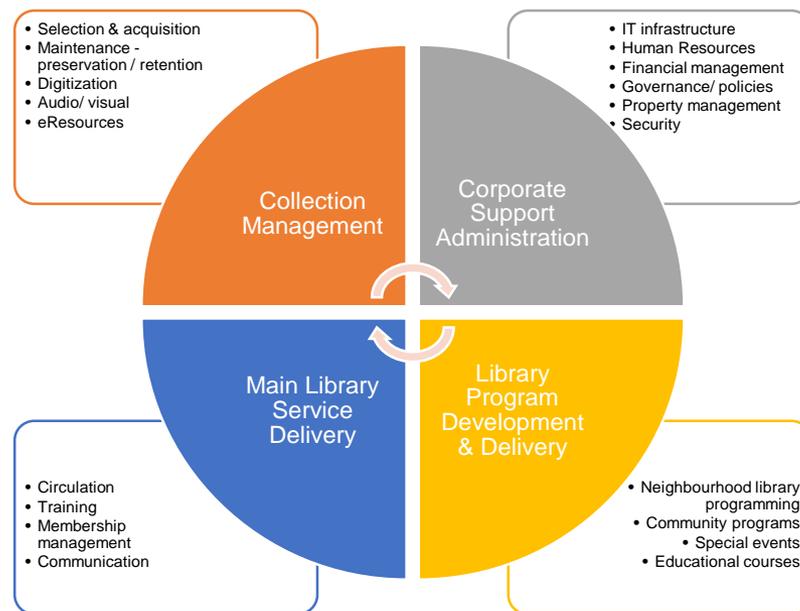
The branch model is used when there are multiple library locations within a city anchored by a main library. The main library provides the most extensive range and depth of library services and collections and serves as the administrative hub within the system while the branch libraries are delivery channels for library services into the different communities of the city.

The main library as the central hub of the library system has responsibility for corporate support services (finance, human resources, information technology, development), collection and programming management and the driving of a common delivery standard to its branch locations. It provides a community hub to deliver meeting space and creative work space. It also serves as the library branch for the downtown core.

A branch library is a delivery channel for library services set up in a neighbourhood of a municipality to provide library services in a manner consistent with the system's delivery standard.

Nonetheless, the branch works closely with the local neighbourhood to ensure that its services meet the demands and expectations of the community it serves.

In order for the branch model to work effectively it requires a strong main library with the necessary capacity to support the broader library system. While there are several factors that influence the strength of a main library (leadership, staff, governance), the physical infrastructure of the main library is critical to the success of the branch service delivery model. The main library requires the necessary square footage to meet the research, informational and social needs of all types of users throughout the city and in its immediate neighbourhood. Just as important, however, is the need for architectural excellence to support the main library as a cultural destination to enhance the civic, social and intellectual life of the city.



# Strategic Environment Trends in Library Usage

North American research indicates that there remains a demand for library services including the traditional service of lending printed books.

The most recent research on library usage trends has been conducted in the United States. According to the Pew Research Centre, Americans' use of public libraries has fluctuated in recent years. A survey conducted in 2016 shows that just under half of all those age 16 and older (48%) say they have visited a public library or bookmobile in person in the prior year. The high-water mark for library visits in Center surveys is 53% in 2012, in the aftermath of the recession when visits to libraries for job searches were more prevalent than they are today. The 2015 figure was 44% who had visited a library or bookmobile in the previous 12 months.

When asked why they visit public libraries in person, large numbers of library users cite fairly traditional reasons. These include borrowing printed books (64% of library visitors do this, down slightly from the 73% who did in 2012, but similar to the 66% who did so in 2015) or just sitting and reading, studying, or engaging with media (49%, identical to the share who did so in 2012).

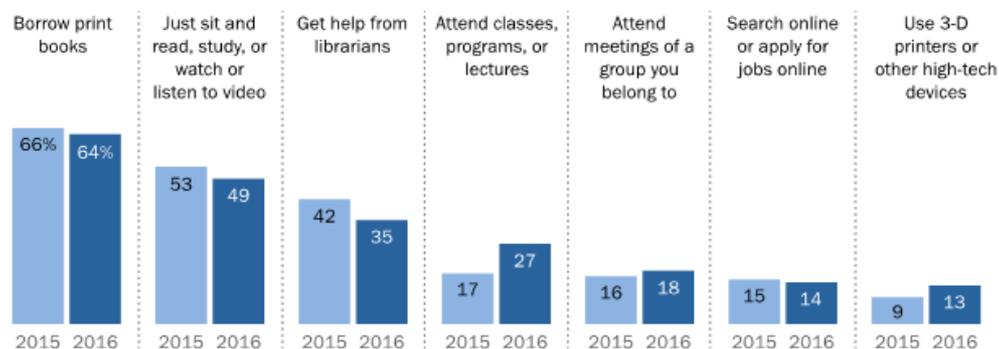
A report conducted by the Canadian Library Association entitled *National Statistical and Values Profile of Canadian Libraries, 2012* Looked at library usage in Canada. The report found that:

- There were 1 million visits to libraries (public, academic and school) every day of the year in 2010
- On average Canadians visited a library once a month in 2010 (11 visits/year)
- On average Canadians used at least one library item per month in 2010 (17 library items/year)
- 21,000 Canadians attended programs held by public and academic libraries every day in 2010

Locally, there were 402,298 visitors to the Guelph Main Library in 2017 or 1,100 visitors per day.

## Traditional activities – borrowing books or reading – dominate library use, but people are also attending classes or other programs

% of U.S. library users ages 16 and older who say they did the following at libraries in the past 12 months



Note: 48% of those ages 16 and older used libraries or bookmobiles in the past 12 months.  
Source: Survey conducted March 7-April 4, 2016.  
"Libraries 2016"

PEW RESEARCH CENTER

# Strategic Environment Trends in Library Space Use<sup>1</sup>

## A Modern Main Library looks and functions differently

A modern library blends traditional library uses with new and innovative uses and spaces. A 21st century library is a community hub; the anchor for the city's learning and culture. Today's library inspires community vitality and resilience.

Within the last decade there has been a resurgence of Main Library construction worldwide as libraries take their place as key stakeholders in successful and livable cities.

One of the greatest changes in the role of libraries has been the response to a growing need for public use space, and programming designed to support the learning needs of communities.

## Meeting Space

Small business owners, book clubs and study groups, homeschoolers, small non-profit community organizations, new Canadian language learners, tutors, networking groups, and others look to the library to support their need for spaces to meet and collaborate. The Downtown Secondary Plan identifies the need for community meeting space, and identifies the new Main Library as providing such meeting space. Modern libraries provide a range of meeting/work spaces, accommodating groups of 2, 4, 8, or 10 people. A conference room accommodating larger groups, a board room, and flexible partitioned multi-purpose spaces can all be appropriate, depending on community needs. Informal meeting spaces can include various types of seating areas that by their design, encourage conversation. Many new libraries include auditoriums, where special library programming and events, as well as community use can take place.



<sup>1</sup> Source <http://halifaxcentrallibrary.ca/building-design/vision.html>

# Strategic Environment Trends in Library Space Use<sup>1</sup>



## Children & Teens

Both children's and teen areas are forefront in new library design. These areas provide the collections specific to the age group, but also provide space for technology, creative play and exploration, interactive learning experiences, programming and workshops, and peer interaction. Library “maker spaces”, or centres for technology and innovation, are critical community resources. These spaces provide the opportunity for patrons to learn about and experience the newest of technologies. These spaces are geared to all age groups, and provide workshops and workspace for such activities as creating and editing video and music, production of digital media, gaming, writing code, and an introduction to all of the latest technologies and computer developments.

<sup>1</sup> Source <http://halifaxcentrallibrary.ca/building-design/vision.html>

## Learning and Creative Space

Active learning is fundamental to a modern library. Much of this centers around technology, ensuring that everyone in our community is able to understand, use, and exploit the benefits of technology in our changing world. These spaces need to be flexible, able to accommodate change as it occurs.

Computer labs and public access computers are examples of this type of learning space. An archive collection, and an associated history/genealogy workroom, an adult learning centre, and a small business centre would be other examples.





# Current State Assessment

**Guelph Public Library Business Plan For A New Main Library  
Final Report**



# Current State Assessment Introduction



## Overview

In order to present viable options for a new Main Library, it is important to address and understand the current state of the existing Main Library facility and its operations. This analysis should include:

- An exploration of the building's current condition
- Applicable land use legislation governing the current site
- A profile of current space utilization
- Library programming and membership.

Through this analysis, Guelph Public Library can begin to understand its spatial requirements for the future and possible development options for a Main Library.

# Existing Building Condition Assessment<sup>1</sup>

## Overview

The Building Condition Assessment (“BCA”) prepared by Invisij Architects found that the 1965 original building and the 1975 addition on 100 Norfolk Street have the expected wear and tear of a 52-year old facility.

Capital renewal requirements for the building fabric within the next 5 years include a new roof, windows, and doors. The interior finishes are worn and dated. The presence of asbestos makes any interior renovation work difficult and expensive. The building’s structural system is in fair to good condition, however, there is no evidence of provisions made in 1965 for future expansion. The mechanical and electrical systems are overdue for major upgrades and renewal.

Invisij’s most concerning finding is safety and accessibility deficiencies, which includes unsafe stair guards and railings, a substandard elevator, the lack of a washroom facility on main floor, and library materials being shelved in an inaccessible way. The deficiencies are liabilities to GPL and the City of Guelph, and require major capital investment to rectify. Invisij estimates that it will require 11,000 square feet of additional space to bring the existing facility into compliance with current accessibility standards required by the Province of Ontario and the City of Guelph.

The following deficiencies in building condition are the most significant issues currently confronting the current Main Library building.

<sup>1</sup> Existing Building Condition Audit & Functional Plan Update - Guelph Public Library , Invisij and Holzman Moss Bottino Architecture, August 1, 2017.

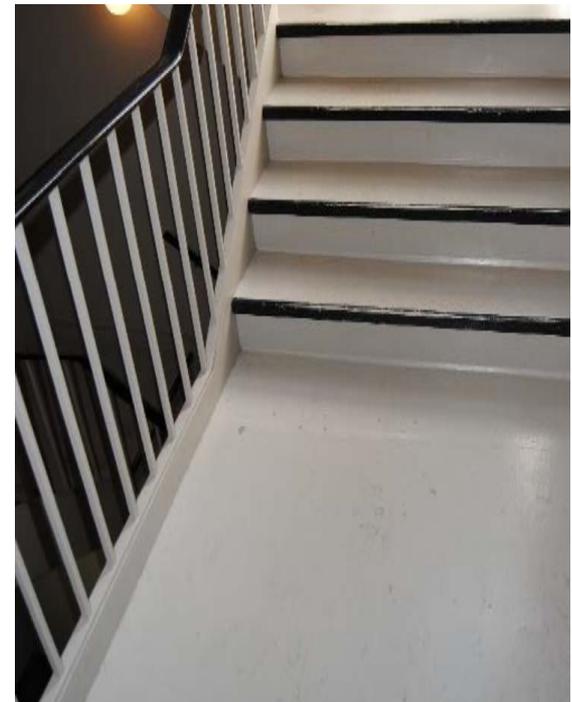
# Existing Building Condition Assessment

## Staircases

The existing stair guard heights and handrails on all 4 stairs are non-conforming to the current code. Main issues include:

- a. Guard heights too low. 1070mm required under Ontario Building Code ("OBC").
- b. Spacing between vertical pickets larger than the 100mm maximum allowed under OBC.
- c. Bottom rail of the guards can be considered a climbing hazard at some locations.
- d. Handrails do not have the 300mm horizontal extension at top and bottom of the stairs, as required by the OBC.
- e. Wood handrails in stair #1 are not 'graspable' as required by the OBC.

**Estimated Cost of Remediation \$400,000**



# Existing Building Condition Assessment

## Elevator Accessibility

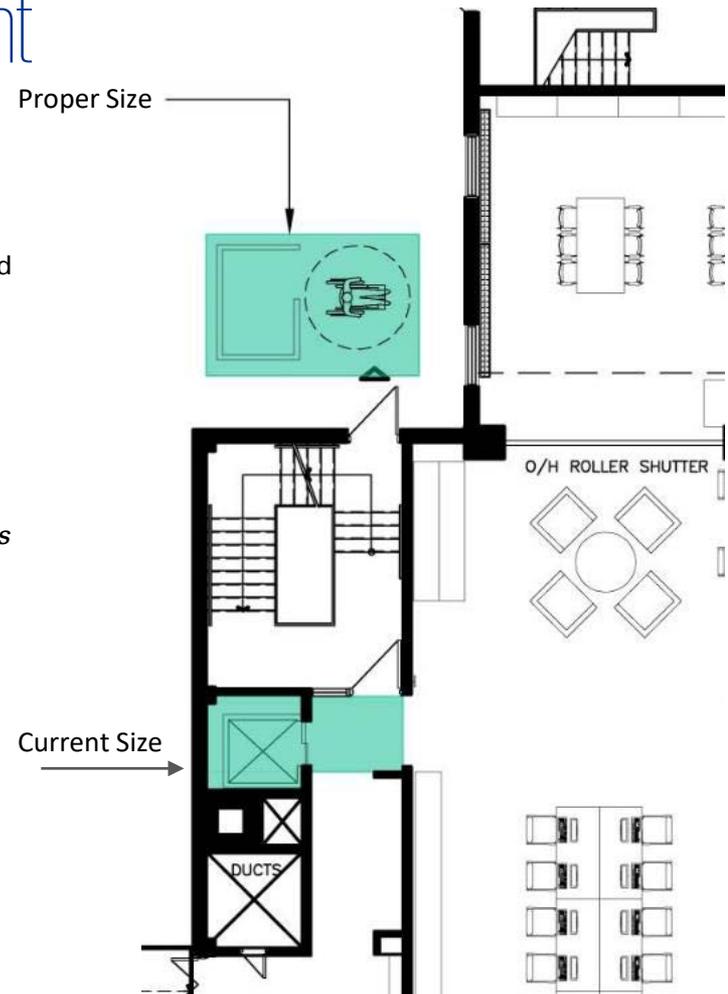
The elevator appears to have been installed at the time of the original building (1965). Its doors are too narrow, cab too small and travel speed is too slow. As a result, there is always a waiting line at the narrow elevator hallway which is also part of the egress route.

The average elevator trip takes 2-1/2 minutes excluding the queuing time.

The only way to rectify this problem is to build an elevator addition to the outside of the building.

*The lack of proper elevator service could be grounds for a human rights challenge.*

**Estimated Cost of Remediation \$500,000**



# Existing Building Condition Assessment

## Ground Floor Washroom Accessibility

A person in a wheelchair, or a mother with a stroller, has to take the strenuous 'barrier-free path of travel', which includes a small and slow elevator to the second floor to go to the washroom. This is not an acceptable situation in 2017.

A universal washroom to the standards of the City of Guelph FADM should be installed on the ground floor. Unfortunately, the universal washroom is going to take up 100 SF of floor space the current facility does not have.

*The lack of washroom facility on the main floor could be grounds for a human rights challenge.*

**Estimated Cost of Remediation \$75,000**

Universal Washroom  
City of Guelph FADM

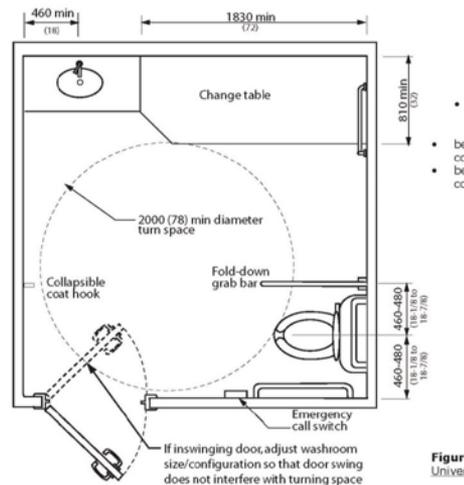


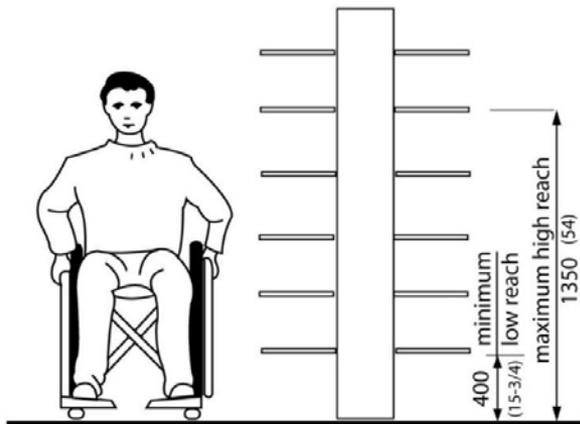
Figure  
Univer



# Existing Building Condition Assessment

## Shelving Height & Spacing Accessibility

To display current collections with accessible shelving height and spacing, the required floor area will need to be doubled.



**Figure 4.5.6.2**  
Reach Heights

Accessible Shelving Heights  
City of Guelph FADM



Collection Not Accessible

900 mm Current Aisle Width  
1100 mm Required Aisle Width

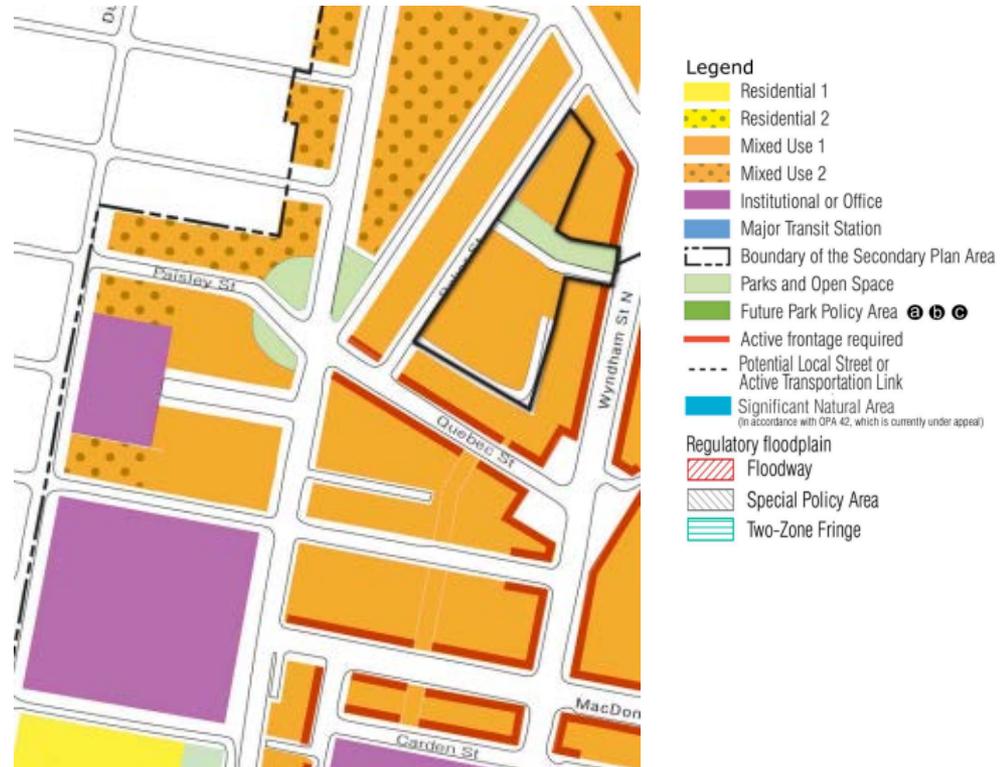
# Current State Assessment Land Use Legislation<sup>2</sup>

On May 28, 2012, Council approved a new Downtown Secondary Plan for the City of Guelph. The Downtown Secondary Plan is a comprehensive vision for revitalizing downtown Guelph up to 2031. It addresses the requirements of both municipal and provincial growth plans by planning for increased residential development to complement continued commercial and employment growth and cultural activities in the downtown core. The plan reinforces the historical character of downtown Guelph while planning for growth. The current location of the Main Library is within the boundary of the secondary plan area and is zoned Mixed Use 2.

The existing Main Library is located in a Mixed Use 2 area. These are areas of the downtown that are historically residential with a mixture of housing styles and have evolved to accommodate a range of uses, many in partially or fully converted houses.

The predominant character of this area is of low-rise buildings that are residential in character, with landscaped front yards, and small-scale, visually unobtrusive commercial signage.

In addition, many of the existing buildings and properties in these areas are of Cultural Heritage Value or interest and contribute to Downtown's unique identity. As land uses evolve, the Downtown Secondary Plan calls for the maintenance of the predominant character of the Mixed Use 2 area.



<sup>2</sup> City of Guelph Downtown Secondary Plan, November 2016 Consolidation.

# Current State Assessment Land Use Legislation

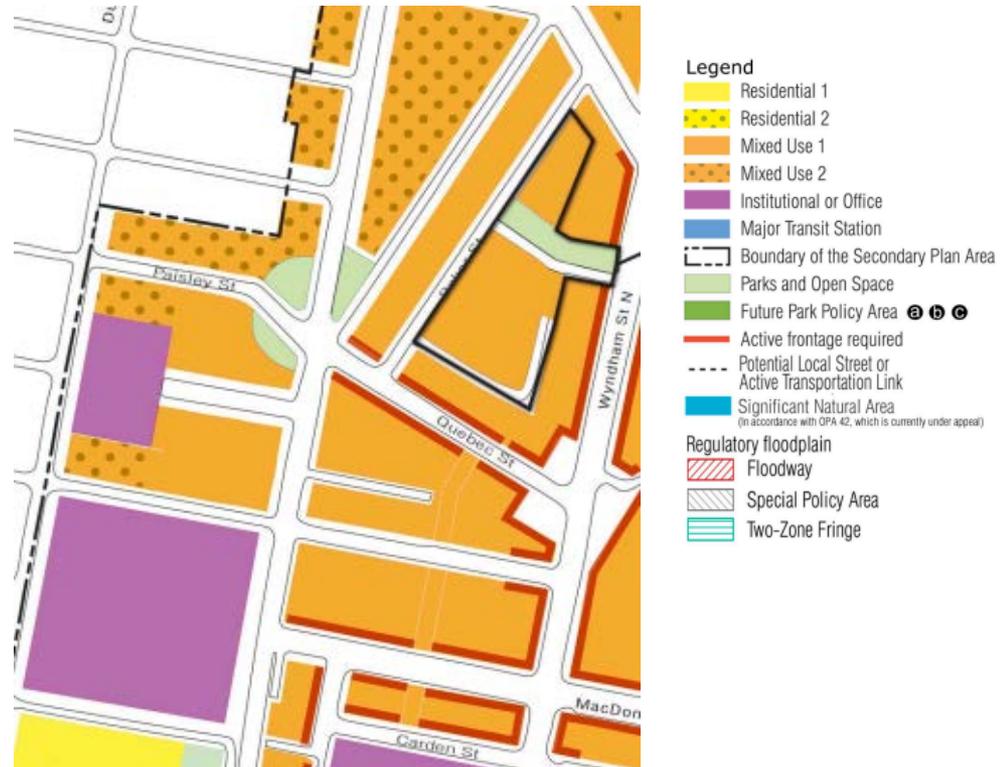
## Downtown Secondary Plan Excerpts

### 11.1.7.4.2

The following uses may be permitted in Mixed Use 2 areas: a) small-scale retail uses and convenience commercial; b) personal service uses; c) detached, semi-detached and duplex dwellings, townhouses and multiple unit apartment buildings; d) live/work uses; e) offices, including medically related uses; f) community services and facilities; g) cultural, educational and institutional uses; h) small-scale hotels; and i) parks, including urban squares.

### 11.1.7.4.3

The minimum floor space index (“FSI”) in Mixed Use 2 areas shall generally be 0.6.



# Technology In Use - Building Systems, Employees & Members

In 2016, GPL completed the radio frequency identification project which allows members to self manage their borrowing of library materials.

There are 23 Internet stations (4 filtered in the junior department) that can be accessed with a valid Guelph Public Library card. Visitors can use internet terminals with a visitor's pass. These computers have Microsoft Office 2016, USB slots, and the ability to print. There are select computers at the Main Library that have CD drives. There are no time limits on the internet computers at the Main Library.

The Main Library has Windows 8 laptops and Chrome books. These laptops can be checked out at the Information desk with a valid Guelph Public Library card for a maximum time of 2 hours per day. There are also Chrome books available for loan to Upper Grand District School Board students. The loan period for these Chrome books is seven days. Students who wish to borrow one of these laptops require a valid GPL's card.

All branches have iPads for in-library use. The Main Library also loans Windows Surface tablets. Tablets are loaned via the Service Desks with a valid Guelph Public Library card.

Printing is available at all Guelph Public Library locations. The Main Library has a scanning station set up for public use.

There are no smart building controls within the Main Library to monitor and adjust for lighting, HVAC systems or security.

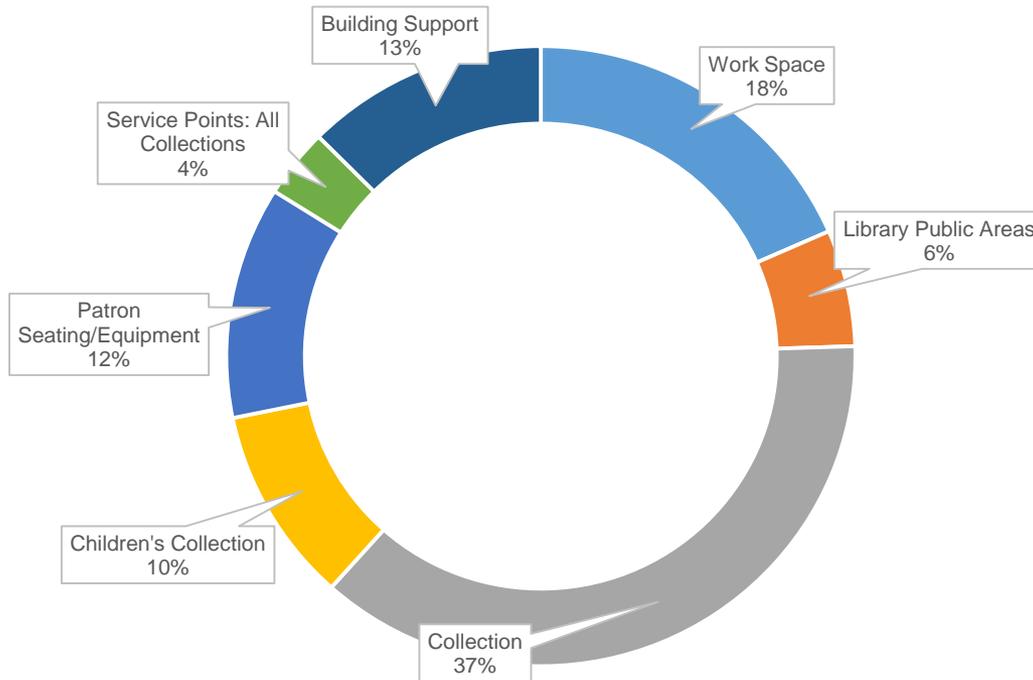
There are two Wi-Fi networks within the Main Library to serve members and staff.

The lack of appropriate technology for children's programming adversely affects the program offering. Children are increasingly technologically savvy; the current Main Library is a "dumb building" and lacks the necessary technological capabilities to fully deliver library programs.



# Current State Assessment Occupancy Space Profile<sup>3</sup> - Current Facility

Percentage of Floor Space



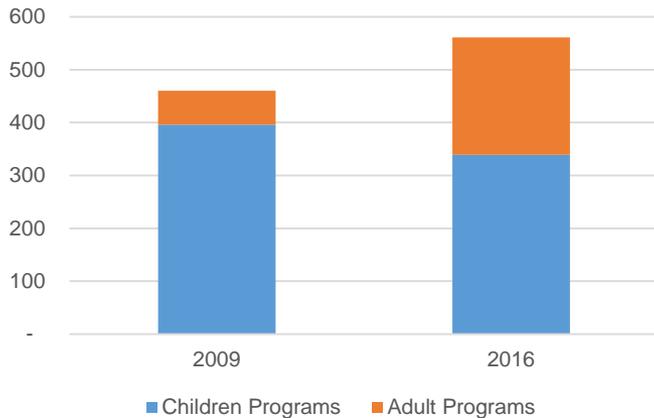
| Functional Area                 | Square Footage |
|---------------------------------|----------------|
| Work Space                      | 5,046          |
| Library Public Areas            | 1,664          |
| Collection                      | 10,142         |
| Children's Collection           | 2,797          |
| Patron Seating/Equipment        | 3,317          |
| Service Points: All Collections | 983            |
| Building Support                | 3,415          |
| Total                           | 27,364         |

- Approximately 47% of the floor plan is devoted to collections, specifically, children's, archives, reference or general collections.
- Service points, seating and general public areas for library members constitutes 22% of the total floor plan.
- Administrative work space and building makes up the remaining 31% of the floor plan.
- Library collection and public area space is available to members from 9 am – 9 pm Monday to Thursday; 9 am – 5 pm Friday to Saturday; and, 1 pm – 5 pm on Sunday.

<sup>3</sup> Source: Existing Building Condition Audit & Functional Plan Update, August 1, 2017

# Current State Analysis Main Library Programming<sup>4</sup>

Number of GPL Programs



Programming for adults has increased significantly since 2009 which has resulted in a corresponding increase in the number of adult attendees. There were 64 adult programs in 2009 compared to 222 adult programs in 2016.

GPL has targeted seniors and young adults (who are not yet parents) as a key market segment for growth.

GPL would like to offer more large event programs for both adults and children, but is limited by the lack of available space at the Main Library and the small size of its meeting rooms.

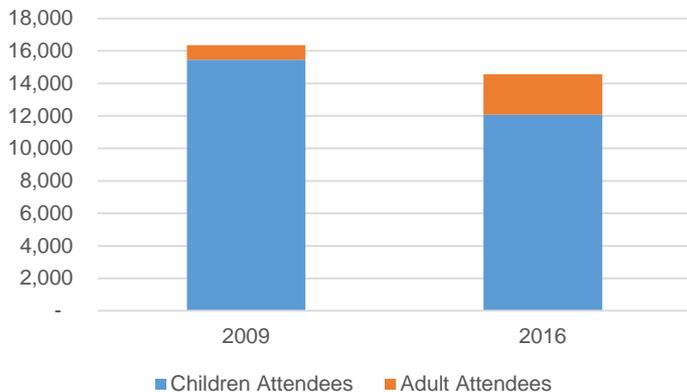
A new library facility will provide the space to increase the amount of children's programming, which has declined since 2009.

GPL would also like to offer more technology programming and "Maker Spaces" but this also requires additional physical space.

Barriers to the expansion of library programming in the main Library building include:

- Room sizes, availability and configuration flexibility
- Accessibility of the building (i.e. Program Room and elevator)
- Accessibility of restrooms for both abled and disabled members
- Limited parking
- HVAC problems – heating system is inadequate in winter; shut down external air because the system can't heat it which reduces the required oxygen composition; ability to regulate air temperature appropriately
- Lack of appropriate space for teenagers (work stations, WiFi, lounge) and community activities

Number of Attendees at GPL Programs



<sup>4</sup> Data provided by Guelph Public Library

# Current State Assessment Membership Demographic Profile<sup>5</sup>

In 2016, GPL commissioned a study on its membership and branches. The findings of the Advanis study indicate the following:

## Age:

- The large majority of transactions are by adults over 20 years old. This demographic represents 95% of library transactions.

## Transactions:

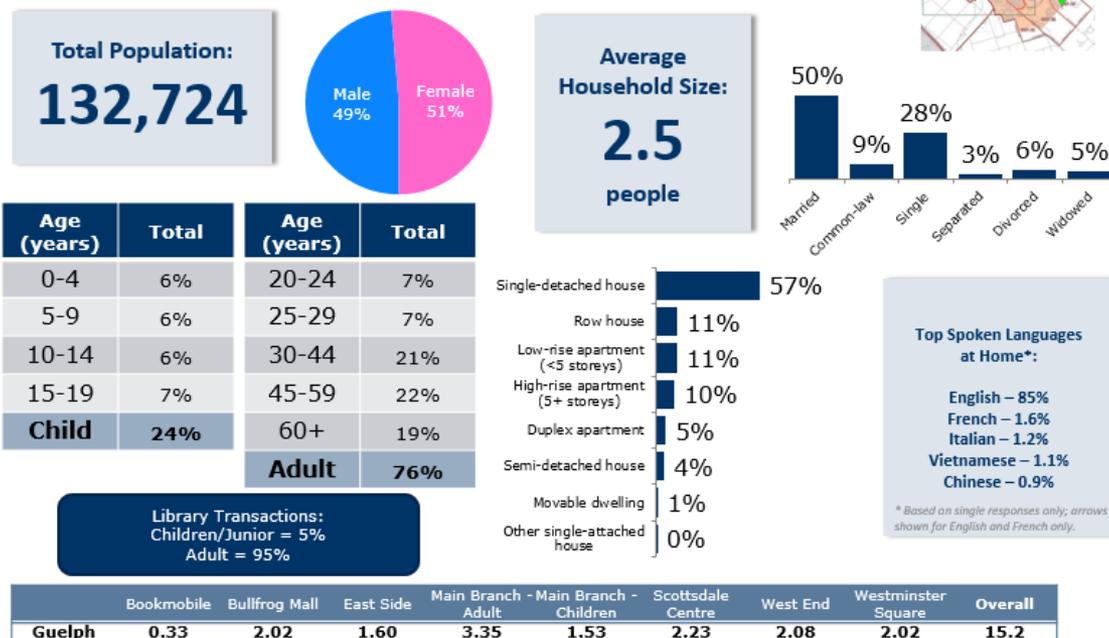
- The average Guelph citizen engages in 15.2 transactions per year.
- The downtown core has the highest number of transactions per person across all branches at just over 45 transactions per person.
- Members located in rural Guelph are the least frequent borrowers of GPL materials.

## Branches:

- The largest percentage of transactions occur at the Main Library, accounting for 32% of all transactions.
- The Main Library also has the largest number of transactions per child out of all the branches.
- The Main Library is used most frequently by those living closest to it. The Main Library does remain the most popular branch overall as it is either the first- or second-most used branch in 18 out of the 30 census tracts.

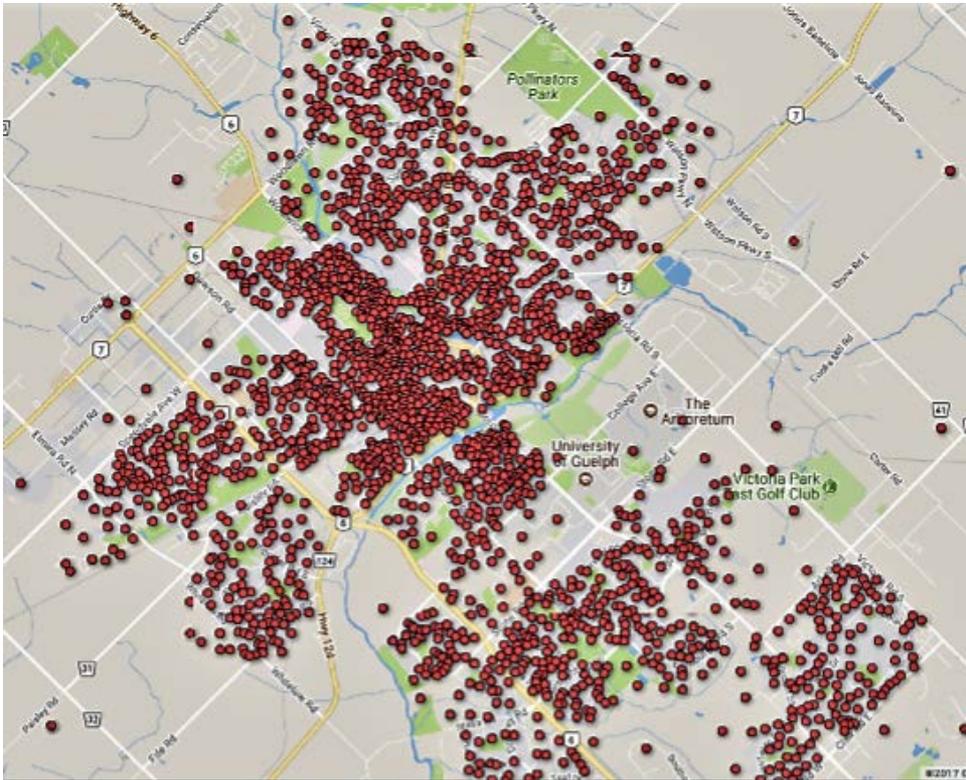
## Guelph Census Metropolitan Area

A summary of the city of Guelph overall



<sup>5</sup> Advanis Region Analysis for Guelph Public Library, 2016.

# Current State Assessment 2017 Main Library Usage Distribution<sup>6</sup>



<sup>6</sup> Data provided by Guelph Public Library

## Area

- The Main Library usage extends far from the downtown core.
- Although there are branches throughout the City, it appears that members continue to utilize the Main Library's service regardless of their location.
- Accordingly, the design population for a new Main Library will use the projected population for the whole City and not just the downtown core.

## Concentration

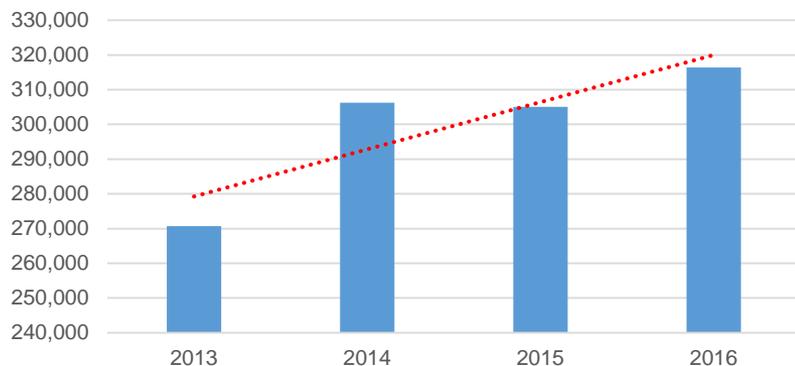
- The highest density of users is within a 5 km radius of the Main Library.

## Growth

- The Main Library provides services that the smaller branches cannot provide.
- The function of the branches is to serve as a distribution channel for books and not provide archival, collection management or programming.
- Continued growth will naturally occur as the Main Library expands its unique services which continue to entice members from across the city.

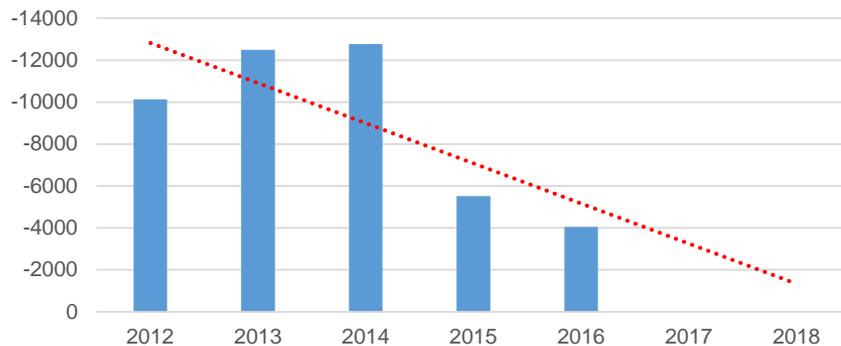
# Current State Assessment Collection Management

GPL System Book Collection Size 2013 – 2016\*



\* Data was unavailable for the 2012 year

Net 5 Year Change - GPL Main Library Book Collection



The GPL system has increased its holdings since 2013 by 17%. The number of volumes held by the Main Library, however, has decreased because of space constraints.

The total book holdings for the GPL system in 2016 numbered 316,425 volumes. The Main Library held 47.5% of the collection or 150,314.\*

Since 2013, the number of volumes held by the GPL system has increased by 17%. In contrast, there has been a reduction in the net number of volumes at the Main Library. The net number represents the difference between the number of volumes added each year to the collection and the volumes annually removed from the collection. This indicates that the growth in the GPL's book collection is occurring in the branches.

This is consistent with library research. Typically, by the time a library undertakes an assessment of its space needs, available shelf space is at a premium, causing an unusually high rate of withdrawals.

\*The other media held by this GPL experienced a similar negative rate of addition. For the purposes of illustration, only books were detailed in the report.

# Current State Assessment

## Key Findings

| No. | Observation                       | Implication  |
|-----|-----------------------------------|--|
| 1   | Building Condition                | There are key structural issues with the existing Main Library that need to be addressed in order to meet the current building code and ensure membership safety.  |
| 2   | Building Accessibility            | The building does not meet the accessibility requirements as required by the AODA and City of Guelph policy.   |
| 3   | Land Use Legislative Requirements | The City's downtown secondary plan has identified the existing Main Library site as mixed use. The development of a new library on the current site will have to ensure that it is respectful of the mixed use land use policies. This will place some limitations on any potential new development. |
| 4   | Limited Amenities                 | There are limited amenities (e.g. coffee shop etc.) on the current site and in the surrounding neighbourhood. A new library building will need to consider the inclusion of certain amenities to increase its appeal to the community.   |
| 5   | Information Technology            | The existing Main Library building has no smart functions or operating technology. Programming within the building is negatively affected because of the lack of supporting technology within the building.  |
| 6   | Space Allocations                 | Fifty percent of the space allocation in the existing Main Library is for the storage of the library collection. Programming space accounts for less than 15% of the allocated space. There is no available community space.   |
| 7   | Library Programming               | There has been an increase in adult programming and attendance and a corresponding decrease in children's programming and attendance since 2009.   |
| 8   | Membership Demographic            | The vast majority of transactions are by adults over 20 years old. This demographic represents 95% of the library transactions. The largest percentage of transactions occur at the Main Library, accounting for 32% of all transactions.  |
| 9   | Collection Management             | The number of book volumes held by the Main Library has decreased since 2012 as the total collection for the GPL system has increased.   |



# Spatial Analysis

**Guelph Public Library Business Plan For A New Main Library  
Final Report**



In order to confirm the space requirements outlined in the Functional Plan Update prepared by Invizij Architects, KPMG compared the space requirements detailed in the Functional Plan Update against an American library standard developed by Anders C. Dahlgren for the Wisconsin Department of Public Instruction<sup>1</sup> and the Southern Ontario Library Association (“SOLA”).

Both standards are based upon the premise that a library’s space needs are determined by what a library must house in its collection to serve its community at the agreed service level standard. A library’s collection has specific space requirements so it follows that if the library’s inventory is calculated then its spatial needs will follow.

Library work space can be categorized as follows:

1. Collection space
  - The space required to hold the library’s collection of books, magazines, newspapers and non-print material.
2. Reader seating space
  - The space required for members to read while at the library.
3. Staff work space
  - The inventory of staff work stations, meeting rooms and support rooms required to serve the library.
4. Meeting space
  - Conference rooms, multi-purpose rooms, story-time space and computer training labs
5. Special use space
  - This space reserves space for features that are unique to the community the library serves such as a public café, art gallery, auditorium, special collection space (teen collection) or archives.
6. Non-assignable space
  - This space is required for such necessary features as mechanical rooms, restrooms, stairwells and elevators. Typically a smaller building will need to reserve a larger share of its gross area for non-assignable purposes, while a larger building will require a smaller proportion for non-assignable uses.

<sup>1</sup> Anders C. Dahlgren, Public Library Space Needs: A Planning Outline/2009, Wisconsin Department of Public Education, Madison Wisconsin.

## Spatial Analysis Introduction

The space requirements for each one of the six types of library work space can be calculated based upon the library's design population of 185,000 (20 year target population), its collection size and management practices, the expected seating requirements, the number of staff work stations, the type and capacity of meeting rooms, and the ancillary services expected for a Main Library. These space needs are considered to constitute the ideal state.

When the findings from this spatial needs analysis are compared against the space available in the existing Main Library, the gap between the ideal and existing state will be identified. The calculated space requirements will also determine the amount of property that will be needed at a possible new location. Finally and most critically, it will provide a preliminary budget number for the construction of a new Main Library.

# GPL System Collection Benchmarked to Wisconsin & OPL Standards

The following findings are observed when the GPL system is compared to the Wisconsin and OPL benchmarks:

- The number of FTEs for GPL are at an enhanced service level
- The number of book volumes and periodical titles are below the Wisconsin basic benchmark
- Audio recordings are at the Wisconsin basic benchmark while video recordings are at an excellent service level
- The number of public use computers are at the Wisconsin basic benchmark
- The total collection per capita for the GPL system is at the Wisconsin basic benchmark and above the OPL moderate benchmark.

|   | Wisconsin Benchmark |          |          |           | OPL Benchmark <sup>2</sup> |          |          |           | GPL System 2017 <sup>1</sup> |
|---|---------------------|----------|----------|-----------|----------------------------|----------|----------|-----------|------------------------------|
|   | Basic               | Moderate | Enhanced | Excellent | Basic                      | Moderate | Enhanced | Excellent | Current                      |
| FTEs per 1,000                          | 0.4                 | 0.5      | 0.6      | 0.6       | 0.3                        | 0.44     | 0.56     | 0.7       | 0.6                          |
| Volumes Held per Capita                 | 2.5                 | 3.0      | 3.4      | 3.7       |                            |          |          |           | 2.2                          |
| Periodical Titles per 1,000             | 4.2                 | 4.6      | 5.3      | 7.1       |                            |          |          |           | 1.4                          |
| Audio Recordings per Capita             | 0.12                | 0.15     | .20      | .27       |                            |          |          |           | 0.1                          |
| Video Recordings per Capita             | 0.12                | 0.16     | 0.21     | 0.30      |                            |          |          |           | 0.3                          |
| Total Collection per Capita             | 2.8                 | 3.4      | 4.1      | 4.2       | 1.84                       | 2.49     | 3.2      | 4.13      | 2.8                          |
| Public Use Internet Computers per 1,000 | 0.5                 | 0.63     | 0.64     | 0.66      |                            |          |          |           | 0.5                          |

<sup>1</sup>Current GPL System Quantitative findings based on 2016 Census population for Guelph CMA OF 131,794.

<sup>2</sup>Federation of Ontario Public Libraries, Ontario Public Library Guidelines for Municipal and County Public Libraries, Sixth Edition, 2013.

# Spatial Analysis Collection Future Growth Highlights

There are four key observations arising from the application of the Wisconsin benchmarks to GPL:

1. Wages and benefits will grow in tandem with the growth in the collection with a new Main Library.
2. In order to provide a basic level of service, the number of volumes should increase by more than 50%. This will require a significant investment to update the collection to the basic standard.
3. The number of public use internet computers will similarly increase by almost 50%.
4. The total number of volumes will grow by 87,791 volumes. The required space for the Library will be impacted by the number of volumes held and the required shelf space as determined by AODA and City policy.

|                               | Wisconsin Basic Metric | Current GPL System Metric | Current Main Library Metric | Main Library Current Numbers | Main Library 2036 Numbers | Main Library Growth To Basic Level |
|-------------------------------|------------------------|---------------------------|-----------------------------|------------------------------|---------------------------|------------------------------------|
| FTEs                          | 0.4                    | 0.6                       | 0.4                         | 51                           | 72                        | 21                                 |
| Volumes Held                  | 2.5                    | 2.2                       | 1.1                         | 150,314                      | 239,105                   | 88,791                             |
| Periodical Titles             | 4.2                    | 1.4                       | 1.4                         | 180                          | 180                       | -                                  |
| Audio Recordings              | 0.12                   | 0.1                       | 0.1                         | 9,134                        | 9,134                     | -                                  |
| Video Recordings              | 0.12                   | 0.3                       | 0.1                         | 12,814                       | 12,814                    | -                                  |
| Total Collection              | 2.8                    | 2.6                       | 1.3                         | 172,442                      | 261,233                   | 88,791                             |
| Public Use Internet Computers | 0.5                    | 0.5                       | 0.24                        | 32                           | 45                        | 13                                 |

# Functional Space Plan Based Upon Library Benchmarks

Current Main Library total collection space is 13,337 ft<sup>2</sup>. The 2017 Functional Plan calls for 15,570 ft<sup>2</sup>, however, consideration has to be given to AODA requirements and the meeting of industry standards. If AODA requirements are applied to the current collection size of 150,314 books, then using an eight book per ft<sup>2</sup> metric, the required floor area would equal 16,910 ft<sup>2</sup>. If the collection size is increased to reflect the Wisconsin standard of 2.5 books per capita and a target population of 185,000, then the space requirements increases again to 26,808 ft<sup>2</sup>. In effect, to meet the current AODA standards and to meet the projected future growth of the City, the total collection space will have to double from the current state.

| Category                      | Wisconsin Benchmark         | SOLS (AODA Compliant) Benchmark | Current Main Library         | 2017 Functional Plan         | Main Library Current Collection 2017 | Main Library 2036 Service Level |
|-------------------------------|-----------------------------|---------------------------------|------------------------------|------------------------------|--------------------------------------|---------------------------------|
| <b>Collection Space</b>       |                             |                                 |                              |                              |                                      |                                 |
| <b>Books</b>                  | 10 volumes/ft <sup>2</sup>  | 8 volumes/ft <sup>2</sup>       | 12,213 ft <sup>2</sup>       | 14,130 ft <sup>2</sup>       | 16,910 ft <sup>2</sup>               | 26,808 ft <sup>2</sup>          |
| <b>Magazine</b>               | 1 item/ft <sup>2</sup>      | 1 item/ft <sup>2</sup>          | 110 ft <sup>2</sup>          |                              | 270 ft <sup>2</sup>                  | 270 ft <sup>2</sup>             |
| <b>Non-print</b>              | 10 items/ft <sup>2</sup>    | 12 items ft <sup>2</sup>        | 616 ft <sup>2</sup>          |                              | 2,738 ft <sup>2</sup>                | 2,738 ft <sup>2</sup>           |
| <b>Computers</b>              | 45 ft <sup>2</sup> per stn  | 45 ft <sup>2</sup> per stn      | 398 ft <sup>2</sup>          | 1,440 ft <sup>2</sup>        | 1,440 ft <sup>2</sup>                | 2,025 ft <sup>2</sup>           |
| <b>Total Collection Space</b> |                             |                                 | <b>13,337 ft<sup>2</sup></b> | <b>15,570 ft<sup>2</sup></b> | <b>21,358 ft<sup>2</sup></b>         | <b>31,841 ft<sup>2</sup></b>    |
| <b>Seating Space</b>          |                             |                                 |                              |                              |                                      |                                 |
| <b>Reader Seating Space</b>   | 30 ft <sup>2</sup> per seat | 30 ft <sup>2</sup> per seat     | 1,305 ft <sup>2</sup>        | 6,090 ft <sup>2</sup>        | 8,340 ft <sup>2</sup>                | 8,340 ft <sup>2</sup>           |
| <b>Staff Work Space</b>       |                             |                                 |                              |                              |                                      |                                 |
| <b>Staff Work Space</b>       | 140 ft <sup>2</sup> per stn | 150 ft <sup>2</sup> per stn     | 5,046 ft <sup>2</sup>        | 10,689 ft <sup>2</sup>       | 7,280 ft <sup>2</sup>                | 7,800 ft <sup>2</sup>           |

# Spatial Analysis

## Comparison to Standards

In order to meet 2036 service levels for a 185,000 design population, the gross building area requirement is estimated to approximate 88,000 ft<sup>2</sup>. This represents a significant increase from the current space which will impact the overall budget for the project.

| Category   | Wisconsin Benchmark        | SOLS (AODA Compliant) Benchmark | Current Main Library         | 2017 Functional Plan         | Main Library Current Collection 2017 | Main Library 2036 Service Level |
|--|----------------------------|---------------------------------|------------------------------|------------------------------|--------------------------------------|---------------------------------|
| <b>Meeting Room Space</b>  |                            |                                 |                              |                              |                                      |                                 |
| <b>Total Meeting Room Space</b> (e.g. multi-purpose, conference, Storytime & computer lab rooms) |                            |                                 | 1,314 ft <sup>2</sup>        | 5,565 ft <sup>2</sup>        | 3,850 ft <sup>2</sup>                | 3,850 ft <sup>2</sup>           |
| <b>Special Use Space</b>   |                            |                                 |                              |                              |                                      |                                 |
| <b>Special Use Space</b> (e.g. small group study rooms, copy centres, café etc)                  | 17% of gross building area | 825 ft <sup>2</sup>             | 577 ft <sup>2</sup>          | 11,231 ft <sup>2</sup>       | 11,094 ft <sup>2</sup>               | 13,834 ft <sup>2</sup>          |
| <b>Non-assignable Space</b>  |                            |                                 |                              |                              |                                      |                                 |
| <b>Non-assignable Space</b> (e.g. restrooms, stairwells, mechanical rooms, elevators)            | 27% of gross building area | 25% of gross building area      | 5,785 ft <sup>2</sup>        | 30,847 ft <sup>2</sup>       | 17,621 ft <sup>2</sup>               | 21,971ft <sup>2</sup>           |
| <b>Total Gross Square Feet</b>   |                            |                                 | <b>27,364 ft<sup>2</sup></b> | <b>79,992 ft<sup>2</sup></b> | <b>66,162 ft<sup>2</sup></b>         | <b>87,636 ft<sup>2</sup></b>    |

# Service Level Variations & Gross Square Feet Impact

The Wisconsin model has four levels of service for a library's collection: basic, moderate, enhanced and excellent. Using a target population of 185,000 people, the collection size ranges from 238,000 volumes to 353,000 volumes depending upon the service level.

Accordingly, the service level standard applied to the library's collection can have a significant impact on the calculation of gross square feet.

The table below shows the impact on the gross floor square footage if the other types of library work space are held constant. The gross square feet varies between 87,636 ft<sup>2</sup> and 108,591 ft<sup>2</sup>, a difference of approximately 21,000 ft<sup>2</sup> or 24%.

Given that the current collection does not meet the basic benchmark for the Wisconsin model, KPMG has calculated the required gross floor square footage on the basic benchmark of 2.5 volumes per capita.

The remaining types of library work space (seating space, staff work space, meeting room space, special use space and non-assignable space) were derived from the updated 2017 functional plan and are constant across the different service levels for the collection space.

|  | Wisconsin Model |               |                |                |
|--|-----------------|---------------|----------------|----------------|
|  | Basic           | Moderate      | Enhanced       | Excellent      |
| Collection per capita  | 2.5             | 3.0           | 3.4            | 3.7            |
| 2036 Main Branch Book Collection Size                            | 238,289         | 285,946       | 324,073        | 352,667        |
| 2036 Main Branch Book Collection Size less 10% <sup>1</sup>      | 214,460         | 257,352       | 291,665        | 317,400        |
| Collection Square Footage @ 8 books/ft <sup>2</sup>              | 26,808          | 32,169        | 36,458         | 39,675         |
| <b>Total Gross Floor Square Footage @ 8 Books/ft<sup>2</sup></b> | <b>87,636</b>   | <b>96,367</b> | <b>103,352</b> | <b>108,591</b> |

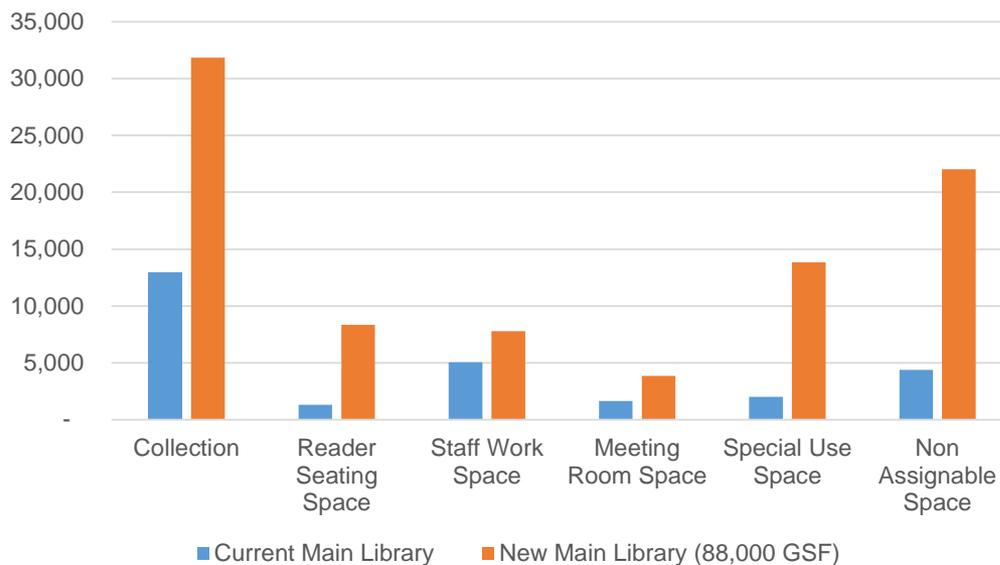
<sup>1</sup> For collections of more than 100,000 volumes, 10% is assumed to be in circulation at any given time.

# Comparison of Current Main Library To Proposed New Main Library

A comparison of the current Main Library building's space type to the proposed Main Library at 88,000 ft<sup>2</sup>, illustrates where there will be substantial changes.

- Collection space and reader seating space will increase by more than 100% from the current square footage.
- There will be an increase in staff work space from approximately 5,000 ft<sup>2</sup> to 7,800 ft<sup>2</sup>.
- Meeting Room space will double to 3,850 ft<sup>2</sup>.
- The present library has no special use space. The proposed Main Library will have approximately 14,000 ft<sup>2</sup> of special use space. This space reserves space for features that are unique to the community the library serves. Its specific uses will be determined during the design phase after public consultation.
- Non-assignable space increases from 4,400 ft<sup>2</sup> to 22,000 ft<sup>2</sup> reflecting the requirements of the current building code and facility infrastructure.

Comparison of Gross Square Feet by Space Type



In order to identify the ideal future state, KPMG utilized the Wisconsin Department of Public Instruction benchmarks which are an accepted library standard. In the determination of collection space, we used the lowest metric for service levels which can be interpreted as the basic standard. **It is important to note, however, for most Ontario libraries the Wisconsin basic standard is the accepted standard for collection size. The Wisconsin basic benchmark should not be considered as a metric indicating an inadequate or inferior library collection.**

The OPL benchmarks for **total collection** (books, periodicals, audio/video recordings) per capita, place the GPL system above a moderate service level standard. Nevertheless, the size of a library's book collection has the greatest impact on spatial requirements in the planning of a new library. To that end, the Main Library has experienced a decline in its book collection as the library culls its collection to meet the space constraints of the Main Library. The GPL branches have absorbed some of the collection growth, but they have no more collection space for books.

KPMG forecasted future Main Library space requirements using a target population of 185,000 in 2036 as established by the Province of Ontario in the recently released *Places To Grow 2017 Update*.

**Key findings from the Interim Report include the following:**

1. From our analysis, we identified a gap in the recommended number of collection volumes, reader seating space, and special use space.
2. Based upon the application of the Wisconsin basic benchmark to the required collection of a 185,000 design population, a new Main Library building would require approximately 88,000 ft<sup>2</sup>. This figure does not include a 300 seat auditorium of approximately 10,000 ft<sup>2</sup>. Capital expenditures would increase if an auditorium was installed.
3. The cost to operate a facility that is almost three times the size of the current facility will significantly increase current cost levels. These operating costs will be dependent upon building design, construction and operations.



# Benchmarking Summary

**Guelph Public Library Business Plan For A New Main Library  
Report**



# Benchmarking Summary

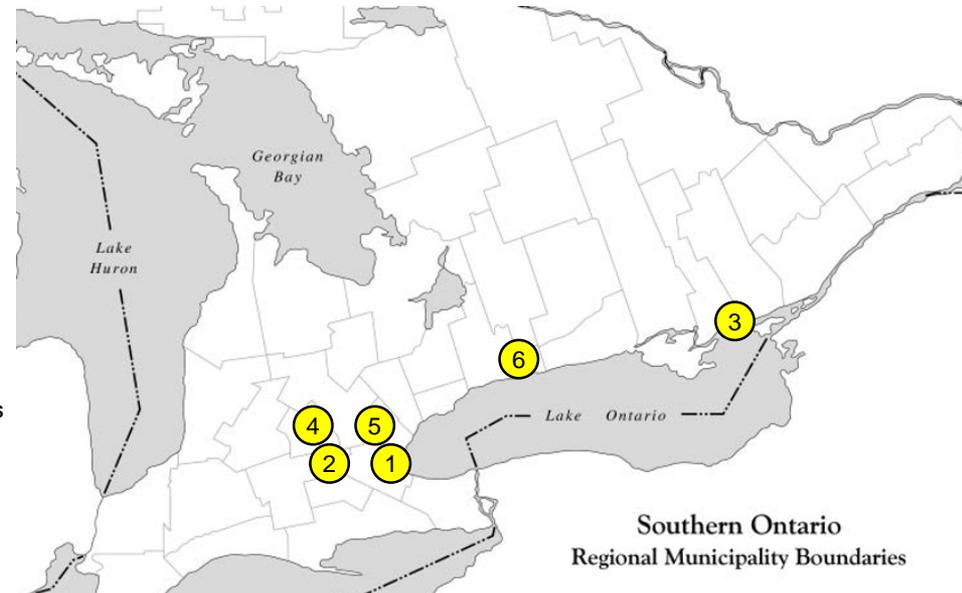
## Key Findings from Benchmarking

KPMG conducted a survey of recently constructed main libraries in Southern Ontario and two libraries under construction. The comparator libraries included:

1. Burlington
2. Cambridge (under construction)
3. Kingston Frontenac (under construction)
4. Kitchener
5. Milton
6. Whitby

There were several key findings from the benchmarking.

- The comparator libraries (with the exception of Kitchener) all experienced an increase in library membership.
- The number of library programs increased in all the comparators reflecting the increased capacity offered by the new facility.
- The circulation of the comparator libraries all substantially increased following the construction of the new facility.
- Increases in the operational budget were all financed through either increases in the tax levy for the municipality or through technological efficiencies.
- Five of the six libraries operate a café within the library.
- All the libraries are compliant or plan to be compliant with AODA legislation.
- Only one library comparator has a formal auditorium. The remaining libraries either have no auditorium or they have a large multi purpose room with seating ranging from 90 – 200 seats and a portable stage.



# Benchmarking Summary

## Burlington Central Public Library

|  |  |
|--|--|
| <b>Year completed</b>                  | <b>2005</b>                                      |
| <b>Size (Sq. ft.)</b>                  | 65,000   |
| <b># of stories</b>                    | 3  |
| <b>Auditorium</b>                      | Large 200 seat room with raised stage; very busy |
| <b>Cost (2016 \$)</b>                  | 15,000,000                                       |
| <b>Cost/sq. ft.</b>                    | \$231  |
| <b>Sq. ft. per capita</b>              | 0.53   |
| <b># of active users (2016)</b>        | 85,000   |
| <b>Construction timeline</b>           | 2 years  |
| <b>Compliant with AODA?</b>            | Yes  |
| <b>Parking</b>                         | Adequate   |
| <b>Ancillary services</b>              | Cafe   |
| <b>Pre-construction membership</b>     | *Central - 2004: 6,991                           |
| <b>Post-construction membership</b>    | *Central - 2006: 8,351; 2009: 8,695              |
| <b>Pre-construction # of programs</b>  | *Attendance - 2004: 28,643                       |
| <b>Post-construction # of programs</b> | *Attendance - 2006: 36,511; 2009: 42,502         |
| <b>Pre-construction circulation</b>    | <b>2004:</b> 631,250                             |



### Post construction circulation

**2006:** 806,501; **2009:** 819,257

### How increased operating costs were paid for

Increase in the library budget to fund the operating budget of the new main library.

# Benchmarking Summary

## Cambridge Idea Exchange Digital Library

|  |  |
|--|--|
| <b>Year completed</b>                  | <b>2018</b> (under construction)                             |
| <b>Size (Sq. ft.)</b>                  | 20,000   |
| <b># of stories</b>                    | 4  |
| <b>Auditorium</b>                      | No auditorium planned  |
| <b>Cost (2016 \$)</b>                  | \$13,500,000   |
| <b>Cost/sq. ft.</b>                    | \$675  |
| <b>Sq. ft. per capita</b>              | 0.16   |
| <b># of active users (2016)</b>        | 44,316 (Central Library)                                     |
| <b>Construction timeline</b>           | 2.5 year (opening Summer 2018)                               |
| <b>Compliant with AODA?</b>            | Yes  |
| <b>Parking</b>                         | Expected to be adequate                                      |
| <b>Ancillary services</b>              | Kitchen (food services provided by Monogram Coffee Roasters) |
| <b>Pre-construction membership</b>     | <b>2016:</b> 44,316  |
| <b>Post-construction membership</b>    | Not available  |
| <b>Pre-construction # of programs</b>  | <b>2016:</b> 2,331   |
| <b>Post-construction # of programs</b> | Not available  |
| <b>Pre-construction circulation</b>    | Not available  |



|  |   |
|--|---|
| <b>Post construction circulation</b>               | Not available   |
| <b>How increased operating costs were paid for</b> | Increase in the library budget to fund the operating budget of the new library. |

# Kingston Frontenac Public Library Reconstruction

|  |  |
|--|--|
| <b>Year completed</b>                  | <b>2018</b> (under construction)   |
| <b>Size (Sq. ft.)</b>                  | 63,000   |
| <b># of stories</b>                    | 3 + basement   |
| <b>Auditorium</b>                      | There is a multi-purpose space with a portable stage and seating for 100; active usage |
| <b>Cost (2016 \$)</b>                  | 13,800,000   |
| <b>Cost/sq. ft.</b>                    | \$219  |
| <b>Sq. ft. per capita</b>              | 0.39   |
| <b># of active users (2016)</b>        | 18,535 (Central Library)   |
| <b>Construction timeline</b>           | 1 year (Spring 2017-2018)  |
| <b>Compliant with AODA?</b>            | Yes; not compliant prior to construction   |
| <b>Parking</b>                         | Expected to be adequate  |
| <b>Ancillary services</b>              | Friends of the Library book sale   |
| <b>Pre-construction membership</b>     | <b>2016:</b> 13,420  |
| <b>Post-construction membership</b>    | Not available  |
| <b>Pre-construction # of programs</b>  | <b>2016:</b> 470   |
| <b>Post-construction # of programs</b> | Not available  |
| <b>Pre-construction circulation</b>    | <b>2016:</b> 235,416   |



|  |  |
|--|--|
| <b>Post construction circulation</b>               | Not available  |
| <b>How increased operating costs were paid for</b> | The renovation will not add area to the existing building so operating costs are not expected to increase substantially. |

# Benchmarking Summary

## Kitchener Public Library

|  |   |
|--|---|
| <b>Year completed</b>                  | <b>2014</b>   |
| <b>Size (Sq. ft.)</b>                  | 107,000   |
| <b># of stories</b>                    | 3   |
| <b>Auditorium</b>                      | Auditorium with a seating capacity of 199; active usage |
| <b>Cost (2016 \$)</b>                  | \$41,250,000  |
| <b>Cost/sq. ft.</b>                    | \$385   |
| <b>Sq. ft. per capita</b>              | 0.46  |
| <b># of active users (2016)</b>        | 100,000   |
| <b>Construction timeline</b>           | 4 years   |
| <b>Compliant with AODA?</b>            | Yes   |
| <b>Parking</b>                         | Adequate  |
| <b>Ancillary services</b>              | Bike lock borrowing, Café                               |
| <b>Pre-construction membership</b>     | <b>2009:</b> 112,893                                    |
| <b>Post-construction membership</b>    | <b>2017:</b> 107,596                                    |
| <b>Pre-construction # of programs</b>  | <b>2009:</b> 2,101                                      |
| <b>Post-construction # of programs</b> | <b>2015:</b> 3411; <b>2016:</b> 3449                    |
| <b>Pre-construction circulation</b>    | <b>2009:</b> 607,563                                    |



|  |  |
|--|--|
| <b>Post construction circulation</b>               | <b>2015:</b> 690,853   |
| <b>How increased operating costs were paid for</b> | No community libraries closed; Council approved additional operating expenses for renovated Central library. |

# Benchmarking Summary

## Milton Public Library

|  |  |
|--|--|
| <b>Year completed</b>                  | <b>2011</b>  |
| <b>Size (Sq. ft.)</b>                  | 30,000   |
| <b># of stories</b>                    | 2  |
| <b>Auditorium</b>                      | No auditorium                                      |
| <b>Cost (2016 \$)</b>                  | 17,300,000   |
| <b>Cost/sq. ft.</b>                    | \$576  |
| <b>Sq. ft. per capita</b>              | 0.29   |
| <b># of active users (2016)</b>        | 59,477   |
| <b>Construction timeline</b>           | 1 year   |
| <b>Compliant with AODA?</b>            | Yes  |
| <b>Parking</b>                         | Adequate   |
| <b>Ancillary services</b>              | Café, light refreshments kiosk, commercial kitchen |
| <b>Pre-construction membership</b>     | <b>2010:</b> 34,933                                |
| <b>Post-construction membership</b>    | <b>2012:</b> 47,643                                |
| <b>Pre-construction # of programs</b>  | <b>2010:</b> 626                                   |
| <b>Post-construction # of programs</b> | <b>2012:</b> 1,083                                 |
| <b>Pre-construction circulation</b>    | <b>2010:</b> 445,264                               |



|  |  |
|--|--|
| <b>Post construction circulation</b>               | <b>2012:</b> 723,141   |
| <b>How increased operating costs were paid for</b> | No branch libraries were closed; Increased operation costs have been financed through increases in the tax levy. |

# Benchmarking Summary

## Whitby Public Library

|  |  |
|--|--|
| <b>Year completed</b>                  | <b>2005</b>  |
| <b>Size (Sq. ft.)</b>                  | 54,000   |
| <b># of stories</b>                    | 2 + basement   |
| <b>Auditorium</b>                      | No auditorium. There is a large meeting room with seating for 90 people, theatre style; active usage |
| <b>Cost (2016 \$)</b>                  | \$23,740,000   |
| <b>Cost/sq. ft.</b>                    | \$439  |
| <b>Sq. ft. per capita</b>              | 0.42   |
| <b># of active users (2016)</b>        | 48,355   |
| <b>Construction timeline</b>           | 1.5 years (August 2003 to May 2005)  |
| <b>Compliant with AODA?</b>            | Yes  |
| <b>Parking</b>                         | Deficient  |
| <b>Ancillary services</b>              | Cafe   |
| <b>Pre-construction membership</b>     | <b>2005:</b> 45,814  |
| <b>Post-construction membership</b>    | <b>2007:</b> 46,918  |
| <b>Pre-construction # of programs</b>  | Not available  |
| <b>Post-construction # of programs</b> | <b>2007:</b> 925;  |
| <b>Pre-construction circulation</b>    | <b>2005:</b> 604,768   |



|  |   |
|--|---|
| <b>Post construction circulation</b>               | <b>2007:</b> 884,245  |
| <b>How increased operating costs were paid for</b> | No branch libraries were closed. Increased operation costs were managed by moving towards RFID and self-serve checkout. |



# Risk Assessment

**Guelph Public Library Business Plan For A New Main Library  
Final Report**



The following is our analysis of the major areas of risk associated with the development of a new Main Library.

The recognition and control of risks can be divided into three distinct areas:

1. Risk Identification and Assessment
2. Risk Management — Strategies to control mitigate or manage risk
3. Risk Communication — Effective communication between the various parties

The analysis of the risk profile is based on our understanding that the Library would comprise a component of a much larger development project and that the form of procurement has not yet been determined. In addition, the allocation of risks between the City and a developer/contractor proponent has not been determined at this stage and there is the opportunity to negotiate risk transfers to the private sector.

The attached matrix identifies and assesses the various risks. It should be viewed as the starting point for the risk analysis and should be continually updated as additional information becomes available. The matrix represents, in our professional experience, the probability and magnitude of impact of the common and material-risks that will occur under a typical traditionally delivered project and under a typical Build-Finance project.

For each of the risks that have been identified, it is leading practice to develop mitigation strategies to minimize or eliminate the likelihood and/or impact. It is also recommended that a process be developed to monitor and communicate the status of the various activities giving rise to risks so that mitigation measures can be implemented. These two activities are beyond the scope of our assignment.



# Risk Assessment

## Risk Assessment Matrix

The risk assessment as shown in the matrix consists of the following items:

### 1. Source of the Risk

The risk matrix identifies the common risks associated with a project of this type. As the project is in the initial feasibility stage, the identified risks should be viewed as indicative and not definitive. As the project progresses, the identified risks may be refined and new risks added to the analysis. The individual risks have been categorized as:

- General
- Financial
- Procurement
- Construction
- Operational

### 2. Likelihood of Occurrence

The probability attribute is the possible outcome of a given event together with the outcome's relative likelihood. A rating is assigned to each activity ranging from rare to very likely.

### 3. Severity of Impact

Impact is the result of the occurrence of an event on the project either positive or negative. A rating is assigned to each activity ranging from insignificant to catastrophic.

### 4. Overall Level of Risk

The overall level of risk is based on multiplying the rankings of the likelihood of occurrence and severity of impact. These range from low to high.

# Risk Assessment Findings

| Risk Source                                | A<br>Likelihood of Occurrence | B<br>Severity of Impact | A*B<br>Overall Level of Risk |
|--|-------------------------------|-------------------------|------------------------------|
| Overall Assessment - General Project Risks | 5: Very Likely                | 3: Moderate             | Significant 11 - 16          |
| Overall Assessment - Financial Risks       | 3: Possible                   | 3: Moderate             | Moderate 7 - 10              |
| Overall Assessment - Construction Risks    | 3: Possible                   | 3: Moderate             | Moderate 7 - 10              |
| Overall Assessment - Operational Risks     | 3: Possible                   | 3: Moderate             | Moderate 7 - 10              |

## Findings

The Main Library project would currently be assessed as possessing **moderate risk** at this early feasibility stage. The major factor creating project risk is its incorporation within a much larger development scheme on the Baker Street block. The City is currently in the process of selecting and negotiating with a developer to conduct the development. Early concepts show a three story Library, underground parking and a residential component being built above the Library. This type of development will likely incur planning and zoning issues, require funding of the residential component and negotiating legal agreements dealing with the various forms of ownership and operations. For example, the Library could be delayed pending the developer obtaining the necessary funding to proceed with the residential development. As these risks have been identified at an early stage, the City should develop mitigation plans and, to the greatest extent feasible, transfer of risks to the private sector developer.

# Risk Assessment General Project Risks

| Risk Name Description  | Potential Consequences   | A<br>Likelihood of<br>Occurrence | B<br>Severity of<br>Impact | A*B<br>Overall Level of<br>Risk |
|--|--|----------------------------------|----------------------------|---------------------------------|
| <b>Timing of Mandates:</b> Delayed approval of mandate could reduce implementation options available leaving the project with less cost effective options that do not represent Best Value.  | Missed moving date resulting in additional costs; Delays in fit-up process; Requirement for transition space (collection storage; Schedule delays resulting in additional changes and costs; Delays in Project Delivery; Changed Project Delivery method, Relationship damage (Library/City of Guelph); Stretching of in-house resources; Negative perception of Library in the community; Negative political reaction; Negative media perception/reporting. | 3: Possible                      | 4: Major                   | Significant 11 - 16             |
| <b>High Degree of Integration Required:</b> The Library is part of major downtown redevelopment plan requiring integration with other projects, infrastructure and organizations. The lack of a dedicated effort to communicate and the dependency on other projects creates uncertainty and complexity. | Missed moving date resulting in additional costs; Delays in fit-up process; Requirement for transition space (collection storage; Schedule delays resulting in additional changes and costs; Delays in Project Delivery; Changed Project Delivery method, Relationship damage (Library/City of Guelph); Stretching of in-house resources; Negative perception of Library in the community; Negative political reaction; Negative media perception/reporting. | 5: Very Likely                   | 4: Major                   | High 17 - 25                    |
| <b>Library Approval:</b> There will be delays in obtaining client concurrence (e.g. design process, client requirements, exemptions, non-compliance approvals).  | Missed schedule dates resulting in additional costs; Delays in fit-up process; Relationship damage (Library/ City of Guelph); Requirement for transition space.  | 4: Likely                        | 3: Moderate                | Significant 11 - 16             |
| <b>Authorities Having Jurisdiction:</b> Authorities having jurisdiction over various aspects of the project could obstruct approvals Potential scope requirement changes relative to unanticipated changes to acts, codes, regulations, and local municipal bylaw and occupancy requirements.            | Missed moving date resulting in additional costs; Delays in fit-up process; Requirement for transition space; Delays/changes to Design; Schedule delays resulting in additional changes and costs; Delays in Project Delivery; Relationship damage (Library/ City of Guelph); Stretching of in-house resources.  | 5: Very Likely                   | 3: Moderate                | Significant 11 - 16             |

# Risk Assessment General Project Risks

| Risk Name Description   | Potential Consequences   | A<br>Likelihood of<br>Occurrence | B<br>Severity of<br>Impact | A*B<br>Overall Level of<br>Risk |
|---|--|----------------------------------|----------------------------|---------------------------------|
| <b>Changing Library Requirements:</b> Library program changes can affect cost and schedule. Accuracy and completeness of requirements in terms of cost/schedule (realistic delivery time) performance/quality and ability to interface with existing environment.           | Schedule delays resulting in additional changes and costs; Delays in Project Delivery; Relationship damage (Library/ City of Guelph); Stretching of in-house resources; Claim(s).  | 5: Very Likely                   | 2: Minor                   | <b>Moderate 7 - 10</b>          |
| <b>Stakeholder Requirements:</b> Involvement of user groups in scope definition, interfaces with existing programs, restricted working conditions, operational needs, building operations, and availability of requirements could affect the project's schedule and budget. | Schedule delays resulting in higher costs than estimated; Additional potential for delays in Project Delivery; Relationship damage (Library/ City of Guelph); Stretching of in-house resources; Claim(s).  | 5: Very Likely                   | 3: Moderate                | <b>Significant 11 - 16</b>      |
| <b>Unstructured Decision Making Process / Delays in Approvals:</b> Delays in approval process could lead to schedule delays.  | Schedule delays resulting in additional changes and costs; Delays in Project Delivery; Changed Project Delivery method; Missed moving date resulting in additional costs; Delays in fit-up process; Requirement for transition space; Delays/changes to Overall Portfolio Program; Relationship damage (Library/ City of Guelph); Stretching of in-house resources; Negative perception of Library in the Community; Negative political reaction; Negative media perception/reporting. | 4: Likely                        | 4: Major                   | <b>Significant 11 - 16</b>      |
| <b>Plan Approval Delays:</b> Approval delays due to the complexity of the project, quality assurance issues, absence of Investment Analysis (identification of opportunities/alternatives) could affect the schedule and result in additional increased costs.              | Schedule delays resulting in additional changes and costs; Delays in Project Delivery; Changed Project Delivery method; Missed moving date resulting in additional costs; Delays in fit-up process; Requirement for transition space; Delays/changes to Overall Portfolio Program; Relationship damage (Library/ City of Guelph); Stretching of in-house resources.  | 5: Very Likely                   | 3: Moderate                | <b>Significant 11 - 16</b>      |

# Risk Assessment General Project Risks

| Risk Name Description   | Potential Consequences   | A<br>Likelihood of<br>Occurrence | B<br>Severity of<br>Impact | A*B<br>Overall Level of<br>Risk |
|---|--|----------------------------------|----------------------------|---------------------------------|
| <b>Political Sensitivity:</b> Political sensitivities could affect the options available for carrying out the project.  | Changes to Overall Program; Schedule delays resulting in additional changes and costs; Delays in Project Delivery; Relationship damage (Library/ City of Guelph); Stretching of in-house resources; Negative perception of Library in the Community; Negative political reaction; Negative media perception/reporting. | 5: Very Likely                   | 4: Major                   | <b>High 17 - 25</b>             |
| <b>Public Scrutiny:</b> Public perception will be distorted by media or public exposure.  | Negative perception of Library in the Community; Negative political reaction; Negative media perception/reporting; Project delays or cancellation.   | 3: Possible                      | 2: Minor                   | <b>Low 1 - 6</b>                |
| <b>Political/Executive Changes:</b> Changing programs/processes on the City and Library sides due to reorganization, elections, retirements etc. could affect the project.  | Changes to Overall Portfolio Program; Schedule delays resulting in additional changes and costs; Delays in Project Delivery; Scope changes, Relationship damage (Library/ City of Guelph); Stretching of in-house resources; Negative political reaction, Negative media perception/reporting.                         | 5: Very Likely                   | 2: Minor                   | <b>Moderate 7 – 10</b>          |
| <b>Relationship Management:</b> Library will be unable to effectively manage relationships with involved parties (e.g. due to unclear roles & responsibilities, using a sole entity for many roles such as developer/constructor/designer, etc.). | Additional costs; Delays in fit-up process; Schedule delays resulting in additional changes and costs; Delays in Project Delivery; Relationship damage (Library/ City of Guelph); Negative perception of Library in the Community; Negative political reaction; Negative media perception/reporting; Claim(s).         | 5: Very Likely                   | 3: Moderate                | <b>Significant 11 - 16</b>      |

# Risk Assessment General Project Risks

| Risk Name Description   | Potential Consequences   | A<br>Likelihood of Occurrence | B<br>Severity of Impact | A*B<br>Overall Level of Risk |
|---|--|-------------------------------|-------------------------|------------------------------|
| <b>Project Team Capabilities/Capacity/Continuity:</b><br>The Project Team may not be able to effectively manage the project (e.g. due to a lack of training/experience to fill the needed roles of Project Manager, Custodian, Designer, etc.). The long duration of the project may result in loss of key personnel. | Additional costs; Delays in fit-up process; Schedule delays resulting in additional changes and costs; Delays in Project Delivery; Relationship damage (Library/ City of Guelph); Negative perception of Library in the Community; Negative political reaction; Negative media perception/reporting; Claim(s). | 5: Very Likely                | 4: Major                | <b>High 17 - 25</b>          |
|   | <b>Overall Assessment - General Project Risks</b>  | 5: Very Likely                | 3: Moderate             | <b>Significant 11 - 16</b>   |

# Risk Assessment Financial Risks

| Risk Name Description  | Potential Consequences   | A<br>Likelihood of<br>Occurrence | B<br>Severity of<br>Impact | A*B<br>Overall Level of<br>Risk |
|--|--|----------------------------------|----------------------------|---------------------------------|
| <b>Long Duration of Project:</b> The long duration schedule will subject the project to market variations in material and labour costs.  | Market fluctuations resulting in higher costs than estimated; Additional potential for delays in Project Delivery; Relationship damage (Library/ City of Guelph); Stretching of in-house resources; Claim(s).  | 5: Very Likely                   | 2: Minor                   | <b>Moderate 7 - 10</b>          |
| <b>Project Continuity:</b> The project will not recover from a severe occurrence in a timely, cost-effective manner (e.g. natural disasters or human-caused events).   | Missed moving date resulting in additional costs; Delays in fit-up process; Requirement for transition space; Delays/changes to Overall Portfolio Program; Schedule delays resulting in additional changes and costs; Delays in Project Delivery as a result of requirement for a new project or amendment; Relationship damage (Library/ City of Guelph); Stretching of in-house resources; Negative political reaction; Negative media perception/reporting. | 1: Rare                          | 4: Major                   | <b>Low 1 - 6</b>                |
| <b>Project Funding:</b> A lack of funding or delay in receiving funding from City of Guelph and other sources could affect the project. This may result in unanticipated scope changes requiring contract amendments affecting the schedule and resulting in increased component costs | Delays in tendering process, project delays, claim(s).   | 3: Possible                      | 4: Major                   | <b>Significant 11 - 16</b>      |
| <b>Financial Allocation:</b> Financial resource allocation will not meet project requirements due to insufficient rental budget, contributions from City, and other programs.  | Missed moving date resulting in additional costs; Delays in fit-up process; Requirement for transition space; Delays/changes to Overall Portfolio Program; Relationship damage (Library/ City of Guelph); Stretching of in-house resources.  | 3: Possible                      | 3: Moderate                | <b>Moderate 7 - 10</b>          |

# Risk Assessment Financial Risks

| Risk Name Description  | Potential Consequences   | A<br>Likelihood of<br>Occurrence | B<br>Severity of<br>Impact | A*B<br>Overall Level of<br>Risk |
|--|--|----------------------------------|----------------------------|---------------------------------|
| <b>Program Funding for Baker Street:</b> There will be a lack of funding provided by the various sources including the City and the Federal Government or funding will be timed inappropriately. Limited client reserve funding and client required approval process for anticipated and unanticipated scope changes may result in amendment approval delays that could affect the schedule and result in additional increased cost. | Schedule delays resulting in additional changes and costs; Delays in Project Delivery; Missed moving date resulting in additional costs; Delays in fit-up process; Requirement for transition space; Delays/changes to Overall Portfolio Program; Relationship damage (Library/ City of Guelph); Stretching of in-house resources.           | 3: Possible                      | 4: Major                   | <b>Significant 11 - 16</b>      |
| <b>Accuracy of Estimates:</b> Inaccurate estimates could lead to an exceeding of budget. Basing project approvals on Class D or indicative cost estimates  | Additional costs; Delays in fit-up process; Delays/changes to Overall Portfolio Program; Schedule delays resulting in additional changes and costs; Delays in Project Delivery; Relationship damage (Library/ City of Guelph); Stretching of in-house resources; Claim(s).   | 3: Possible                      | 4: Major                   | <b>Significant 11 - 16</b>      |
| <b>Accuracy of Scheduling:</b> Inaccurate scheduling could lead to project delays and budget overruns.   | Missed moving date resulting in additional costs; Delays in fit-up process; Requirement for transition space; Delays/changes to Overall Portfolio Program; Schedule delays resulting in additional changes and costs; Delays in Project Delivery; Relationship damage (Library/ City of Guelph); Stretching of in-house resources; Claim(s). | 3: Possible                      | 3: Moderate                | <b>Moderate 7 - 10</b>          |
| <b>Market Value of Existing Library:</b> Changing property values, disposal costs and timing could negatively affect residual values or project approvals.   | Delays in project delivery, project amendments, negative political reaction.   | 2: Unlikely                      | 2: Minor                   | <b>Low 1 - 6</b>                |
|  | <b>Overall Assessment - Financial Risks</b>  | <b>3: Possible</b>               | <b>3: Moderate</b>         | <b>Moderate 7 - 10</b>          |

# Risk Assessment Construction Risks

| Risk Name Description   | Potential Consequences   | A<br>Likelihood of<br>Occurrence | B<br>Severity of<br>Impact | A*B<br>Overall Level of<br>Risk |
|---|--|----------------------------------|----------------------------|---------------------------------|
| <b>Labour Interruptions:</b> Labour interruptions will cause scheduling delays or delayed occupancy.  | Missed moving date resulting in additional costs; Delays in fit-up process; Requirement for transition space; Delays/changes to Overall Portfolio Program; Schedule delays resulting in additional changes and costs; Delays in Project Delivery; Relationship damage (Library/ City of Guelph); Stretching of in-house resources.   | 2: Unlikely                      | 3: Moderate                | <b>Low 1 - 6</b>                |
| <b>Performance of Consultants:</b> Errors and omissions by consultants could occur leading to cost, schedule, budget overruns. Performance includes suitability of design specifications, design experience, reputation, financial stability. | Missed moving date resulting in additional costs; Delays in fit-up process; Requirement for transition space; Schedule delays resulting in additional changes and costs; Delays in Project Delivery; Relationship damage (Library/ City of Guelph); Additional design reviews and modifications; Claim(s).   | 2: Unlikely                      | 3: Moderate                | <b>Low 1 - 6</b>                |
| <b>Supplier/Contractor Responsiveness:</b> The supplier/contractor does not respond in a timely fashion to requests from Library. Lack of documented change request process. Inadequate costing of proposed changes.                          | Missed moving date resulting in additional costs; Delays in fit-up process; Requirement for transition space; Delays/changes to Overall Portfolio Program; Schedule delays resulting in additional changes and costs; Delays in Project Delivery; Relationship damage (Library/ City of Guelph); Stretching of in-house resources; Negative political reaction; Negative media perception/reporting; Claim(s). | 2: Unlikely                      | 3: Moderate                | <b>Low 1 - 6</b>                |
| <b>Cost Tracking System:</b> Use of a cost tracking system that must be modified to suit current project may cause inability to properly track budget, payments, etc.   | Cost overruns, loss of control of project finances, inaccurate reporting to senior management, project delays, claim(s).   | 3: Possible                      | 3: Moderate                | <b>Moderate 7 - 10</b>          |

# Risk Assessment Construction Risks

| Risk Name Description  | Potential Consequences   | A<br>Likelihood of<br>Occurrence | B<br>Severity of<br>Impact | A*B<br>Overall Level of<br>Risk |
|--|--|----------------------------------|----------------------------|---------------------------------|
| <b>Errors &amp; Omissions:</b> Errors and omissions by Library could occur, affecting the project schedule or budget.  | Project delays, additional costs, schedule delays, claims, negative media perception/reporting, relationship damage Library/ City of Guelph, negative political reaction.  | 3: Possible                      | 2: Minor                   | <b>Low 1 - 6</b>                |
| <b>Project Team Communication:</b> Poor communication could affect the project (e.g. due to governance not properly documented or understood/accepted by all parties, client senior management buy-in, change order process, conflicts within the team, etc.). | Additional costs; Delays in fit-up process; Schedule delays resulting in additional changes and costs; Delays in Project Delivery; Relationship damage (Library/ City of Guelph); Negative perception of Library in the Community; Negative political reaction; Negative media perception/reporting; Claim(s). | 4: Likely                        | 3: Moderate                | <b>Significant 11 - 16</b>      |
| <b>Project Team Capacity, Expertise &amp; Stability:</b> Lack of Project Team's ability to devote required resources with continuity could affect the project (e.g. poor decisions, loss of corporate memory, schedule delays, increased cost).                | Additional costs; Delays in fit-up process; Schedule delays resulting in additional changes and costs; Delays in Project Delivery; Relationship damage (Library/ City of Guelph); Negative perception of Library in the Community; Negative political reaction; Negative media perception/reporting; Claim(s). | 5: Very Likely                   | 3: Moderate                | <b>Significant 11 - 16</b>      |
|  | <b>Overall Assessment - Construction Risks</b>   | <b>3: Possible</b>               | <b>3: Moderate</b>         | <b>Moderate 7 - 10</b>          |

# Risk Assessment Operational Risks

| Risk Name Description   | Potential Consequences   | A<br>Likelihood of Occurrence | B<br>Severity of Impact | A*B<br>Overall Level of Risk  |
|---|--|-------------------------------|-------------------------|-------------------------------|
| <p><b>Inadequate Commissioning:</b> There is an inherent risk that certain penalties are likely to result from a poorly commissioned facility. Such risks include expensive corrective measures, high O&amp;M costs, inappropriate maintenance practices, unclear design criteria and design intents.</p> | <p>Equipment failures, higher utility and O&amp;M costs, possible injury to O&amp;M personnel, discomfort or inconvenience to facility occupants. Missed moving date resulting in additional costs; Building shutdown; Relationship damage (Library/ City of Guelph); Requirement for transition space; Schedule delays resulting in additional changes and costs; Delays in Project Delivery; Stretching of in-house resources, Claim(s).</p> | <p>3: Possible</p>            | <p>3: Moderate</p>      | <p><b>Moderate 7 - 10</b></p> |
| <p><b>Inadequate Change Management:</b> A new library will directly affect organization structure, personnel, business process and branches. There is no formal transformation plan and no training of personnel.</p>   | <p>Staff turnover, Stretching of in-house resources, Reliance on external consultants increasing the implementation costs, Negative political reaction; Negative media perception/reporting; Claim(s).</p>   | <p>3: Possible</p>            | <p>3: Moderate</p>      | <p><b>Moderate 7 - 10</b></p> |
| <p><b>Client Move Scheduling:</b> Coordination of the move interferes with the project schedule.</p>  | <p>Missed moving date resulting in additional costs; Delays in fit-up process; Requirement for transition space; Delays/changes to Overall Portfolio Program; Schedule delays resulting in additional changes and costs; Delays in Project Delivery; Relationship damage (Library/ City of Guelph); Stretching of in-house resources.</p>  | <p>3: Possible</p>            | <p>2: Minor</p>         | <p><b>Low 1 - 6</b></p>       |
| <p><b>Health &amp; Safety:</b> Library could become liable (e.g. due to a health &amp; safety incident occurring for either a Library employee or contractor for the Library should they have access to the site).</p>  | <p>Additional costs; Claim(s).</p>   | <p>1: Rare</p>                | <p>3: Moderate</p>      | <p><b>Low 1 - 6</b></p>       |

# Risk Assessment Operational Risks

| Risk Name Description   | Potential Consequences   | A<br>Likelihood of Occurrence | B<br>Severity of Impact | A*B<br>Overall Level of Risk |
|---|--|-------------------------------|-------------------------|------------------------------|
| <b>Interruption to Client Operations:</b> Critical client operations will not be able to resume in a timely, cost-effective manner due to project delays. | Negative perception of Library in the Community; Negative political reaction; Negative media perception/reporting; Loss of "transparency" in Community; Delays in Project Delivery; Relationship damage (Library/ City of Guelph), Claim(s). | 2: Unlikely                   | 2: Minor                | <b>Low 1 - 6</b>             |
| <b>Delivery Delays:</b> Unforeseen delivery delays could occur (e.g. transition space not available when required, etc.).                                 | Missed moving date resulting in additional costs; Delays in fit-up process; Relationship damage (Library/ City of Guelph); Requirement for transition space; Delays/changes to Overall Portfolio Program.                                    | 3: Possible                   | 3: Moderate             | <b>Moderate 7 - 10</b>       |
|   | <b>Overall Assessment - Operational Risks</b>  | <b>3: Possible</b>            | <b>3: Moderate</b>      | <b>Moderate 7 - 10</b>       |



# Financial Impact

**Guelph Public Library Business Plan For A New Main Library  
Final Report**



# Financial Impact

## Operational Impacts

Based upon a new Main Library with 88,000 GSF, the operational expenditures for the Guelph Public Main Library should be expected to increase by \$2.2 million to \$7.86 million.

The key driver for the increase in operating expenditures is salaries and benefits. To meet the Wisconsin basic benchmark, the number of Main Library FTEs should increase to 72 FTE positions, an increase of 21 positions. This will meet the basic benchmark standard of 0.4 FTEs per capita. A low end forecast of position requirements is only an additional 11 positions, thereby increasing the number of Main Branch positions to 62 FTEs.

Regardless of the number of FTEs, the increase in gross square footage by three times the original building size will cause the purchased supplies and materials and general operating expenditures to increase.

Our model indicates that purchased supplies and materials will increase by approximately \$630,000 to meet the increased programming and collection demands and utility/energy requirements of a larger Main Library.

Similarly, general operating expenditures will increase by approximately \$700,000 largely in response to new building maintenance demands that accompany a modern facility with larger gross floor area (security, landscaping, elevators, janitorial services etc.).

| Main Library Budget Comparison   |                     |                     | Difference          |            |
|----------------------------------|---------------------|---------------------|---------------------|------------|
| By Expense Category              | 2016/17             |                     | \$                  | %          |
|                                  | Old                 | New                 |                     |            |
| Salaries & Benefits              | \$ 4,043,000        | \$ 4,884,373        | 841,373             | 21%        |
| Purchased Supplies and Materials | 799,000             | 1,426,842           | 627,842             | 79%        |
| General Operating Expenses       | 830,000             | 1,536,071           | 706,071             | 85%        |
| Furniture                        | 18,500              | 18,500              | -                   | 0%         |
| <b>Total</b>                     | <b>\$ 5,690,500</b> | <b>\$ 7,865,785</b> | <b>\$ 2,175,285</b> | <b>38%</b> |

Overall, while we understand this building will be built to a LEEDs silver standard, there will be continuing expenditures to maintain and operate which will impact the overall budget of the Guelph Public Library. The increase in operating expenditures has factored in anticipated building efficiencies and lower repairs and maintenance costs in the short and medium term.

# Estimated Capital Project Costs

The construction of a new Main Library to meet a twenty year design population of 185,000 people is calculated to have a gross floor square footage of approximately 88,000 ft<sup>2</sup>.

To build a new 88,000 ft<sup>2</sup> Main Library, we forecast the cost of new construction to be \$32.89 million. This will include the construction of the substructure and structure, exterior enclosure, partitions and doors and finishes and the mechanical and electrical work. In 2017 dollars, the estimated cost per gross square foot for new construction is \$374 per square foot.

The additional costs for the construction of a new Main Library include site works at \$1.39 million and furnishings, fixtures and equipment at \$3.23 million.

The soft costs for the project we estimate to be \$4.63 million plus a contingency budget of \$4.11 million.

The total cost for a new Main Library of 88,000 gross square feet is forecast to be approximately \$46.25 million dollars. Projected out to 2021 at a 2% inflation rate, the total project cost is \$50.06 million.

The assessed value of the current Main Library building and property is \$3.2 million. Our analysis does not address the anticipated future use of the current main library property.

|  | 2021 (\$ mn)   | 2017 (\$ mn)   |
|--|----------------|----------------|
| <b>New Construction</b>                    | <b>\$35.60</b> | <b>\$32.89</b> |
| Substructure                               | \$1.78         | \$1.64         |
| Structure                                  | \$8.19         | \$7.56         |
| Exterior Enclosure                         | \$6.76         | \$6.25         |
| Partitions and Doors                       | \$0.71         | \$0.66         |
| Finishes                                   | \$7.48         | \$6.91         |
| Mechanical                                 | \$5.70         | \$5.26         |
| Electrical                                 | \$4.98         | \$4.60         |
| <b>Site Works</b>                          | <b>\$1.50</b>  | <b>\$1.39</b>  |
| <b>Furnishings, Fixtures and Equipment</b> | <b>\$3.50</b>  | <b>\$3.23</b>  |
| <b>Soft Costs</b>                          | <b>\$9.46</b>  | <b>\$8.74</b>  |
| Architecture & Engineering                 | \$2.60         | \$2.40         |
| Legal                                      | \$0.37         | \$0.34         |
| Other Consultants                          | \$0.74         | \$0.69         |
| Project Management Fees                    | \$1.11         | \$1.03         |
| Pre-opening Expenses                       | \$0.19         | \$0.17         |
| Contingency                                | \$4.45         | \$4.11         |
| <b>Total New Library Costs</b>             | <b>\$50.06</b> | <b>\$46.25</b> |



# Economic Impact Assessment

**Guelph Public Library Business Plan For A New Main Library  
Final Report**



## Economic Impact Assessment Notice

The Guelph Public Library (“GPL” or the “Library”) engaged KPMG LLP (“KPMG”) to undertake an analysis of the economic impact assessment of its proposed new main library (“the “Project”), pursuant to the terms and conditions of the engagement agreement between GPL and KPMG dated November 13, 2017.

GPL provided KPMG with data and information on its Project in Guelph, Ontario. There are a number of limitations in economic impact assessments and in this study. In conducting this analysis, our methodology included use of standard economic input-output modeling – an approach which is widely accepted and common for this type of analysis. Our KPMG analysis used the Statistics Canada Interprovincial Input-Output Model to measure the impact of the Project on the Ontario and Canadian economy. The Input-Output Model reflects the structure of the Canadian economy in 2013 (most recent year available). It is likely that the structure of the economy will change over time which may affect the estimates. Output data is reported in 2017 Canadian dollars. The estimated economic impact of the Project is composed of the employment, and value-added impacts that are generated in the provincial economy directly from the operations, indirectly from suppliers (including the suppliers to the direct suppliers and suppliers to them, etc.) and the induced impacts that result from spending by employees of their salaries and wages. The estimated economic impacts are based on the values of supplies, goods and services, and labour/payroll. The analysis and estimated economic impacts presented in this report therefore are dependant on data, information and estimates provided by GPL. KPMG cannot warrant the completeness or accuracy of the information and data provided by GPL. The Report is intended for GPL and the City of Guelph for its internal planning purposes. KPMG does not accept any liability or responsibility to any third party who may use or place reliance on the Report.

KPMG was engaged by GPL to undertake an economic impact assessment of the construction of its proposed new Main Library (the “Project”) and the impact of GPL’s operations as a result of the Project.

In this study, KPMG assesses the economic impact of a new Main Library from both a quantitative and qualitative perspective. On the quantitative side, we estimate the GDP, employment and labour income impact of the capital and operating expenditures of a new Main Library. This was derived based on input data from GPL and utilizing standard methodology of the Input-Output Model of Statistics Canada. On the qualitative side, we conducted a literature review to understand the important role public libraries play in city building and parallel this to GPL and the City of Guelph. We also discuss how the investment in a new Main Library aligns with the City’s of Guelph’s economic development priorities.

This study is part of the broader business case for GPL’s new Main Library.



**Guelph Public Library**  
Explore • Connect • Thrive

## Overview

In this section, we describe the methodology used to quantify economic impacts of the capital and operating expenditures of GPL's new Main Library. KPMG used Input-Output ("I/O") modelling to estimate the GDP, labour income, and employment impacts based on data inputs and estimates from GPL. Expenditures used in our analysis were adjusted to 2017 dollars; hence, economic impacts in this report are presented in 2017 dollars.

## Input-Output Modelling

An I/O model divides the economy into a matrix of industries and commodities. Relationships within the model map the production of commodities to industries and identify the primary or intermediate commodities that are used in the production of each final commodity. Final commodities are either used by consumers or sold as an export. The model then aggregates all of the expenditures on goods and services and in the supply chain as commodities are produced. Based on the commodity structure of a specific industry, an I/O model can estimate the employment, gross output, and the labour, business and government income (collectively, the value-added, or GDP) as a result of expenditures in that industry.

In Canada, the most authoritative and comprehensive I/O model is the Interprovincial Input-Output Model of Statistics Canada ("Statistics Canada I/O Model"). KPMG utilized the Statistics Canada I/O Model in this study. As outlined in the Statistics Canada Guide to using the Input-Output Model, the "model has the greatest potential of all major economic models for capturing the flows of goods and services between industries and consumers at relatively detailed levels". The I/O model used in this analysis is the most recent version produced by Statistics Canada and is calibrated to Canada's economy in 2013. This means that economic impacts are based on the commodity structure of industries in 2013. The Statistics Canada I/O Model is recognized by many as the benchmark by which economic impact modeling is conducted in Canada. It is managed and calibrated solely by Statistics Canada, including the assumptions that are built into the model; it is independent of KPMG and GPL.

In this study, KPMG highlights GDP, labour income and employment impacts as a result of GPL's capital and operating expenditures. A definition of each of these metrics is provided below:

- **GDP impact** is a measure of economic output from the production of goods and services. It measures the total amount of "value-added" that individual producers contribute to their purchased inputs in order to generate their own output. For any given entity, value-added is the difference between revenues and the sum of purchased goods and services. GDP impact is measured in dollars. The GDP impact can be further broken down into labour income, government revenues, and income to business.
- **Labour income** is defined as all compensation paid to employees (e.g., wages, salaries, employer social contributions, bonuses and performance pay, etc.). Labour income is measured in dollars. Labour income is a component of the GDP impact. The majority (62%) of GPL's operating expenditures are on salaries, wages and benefits.
- **Employment** estimates the number of jobs created and is measured in terms of Full-time Employment ("FTE") positions. An FTE is assumed to be equivalent to one full-time position that is held for one year.

The economic impact estimates presented in this study are broken-down into direct, indirect, and induced impacts. A definition of each type of impact is provided below:

- 1. Direct impacts** are those economic impacts generated by the industry in question and can be observed through an analysis of an industry's employee base, payroll, taxes paid and the difference between the value of sales and purchased inputs.
- 2. Indirect impacts** are those economic impacts generated by suppliers further-up the supply chain. For example, suppliers to an industry have their own employees and purchase commodities from other suppliers in turn. These expenditures ultimately result in income to labour, income to businesses or governments, or in the import of a good or service from another jurisdiction.
- 3. Induced impacts** are the direct and indirect impacts that result from the subsequent spending by employees of their wages and salaries. This includes spending by employees both within an industry and within its upstream supplier base. It is important to note that induced impacts should be interpreted with some caution as they are affected by a household's propensity to save, among other variables. For example, when an economy experiences high unemployment household saving rates tend to increase and induced economic impacts will decrease. Therefore it is important to be mindful that induced economic impacts may not always materialize to the extent shown.

## Capital Expenditures

**Table 1. Capital Expenditures of GPL’s New Main Library Facility (\$ millions)**

|  | 2021 Costs     | 2017 Costs     |
|--|----------------|----------------|
| <b>New Construction</b>                    | <b>\$35.60</b> | <b>\$32.89</b> |
| Substructure                               | \$1.78         | \$1.64         |
| Structure                                  | \$8.19         | \$7.56         |
| Exterior Enclosure                         | \$6.76         | \$6.25         |
| Partitions and Doors                       | \$0.71         | \$0.66         |
| Finishes                                   | \$7.48         | \$6.91         |
| Mechanical                                 | \$5.70         | \$5.26         |
| Electrical                                 | \$4.98         | \$4.60         |
| <b>Site Works</b>                          | <b>\$1.50</b>  | <b>\$1.39</b>  |
| <b>Furnishings, Fixtures and Equipment</b> | <b>\$3.50</b>  | <b>\$3.23</b>  |
| <b>Soft Costs</b>                          | <b>\$9.46</b>  | <b>\$8.74</b>  |
| Architecture & Engineering                 | \$2.60         | \$2.40         |
| Legal                                      | \$0.37         | \$0.34         |
| Other Consultants                          | \$0.74         | \$0.69         |
| Project Management Fees                    | \$1.11         | \$1.03         |
| Pre-opening Expenses                       | \$0.19         | \$0.17         |
| Contingency                                | \$4.45         | \$4.11         |
| <b>Total New Library Costs</b>             | <b>\$50.06</b> | <b>\$46.25</b> |

Note: numbers may not add up due to rounding

- The economic impacts from capital expenditures presented in this study are based on construction cost estimates. Estimated capital costs were based on a number of assumptions:
  - New construction costs were estimated to be \$400/square feet (in 2021 dollars). A new Main Library was assumed to be 88,000 square feet. This results in an estimate of \$35.6 million in new construction costs in 2021 dollars.
  - Sub-categories of new constructions costs (e.g., structural, mechanical, electrical, etc.) were pro-rated based on capital expenditures of Halifax Central Library.
  - Site works, soft costs and furnishings, fixtures and equipment (“FFE”) were based on industry standards.
- In total, capital expenditures of GPL’s new Main Library facility was estimated to be \$50 million in 2021. The breakdown of these costs are presented in Table 1.
- To present economic impacts in 2017 dollars, capital expenditure estimates were deflated by 2% per annum between 2017 and 2021. The 2% assumption represents Bank of Canada’s inflation target. As a result, we estimate the economic impact of \$46.25 million in capital expenditures (in 2017 dollars).
- The following items were specifically excluded from the estimate: development fees; taxes during construction; insurance and bonding; approvals, inspections and permits; municipal levies and charges; pre-opening expenses; and financing fees.

## Annual Operating Expenditures

**Table 2. Annual Operating Expenditures of GPL's New Main Library Facility at Steady State(\$ millions)**

| By Department                    | Current       | New           |
|----------------------------------|---------------|---------------|
| Salaries & Benefits              | \$4.04        | \$4.88        |
| Purchased Supplies and Materials | \$0.80        | \$1.42        |
| General Operating Expenses       | \$0.83        | \$1.54        |
| Furniture                        | \$0.02        | \$0.02        |
| <b>Total</b>                     | <b>\$5.69</b> | <b>\$7.87</b> |

Note: numbers may not add up due to rounding

- Currently there are 51.32 FTEs at the Main Library. This is assumed to increase to 62 FTEs once a new Main Library becomes operational. Salaries and benefits of a new Main Library was calculated by taking the average cost per employee in 2016-17 and multiplying it by 62 FTEs.
  - Purchased goods was assumed to increase by a factor of 3.2x. This represents the increase in square footage of a new Main Library compared to the current Main Library.
  - Some purchased services (or, general operating expenditures) were assumed to remain fixed, such as postage and telephone charges. Where appropriate, some purchased services were increased by a factor of 3.2x, such as building maintenance services.
  - Annual furniture expenditures were assumed to main fixed.
- Table 2 compares the current annual operating expenditures of the Main Library (\$5.69 million) to what it is expected to be when a new Main Library is operational (\$7.87 million). These annual expenditures are expressed in 2017 dollars.

- Economic impacts from operating expenditures come from spending on salaries and benefits, and the purchases of goods and services. In 2016-17, GPL's operating expenditures of the Main Library totaled \$5.69 million.
- A new Main Library will inevitably result in higher annual operating expenditures from increased staffing levels and increased capacity. The economic impacts from operating expenditures presented in this study are based on estimates of annual operating costs once a new Main Library becomes operational.
- GPL estimates that a new Main Library will result in an annual operating expenditure of \$7.87 million. This value is in 2017 dollars. These costs are based on a number of assumptions:

## Input-Output Model Date

The version of the I/O model produced by Statistics Canada is calibrated to Canada's 2013 economy. The estimated capital and operating costs used in this study are presented in 2017 dollars. The premise of the I/O model is that shocks to Canada's economy result in multiplier effects on GDP, labour income, employment, government revenues, and output. Because input values were expressed in 2017 values and because multiplier effects are linear, the economic impacts shown in dollar terms can be interpreted as 2017 values. Adjustments, however, need to be made when interpreting employment impacts. This is outlined further below.

## Full-Time Equivalent Positions

In the I/O model, the estimated employment impacts are linked to average compensation per worker and the average amount of time spent on a full time position. Specifically, employment impacts are calculated by dividing the labour income impact by the average compensation per worker in an industry. This results in an estimated employment impact in FTE positions.

The expenditure data used in our analysis were in 2017 dollars. Since the I/O model is calibrated to the 2013 economy, average compensation per worker assumed in the model is significantly less than what it will be in 2017. Without adjustments, this could result in overestimating the employment impacts of a new Main Library. To address this issue, we deflate the employment impacts from the I/O model by 6.75%. This 6.75% represents Canadian inflation between November 2013 and November 2017<sup>1</sup> and was derived from the Bank of Canada Inflation Calculator. This approach is recommended by Statistics Canada to avoid overestimating employment impacts.

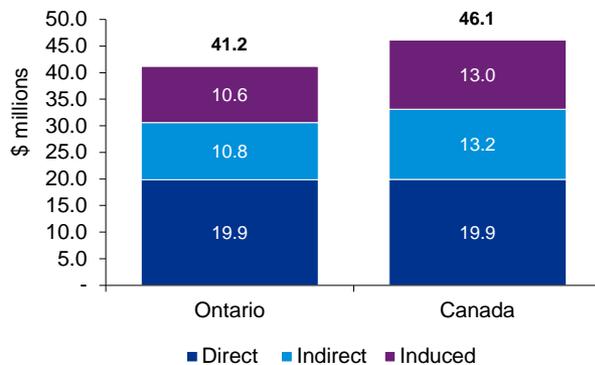
<sup>1</sup>November 2017 was the most recent data point available on Canada's Consumer Price Index at the time of this study

# Economic Impact from Capital Expenditures

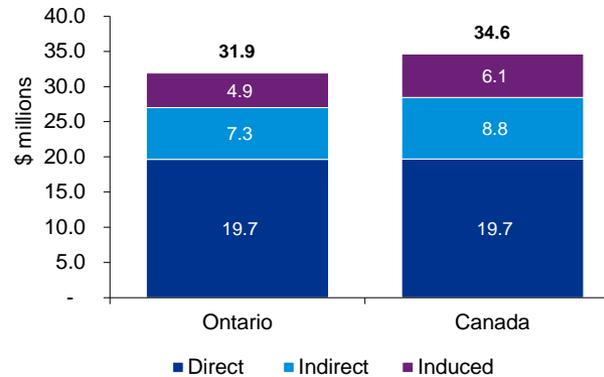
It is estimated that the construction of a new Main Library will result in \$46.25 million in capital expenditures (in 2017 dollars). Figure 1 presents the GDP, labour income and employment impacts in both Ontario and Canada as a result of the construction of the Project. It is important to note that estimated economic impacts will occur over the course of the three-year construction period. The economic impacts discussed in this section can be interpreted as being in 2017 dollars.

**Figure 1. Summary of Economic Impacts from Capital Expenditures**

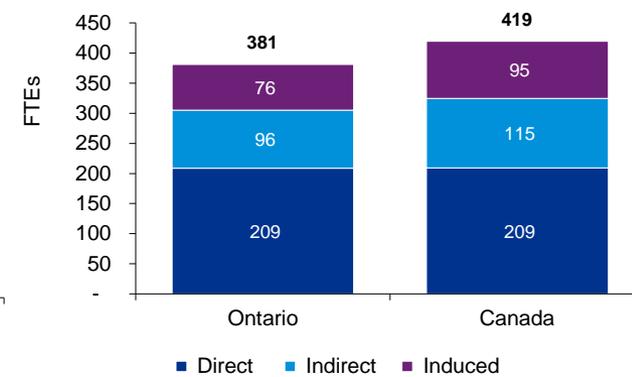
**GDP Impact from Capital Expenditures (\$ millions)**



**Labour Income Impact from Capital Expenditures (\$ millions)**



**Employment Impact from Capital Expenditures (FTEs)**



The construction of a new Main Library is estimated to contribute approximately **\$46.1 million to Canada's GDP**. Of this, \$41.2 million (or, 89%) of GDP impacts is estimated to accrue to Ontario. Recall, labour income is a component of GDP. This comprises all compensation paid to employees (e.g., wages, salaries, employer social contributions, bonuses and performance pay, etc.). It is estimated that the construction of the Project will result in **\$34.6 million and \$31.9 million in labour income in Canada and Ontario, respectively**. Lastly, it is estimated that the construction of a new Main Library will result in **419 FTEs in Canada of which 381 FTEs will be in Ontario**. Anecdotally, the City of Guelph should capture much of the economic impacts associated with the construction of the new Main Library.

# Economic Impact from Capital Expenditures

---

It is important to note that one FTE is measured as one full-time position that is held for one year. Given that the construction of the Project is estimated to be over a 3 year period, this value cannot be interpreted as the number of “jobs” that will be created over the course of the construction period. Rather, it is the number full-time equivalent employment positions created based on the average number of hours worked in full time jobs in one year. Thus, one person employed by this Project full-time over the course of the 3 year construction period would count as 3 FTE positions for the purposes of reporting employment impacts.

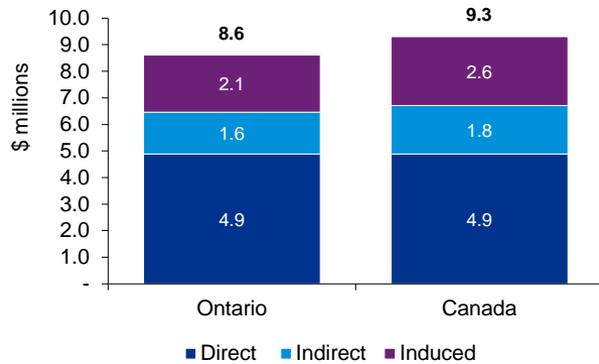
# Results

## Economic Impact from Annual Operating Expenditures

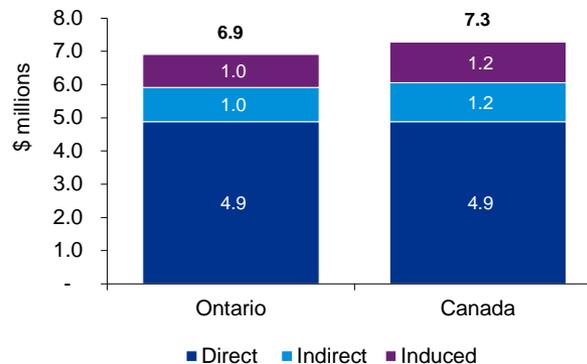
The new Main Library will result in higher annual operating expenditures from increased staffing levels and increased capacity. A new Main Library is estimated to result in an annual operating expenditure of \$7.87 million (in 2017 dollars). Figure 2 presents the GDP, labour income and employment impacts in both Ontario and Canada as a result GPL's operations once a new Main Library is open. The economic impacts discussed in this section can be interpreted as annual impacts presented in 2017 dollars.

**Figure 2. Summary of Economic Impacts from Annual Operating Expenditures**

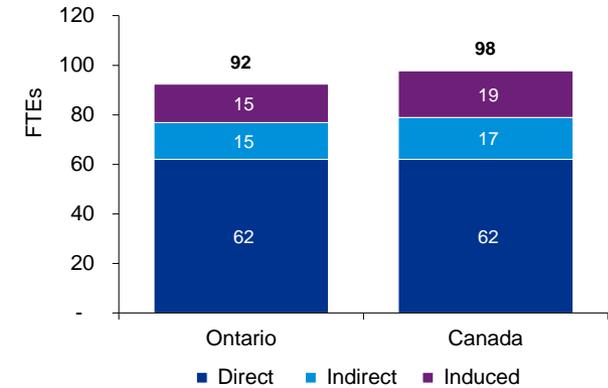
**GDP Impact from Operating Expenditures (\$ millions)**



**Labour Income Impact from Operating Expenditures (\$ millions)**



**Employment Impact from Operating Expenditures (FTEs)**



The operations of a new Main Library are estimated to have an annual impact of **\$9.3 million to Canada's GDP**. Of this, \$8.6 million (or, 82%) of GDP impacts is estimated to accrue to Ontario. As a component of GDP, the annual labour income impact is estimated to be **\$7.3 million and \$6.9 million in Canada and Ontario**, respectively. Lastly, it is estimated that the operations of a new Main Library will result in an annual employment impact of **98 FTEs in Canada of which 92 FTEs will be in Ontario**. The City of Guelph would capture most of the economic impacts associated with the operations of the new Main Library.

## Overview

The analysis in the previous section captures the quantifiable economic impacts that GPL has on the provincial and national economy. However, this is not the whole picture. In this section, KPMG discusses the qualitative impacts of the GPL, which typically are less readily quantifiable in comparison. In this section, we discuss the socioeconomic impact of public libraries, in general, as well as the socioeconomic benefits of building a new Main Library. We also discuss how the investment in a new Main Library aligns with the City's of Guelph's economic development priorities.

## GPL and the Role of Public Libraries

It is generally understood that public libraries foster and disseminate knowledge. Although the economy has become more digitized and increasingly relies on the internet for information, public libraries still play a vital role in the social fabric of a community. Public libraries do more than just lend books and materials and provide internet access to the public. Public libraries provide access to job and career resources to local residents; provide business resources to small businesses; provide space for people to come together and discuss new ideas; improve literacy skills of children and youth; provide access to cultural experiences; provide educational support to the community; and provide general support for public services (McCure et. al., 2000).

Guelph Public Library is no exception. Residents of the City of Guelph "view the public library as a vital community resource that improves the quality of life in the [City]" (GPL, 2015). GPL's mission statement is to provide new way for people to explore their world, enrich their lives and connect with their community. The figure below highlights some of GPL's achievements in 2016.

**Figure 3. Snapshot of 2016 GPL Achievements**



Source: Guelph Public Library Annual Report

In March 2010, the City of Guelph released Phase 2 of its Economic Development and Tourism Strategy, *Prosperity 2020*. Prosperity 2020 laid out the strategic directives and priorities of the City over the next decade and beyond. In this section, we demonstrate how the investment in a new Main Library aligns with the City's strategic directives.

## Investing in People and Ideas

The goal of this strategic directive was to position the City of Guelph as a leader in providing solutions to local workforce development and as a place that nurtures creativity and innovation. Public libraries play an important role in local workforce development and connecting residents to local businesses (Kerslake et. al., 1998). Certain programs and resources offered by libraries can enhance individuals' professional skills and increase the value of their work to their current or prospective employer (McCure et. al., 2000). Public libraries also provide a public space for for people to come together and discuss new ideas. Public meeting rooms, study spaces and multipurpose spaces are key to fostering creativity and entrepreneurship in the community.

This strategic directive also aims to support the growth of small business and entrepreneurship in the community. In a study done by McCure et. al. (2000), it was found that relocating businesses, start-up businesses, and small businesses benefited from access to a public library's products and resources.

Another goal of this strategic directive is for the City of Guelph to be a compelling and welcoming city to migrating talent. Public libraries play an important role in improving quality of life for immigrant populations. Libraries can provide translated resources, as well as information about public services in different languages (McCure et. al., 2000). The resources and programs provided by public libraries can help immigrants find work and become assimilated to the local community.

One of the key factors driving the need for a new Main Library is the spatial limitation of the current Main Library. The physical space of the current Main Library limits GPL's ability to provided dedicated community meeting spaces, creative work spaces and public amenities for local residents. The current space also limits GPL's ability to maintain and expand its resources and programs available to local residents and businesses.

Investing in a new Main Library will address the spatial issues currently faced by GPL. It will allow GPL to increase and improve technological services, resources and programs available to current and prospective residents, students, and small businesses. It will also provide public meeting rooms, study spaces and multipurpose space to foster knowledge transfer, creativity and innovation. New libraries incorporating knowledge and technology are essential to the creative economy, and provide important social infrastructure to the community. This aligns with the strategic directive set out by the City of Guelph.

# Socioeconomic Impacts of the New Main Library Facility

## Invest in the Downtown

The goal of this strategic directive is to demonstrate that downtown Guelph is a vibrant and preferred location for businesses, residents and the broader community. Downtown Guelph is seen by the City as a symbol of what Guelph represents and a source of civic pride. Investing in downtown Guelph is seen as vital for the City to meet its economic development goals.

Participants of a study done by McCure et. al. (2000) stated that the presence of a new library, or a redevelopment of an existing library positively impacted its immediate surroundings. It is generally believed that libraries improve the quality of life and livability of a community. Indeed, some studies that measure quality of life use “library books per capita” as an indicator of good quality of life, among other variables (Arrow et. al., 2000). Public libraries are also often seen to have a civic impact on their communities. This is demonstrated in libraries’ ability to provide residents access to information on local issues and providing meeting spaces for civic organizations (Aabo, 2005). Finally, a University of Minnesota study on the return on investment of public libraries found that proximity to a library increases spending for those businesses located near the library (Bureau of Business & Economic Research, 2011).

The new Main Library will be located on Baker Street, in the heart of downtown Guelph. The City’s downtown secondary plan plans for increased residential development to complement continued commercial and employment growth and cultural activities in the downtown core. The construction of a new Main Library will significantly contribute to the objectives of the downtown secondary plan.

Seattle constructed a new central library in 2004 and found it to have a transformational impact on the city; contributing \$16 million in net new spending in its first year of operations (Berk and Associates, Inc. 2005). Just as important, nearby businesses reported increases in spending associated with library visitors. Restaurants, particularly coffee shops and “white table cloth” establishments, reported the greatest impacts (Ibid). The Seattle experience also showed that the increase in library visitors contributed to Seattle’s downtown vitality and vibrancy, adding to the residential and commercial market, and furthering the Mayor’s Center City Strategy to revitalize and increase the residential density of downtown Seattle and nearby neighborhoods (Ibid).



Seattle Central Library

## Invest in Hard and Green Infrastructure

The goal of this strategic directive is to support business competitiveness through the provision and management of local and regional infrastructure. In *Prosperity 2020* the City of Guelph committed to prioritizing and promoting community infrastructure, including transportation linkages, municipal services, and broadband and fibre-optic connectivity.

The current Main Library was built in 1965 and had an addition in 1975. The building has the expected wear and tear of a 52-year old facility. Capital renewal requirements for the building fabric within the next 5 years include a new roof, windows, and doors. Additionally, the mechanical and electrical systems are overdue for major upgrades and renewal. Of most concern is the safety and accessibility deficiencies of the current main facility. This includes unsafe stair guards and railings, a substandard elevator, the lack of a washroom facility on main floor, and library materials being shelved in an inaccessible way. The deficiencies are liabilities to GPL and the City of Guelph, and require major capital investment to rectify.

Investing in a new Main Library directly aligns with the City's strategic directive of investing in community infrastructure. Not only does the project improve the capacity of the GPL to deliver library services, it is also an opportunity for city building and the creation of a Main Library that will be an example of architectural excellence for the downtown core and a cultural destination to enhance the civic, social and intellectual life of the City.

# Conclusion

## Summary of Impacts

The investment in a new Main Library will make a significant contribution to the local and provincial economies. This is demonstrated through both the economic and social impacts that are created as a result of capital expenditures of the Project, as well as the annual ongoing expenditures once a new Main Library is operational.

The following is a summary of key quantifiable impacts made by investing in a new Main Library:

- **The construction of a new Main Library is estimated to contribute approximately \$46 million to Canada's GDP and 419 FTEs in Canada over three years. The majority (approximately 90%) of these impacts are accrued in Ontario.**
- **The operations of a new Main Library is estimated to have an annual impact of \$9.3 million to Canada's GDP and 98 FTEs in Canada.**

Anecdotally, the City of Guelph is well positioned to capture much of the above economic impacts associated with the construction and operations of the new Main Library.

In addition to the quantifiable impacts above, GPL provides a number of other significant benefits to the community it serves. Research on the return on investment of public libraries found that proximity to a library increases spending for those businesses located near the library. The experience of the Seattle downtown validates this research.

Residents view GPL as a vital community resource that improves the quality of life in the City. Investing in a new Main Library directly aligns with the economic development goals the City set out for itself in *Prosperity 2020*. Specifically, the Project aligns following strategic directives set out for the City:

- Investing in people and ideas;
- Investing in the downtown; and
- Investing in hard and green infrastructure.

Investing in a new Main Library demonstrates the City's commitment to the economic development goals it set out for itself to achieve by 2020 and beyond.



# Conclusions

**Guelph Public Library Business Plan For A New Main Library  
Final Report**



## Guelph Public Library New Main Library Business Case

# Conclusions

KPMG was engaged by Guelph Public Library (“GPL” or the “Library”) to undertake the development of a business case for a new Main Library facility. The overall goal of the review is to prepare a business plan based upon the service delivery model, demand profile and financial resources available to the City of Guelph (“City”) and GPL.

The following key findings were determined in the business case for a new Main Library facility.

1. There are key structural issues with the existing Main Library that need to be addressed in order to meet the current building code and ensure membership safety. The building does not meet the accessibility requirements as required by the AODA and City of Guelph policy.
2. Based upon the application of the Wisconsin basic benchmark to the required collection of a 185,000 design population, a new Main Library building would require approximately 88,000 ft<sup>2</sup>.
3. Comparator libraries (with the exception of Kitchener) all experienced an increase in library membership, an increase in library programs and an increase in the circulation of library materials. Increases in the operational budget were all financed through either increases in the tax levy for the municipality or through technological efficiencies.
4. The Main Library project would currently be assessed as possessing **moderate risk** at this early feasibility stage. The major factor creating project risk is its incorporation within a much larger development scheme on the Baker Street block.
5. Based upon a new Main Library with 88,000 GSF, the operational expenditures for the Guelph Public Library system should be expected to increase by \$2.2 million to \$7.86 million.
6. The total cost for a new Main Library of 88,000 gross square feet is forecast to be approximately \$46.25 million dollars. Projected out to 2021 at a 2% inflation rate, the total project cost is \$50.06 million.
7. The construction of a new Main Library will contribute approximately \$46.1 million to Canada’s GDP and 419.4 FTEs in Canada over three years. The majority (approximately 90%) of these impacts are accrued in Ontario. KPMG estimates that the operations of a new Main Library will have an annual impact of \$9.3 million to Canada’s GDP and 97.8 FTEs in Canada. Anecdotally, the City of Guelph should capture many of the economic impacts associated with the construction of the new Main Library.

In summary, KPMG trusts this business case provides the necessary support for the Council of the City of Guelph to determine the appropriateness of progressing to the development of detailed architectural plans.



# References

**Guelph Public Library Business Plan For A New Main Library  
Final Report**



# References

---

- Arrow, K. and Intriligator, M. (2000). Handbook of Regional and Urban Economics, Volume 1: Regional Economics. *Elsevier North Holland*
- Berk & Associates, Seattle (Wash.) Office of Economic Development, and Seattle Public Library Foundation. Anon.2005. *The Seattle Public Library central library : economic benefits assessment : the transformative power of a library to redefine learning, community, and economic development*. Seattle, Wash.: The Firm
- Bureau of Business and Economic Research (BBER), Labovitz School of Business and Economics (LSBE), University of Minnesota Duluth. Anon.2011. *Minnesota Public Libraries' Return on Investment*. Duluth, MN: Bureau of Business and Economic Research, Labovitz School of Business and Economics, University of Minnesota Duluth.
- Guelph Public Library. (2015). GPL Strategic Plan 2015-2017.
- Guelph Public Library. (2016). Guelph Public Library Annual Report 2016
- Kerslake. E. and Kinnell, M. (September 1998). Public Libraries, public interest and information society: theoretical issues in the social impact of public libraries. *Journal of Librarianship and Information Science*.
- Malone Given Parsons LTD. (March 2010). City of Guelph – Prosperity 2020. *Economic Development and Tourism Services*
- McClure, C., Fraser, B., Nelson, T. and Robbins, J. (November 2000). Economic Benefits and Impacts from Public Libraries in the State of Florida. *Information Use Management and Policy Institute*.
- Aabo, S. (December 2005). The role and value of public libraries in the age of digital technologies. *Journal of Librarianship and Information Science*.



[kpmg.ca](https://kpmg.ca)



© 2018 KPMG LLP, a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (“KPMG International”), a Swiss entity. All rights reserved. The KPMG name and logo are registered trademarks or trademarks of KPMG International.

# Staff Report



To City Council  
Service Area Infrastructure, Development & Enterprise Services  
Date Tuesday, February 13, 2018  
**Subject** Baker District Redevelopment Status Update  
Report Number IDE-2018-22

---

## Recommendation

1. That the size of the library component of the Baker District Development be confirmed to be 88,000 ft<sup>2</sup> as recommended in the KPMG Guelph Public Library (GPL) business case dated January 24, 2018.
2. That \$1,900,000 be approved in the capital budget to allow for the establishment of preliminary design concepts and construction costs for the library component of the Baker District Development, to be funded as per the February 13, 2018 IDE-2018-22 report entitled Baker District Redevelopment Status Update.
3. That preliminary library design concepts be co-ordinated with the preferred development partner and Guelph Public Library (GPL) under the City of Guelph's Tier 1 Project Management Governance and Community Engagement Framework.
4. That staff explore various ownership structures for the library with the preferred development partner; including full ownership, lease to own and long term lease and report back to council on the findings by Q4 2019.

## Executive Summary

### Purpose of Report

The purpose of this report is to provide Council with information and obtain further direction regarding the redevelopment of Baker District:

- The current status of the Baker District Redevelopment Request for Pre-Qualifications (RFPQ)
- The decisions required from Council that will permit staff to proceed with the Request for Proposals (RFP) stage in order to identify a preferred development partner for the Baker District Redevelopment.

## **Key Findings**

1. Status Update – Baker District Development Request for Pre-Qualifications (RFPQ):
  - The RFPQ was released to the market on November 30<sup>th</sup> 2018;
  - 47 registered plan takers for the RFPQ from the City’s Bids and Tenders Page;
  - The RFPQ closed on January 26<sup>th</sup> 2018; 10 formal responses received;
  - Staff is in the process of evaluating the submissions and will notify the short listed proponents on or before March 16<sup>th</sup> 2018.
2. Council direction required to continue with the RFP process and advance the library design development post RFP:
  - Council to confirm the library size in order to establish the development footprint for the library on the site; this site constraint is paramount to the developers ability to generate a development concept;
  - Council to approve funding in the capital budget to advance the design of the library and establish preliminary constructions costs;
  - Council to acknowledge that preliminary library design concepts will be completed under the City’s Community Engagement Framework and Tier 1 project management framework;
  - Council to direct staff to examine various ownership structures with the development partner and report back on the options to council.

## **Financial Implications**

Funding for the planning and design phase was identified in 2019 as part of the Capital Forecast presented to Council in October 2017. This funding can be approved by Council at this time and based on current estimates, the funding would break down as follows: \$525,000 Library DCs (316), \$58,500 Growth Reserve Fund (156), \$1,250,000 City Building Reserve Fund (159) and \$66,500 Infrastructure Renewal Reserve Fund (150). The City Building and Infrastructure Renewal funding will be debt funded once the Library project is complete.

## **Report**

On July 17<sup>th</sup> 2017, Council directed staff to implement a Request for Proposal (RFP) process for the Baker District development and report back to Council by the end of Q1 2018 on the outcomes.

The expected outcome of the RFP process is to identify a development partner in which to complete the master planning of the Baker District site. This approach affords the City with the unique opportunity to explore various procurement and ownership options for the public components of the development (such as the library and parking) in order to maximize the City’s assets and investments in the Baker District.

The following is a summary of the current RFP process timelines:

|   |                   |
|---|-------------------|
| RFPQ General Release                          | November 30, 2017 |
| RFPQ Close                                    | January 26, 2018  |
| RFP Issued to Shortlisted Proponents          | March 20, 2018    |
| RFP Close                                     | May 31, 2018      |
| Preferred Proponent Recommendation to Council | July 23, 2018     |

Regarding the RFPQ; the opportunity was marketed in Novae Res Urbis (both Toronto and Greater Toronto Area editions) as well as Canadian Real Estate Wealth. Additionally, the opportunity was directly provided to those that participated in the preceding Request for Information (RFI) stage. In total, there were 47 registered plan takers for the RFPQ and 10 formal submissions. Staff is in the process of reviewing the proposals in order to identify the development teams that will be invited to participate in the Request for Proposal stage. Qualified developers will be notified on or before March 16<sup>th</sup> 2018.

In parallel to the Baker District RFP process, Council directed the GPL to develop a business case to support the funding of the design and construction of a new downtown library. GPL have shared the business case with staff in order for staff to provide Council with the information necessary to make decisions regarding subsequent steps in the RFP process as well as those necessary to advance the design and construction of the library within the Baker District Redevelopment.

Firstly, in order to proceed with Phase II of the RFP, specific direction from Council regarding the size of the library is required in order to allow the developers to complete a development concept. In the RFPQ the library component was described as follows:

“The library is expected to total 60,000-90,000 gross square feet; the approximate size will be confirmed in a business case for the library scheduled to be presented to Council in February 2018”

In the business case provided by KPMG, the library has been recommended to be 88,000 gross square feet. This is consistent with the size of the library reflected in the 2009 and 2014 council approved development concepts included in the RFPQ. Therefore, and subject to Council approval, it is recommended that this size be used in the subsequent stage of the RFP.

Secondly, and assuming a successful outcome of the RFP Process, funding will need to be approved for the capital budget in order to engage the services of the development partner in order to advance the library from the functional planning stage to preliminary design. This will also allow for the establishment of preliminary construction costs and permit more fulsome financial discussions with both the development partner and Council. This direction would also send a strong signal to the market that the City is committed to the library project as a component of the Baker District development.

Thirdly, given capital investment required to complete the library, oversight of the design and construction will be completed using the City’s Tier 1 Capital Project

framework. Additionally, given the importance of the library to the community, feedback into the library component of the development will be undertaken through the City's Community Engagement Framework. Staff are currently working on developing – in collaboration with GPL – the Community Engagement Plan which will be finalized upon completion of the RFP process.

Lastly, while it is understood that the library will be integrated into the overall development, there is a need to better understand the various ownership structures that could be utilized to procure the library as part of the overall Baker District Redevelopment. To fully evaluate the potential options (i.e. full ownership, lease to own and long term lease) the library design needs to advance to the point in which preliminary construction costs can be established; this activity can't occur until a preferred development partner has been identified and have started work on the overall development plans, including the library.

Staff will evaluate all of the options and the corresponding impacts to the City, including on how these various ownership structures impact on the ability to secure funding from other levels of government.

Please note that a final decision from Council regarding the ownership structure is not material to the RFP process and will be resolved through the development agreement process.

## **Financial Implications**

Funding for the planning and design phase was identified in 2019 as part of the Capital Forecast presented to Council in October 2017. This funding can be approved by Council at this time and based on current estimates, the funding would break down as follows; \$525,000 Library DCs (316), \$58,500 Growth Reserve Fund (156), \$1,250,000 City Building Reserve Fund (159) and \$66,500 Infrastructure Renewal Reserve Fund(150). The City Building and Infrastructure Renewal funding will be debt funded once the Library project is complete.

## **Consultations**

- Guelph Public Library
- Finance

## **Corporate Administrative Plan**

### **Overarching Goals**

Service Excellence  
Financial Stability  
Innovation

### **Service Area Operational Work Plans**

Our Services - Municipal services that make lives better  
Our People- Building a great community together

Our Resources - A solid foundation for a growing city

## Attachments

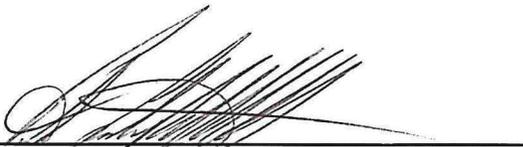
- None

## Departmental Approval

- Tara Baker, City Treasurer/GM, Finance

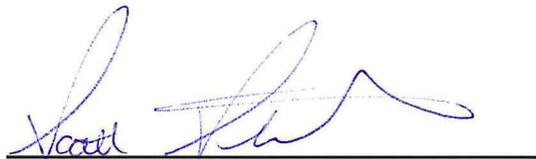
## Report Author

Martin Jewitt  
Project Manager, Business Development  
Business Development and Enterprise



### Approved By

Peter J. Cartwright , PLE, RPP, MCIP  
General Manager  
Business Development and  
Enterprise  
519-822-1260 ext. 2820  
peter.cartwright@guelph.ca



### Recommended By

Scott Stewart, C.E.T  
Deputy CAO  
Infrastructure Development and Enterprise  
519-822-1260 ext. 3445  
scott.stewart@guelph.ca

From: Paul Fair

Sent: January-20-18 3:06 PM

To: Clerks; major@guelph.ca; Bob Bell; Dan Gibson; Andy VanHellemond; James Gordon; June Hofland; phil.alt@guelph.ca; Christine Billings; Mike Salisbury; Cathy Downer; Leanne Piper; Karl Wettstein; Mark MacKinnon

Subject: A modern central library

I totally support a new library.

I make extensive use of the downtown library, and as the population downtown increases this is the time to commit to what makes Guelph a vibrant, livable, city, and community.

Along with the fast development of increased living space in the areas close to downtown, we need to keep pace with the library building upgrade, to support this growth.

It is a perfect fit for a walkable/cycling, downtown.

I think Guelph wants, and needs this!

Thank you .

Paul Fair

**From:** Betty Wickett

**Date:** January 30, 2018 at 10:59:07 PM EST

**To:** [phil.allt@guelph.ca](mailto:phil.allt@guelph.ca)

**Subject:** New library

I am unable to attend the council meeting where the business case for a new main library will be discussed. And as I am hearing impaired I choose to email. Please know that I am completely in favour of a new main library as described in the document. I'm a regular library user and the main library is within walking distance. A new building is long overdue and been delayed for many years. Please help move the process forward.

Betty Wickett

Sent from my iPad

**From:** Andrew Whitfield

**Sent:** January-31-18 7:36 PM

**To:** Clerks; Mayors Office; Dan Gibson; Bob Bell; James Gordon; Andy VanHellemond; Phil Allt; June Hofland; Mike Salisbury; Christine Billings; Leanne Piper; Cathy Downer; Mark MacKinnon; Karl Wettstein

**Subject:** New GPL Main Branch

Dear City Council,

I am writing in support of a new downtown GPL main branch, specifically one that is part of the Baker Street Development project (should that take flight) and if not, another location downtown.

Currently, the main branch of the GPL is abysmal. It is outdated, small, and just doesn't have a nice feel to it...certainly not somewhere where one would want to spend a quiet afternoon studying or reading, or learning a new skill or about a new technology. I have worked at that branch in the past as a volunteer, and then as a summer student, before I went to Western and obtained my MLIS. I now work for the County of Wellington as a branch supervisor at the Hillsburgh branch. In the next 6 or so months, the community of Hillsburgh will be opening a brand new, state of the art, library branch. It will be the final of 14 library branches in the County of Wellington that have either been renovated, or built from the ground up since 2000. I can assure you the communities these libraries serve are appreciative and supportive of these improvements to their libraries. They become drivers for business development, relocation, and create a major sense of public pride.

Living in the downtown core of Guelph I can say that there is very little "pride" felt in our current main library. While the staff, and the collection, and resources within try as best they can, they simply cannot offer the services needed from a modern main library branch, especially one within such a booming city as Guelph. We live within a 5mins walk from the main branch, however, my wife drives 10-15mins to other branches with our two young children because the space for their storytimes or children's activities is so much more welcoming. That means that after the storytime, if my wife and some of her friends and their kids decide to go out for lunch, or grab a coffee, they are spending their money outside of the downtown core...which is a major shame and missed opportunity.

Anyways, this is all to say I implore council to do the right thing and take the necessary steps to ensure that a new downtown library branch is secured. It is so badly needed. I ask that you only look at what Kitchener recently did with their main branch, or the aforementioned WCL libraries, or Burlington, or...the list goes on and on. All over Ontario cities are investing in their libraries, it is time Guelph did the same.

Thank you for your time.

Sincerely,  
Andrew Whitfield

**From:** Janine Buisman Wilcox

**Sent:** January-31-18 11:17 PM

**To:** Clerks; Mayors Office; Dan Gibson; Bob Bell; James Gordon; Andy VanHellemond; Phil Allt; June Hofland; Mike Salisbury; Christine Billings; Leanne Piper; Cathy Downer; Mark MacKinnon; Karl Wettstein

**Subject:** Downtown Library

Dear City Councillors and Mayor,

I wanted to write to express my support and excitement on the proposal for a new library on Baker Street. I think this is a fantastic opportunity for the City to create a site for education, engagement and community; but also an opportunity to attract tourism. I have visited a number of libraries over the years in my travels as a tree-planter and on family vacations; and I really think that a nice downtown library speaks volumes about the community. I am excited to see these plans come to fruition.

Thank you,

Janine Buisman Wilcox