

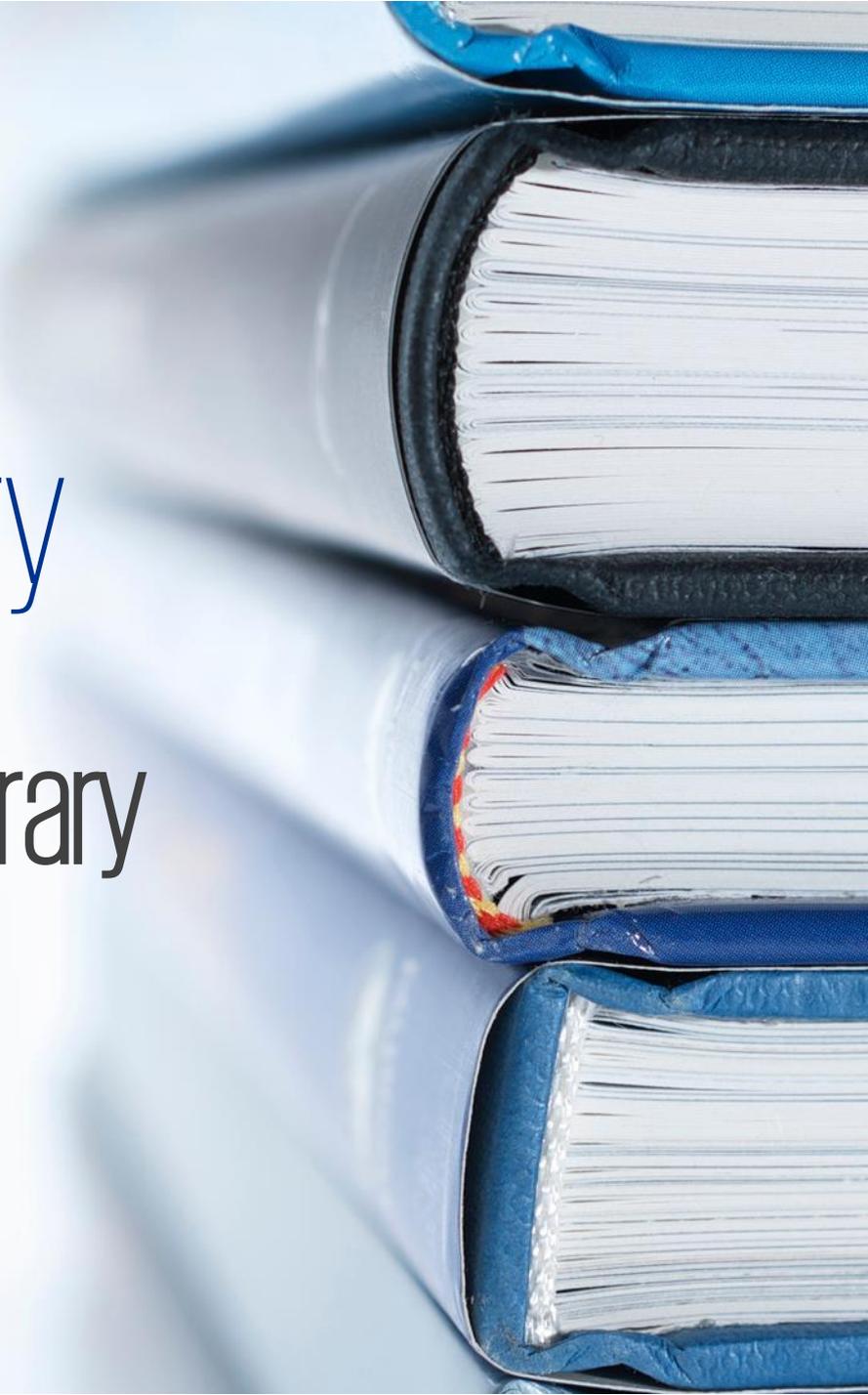


Saskatoon Public Library

New Central Library Business Case

—

September 2019



Notice

The confidential report (Report) prepared by KPMG LLP (KPMG) is provided for Saskatoon Public Library (SPL) and the City of Saskatoon (Saskatoon or the City) and pursuant to the consulting service agreement with SPL dated July 19, 2018, for an independent business case for a new central library.

If this Report is received by anyone other than SPL and Saskatoon, the recipient is placed on notice that the attached Report has been prepared solely for SPL and Saskatoon for its own internal use, and this Report and its contents may not be shared with or disclosed to anyone by the recipient without the express written consent of KPMG and SPL. KPMG does not accept any liability or responsibility to any third party who may use or place reliance on the Report. The scope was limited to the preparation of an independent study. The intention of the Report is to outline a business case and identify potential opportunities and options for consideration of SPL and Saskatoon.

The analysis was primarily based on data and information developed and provided by Saskatoon, SPL and its contracted architect for the project, as well as other sources. We express no opinion or any form of assurance on potential impacts and costs that SPL and Saskatoon may realize should it decide to implement the options and considerations contained within this Report. SPL and Saskatoon is responsible for the decisions to implement any options and considering their impact.

The procedures we performed do not constitute an audit, examination or review in accordance with standards established by the Chartered Professional Accountants of Canada, and we have not otherwise verified the information we obtained or presented in this Report. We express no opinion or any form of assurance on the information presented in the Report and make no representations concerning its accuracy or completeness.

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Executive Summary

Executive Summary

Saskatoon Public Library (SPL) has been enriching the community by inspiring discovery, curiosity and creativity through the sharing of spaces, experiences and ideas for over 100 years. SPL's locations seek to provide welcoming and vibrant community meeting spaces, with diverse collections, programs and services that are inclusive and promote lifelong learning.

In 2016, SPL released a Strategic Plan with a vision to change lives through community connections, engagement and inclusivity. It sets forth an exciting and ambitious vision of growth, modernization and cultural progress. In pursuit of their vision, SPL has been readying the organization for the future, making the necessary changes to ensure the library has the ability and capacity to create strategic and sustained positive community impact for future generations.

The Frances Morrison Central Library (FMCL), and eight SPL branches serve a population of over 278,000 residents. In 2018, 48% of Saskatoon residents were members, SPL had over 1.6 million visits, circulated over 3.3 million items, and patrons saved over \$43 million dollars by borrowing materials from the library.

FMCL opened its doors in 1966 to serve a population of 115,000. As Saskatoon's population has grown, SPL has continued to experience growth in visitors, circulation and membership, with the majority of the demand placed on the central library. FMCL was designed to house a collection of about 100,000 items. As of 2018, the collection size had increased by 170%, and the number of employees has grown by 74%. Today, FMCL is SPL's largest and busiest location.

Designed for a different era of library services, SPL now faces challenges in delivering modern library services at FMCL with increasing patron expectations, demand for technology and space, and changing community demographics. As the heart of the library system, the central library serves as a hub to support branch libraries with collections, specialized services, spaces and expertise. The ability of a central library to support the needs of both its patrons and the needs of the neighbourhood branches determines the vitality of the entire library system. FMCL is now failing to meet the demands of the community it serves.

Both SPL as a library system and the 78,000 square foot FMCL facility are undersized to serve the current Saskatoon population, based on industry benchmarks. Lack of capacity and high demand for service is straining SPL's ability to provide library service across the city. As a result of the small size and condition of the facility, FMCL has troubling service gaps including lack of public space, an inability to support the technology needs of patrons, lack of programming rooms, an undersized collection, and safety and security concerns.

FMCL is deficient on significant building codes (dating back nearly 20 years), many of which create safety risks for the organization. Some of the most critical issues are a lack of a sprinkler system in the event of a fire, not enough fire exits, accessibility issues, and only a handful of public washrooms.

With the City of Saskatoon anticipating the population to grow to 500,000 in the next 30 to 40 years and the changing demographics of the city, demand for library space and service is expected to grow, placing a further strain on an already strained system. A new central library is a critical piece of SPL's long-term plan to address growth and service demand. A new central library will also address the safety, service gaps, and accessibility issues, as well as add the much-needed capacity required for SPL to continue to deliver vital library services to the community.

A new central library is fundamental to delivering on SPL's vision to change lives. The planned new Saskatoon central library blends traditional library service with new and innovative spaces, programs and services, and will enable SPL to adapt library services to meet the changing needs of patrons into the future.

Community input, library leading-practices, benchmarking, building code, accessibility standards, the City of Saskatoon's Plan for Growth, and SPL's Strategic Plan informed SPL's new central library functional program. SPL envisions a new central library that will inspire the community, be a model for sustainability and accessibility, and be a source of pride for those who call Saskatoon home.

The new central library is estimated to be 149,000 square feet and includes a larger collection, indoor and outdoor green spaces, a mix of quiet and animated spaces, expanded Local History space, technology-centred learning and innovation spaces, and public meeting and gathering spaces.

The new central library estimated project cost of \$154 million. Funding sources are a combination of reserve funds, land sale proceeds, donations and \$87.5 million in borrowing (with the debt repayment via the library levy). The new central library is planned to open in 2026. The project is projected to result in \$132 million in value-added economic activity (GDP) during the construction phase, and an estimated \$15 million annually once operating.

The Business Case for a new central library describes how a new facility will contribute to the overall quality of life for all of Saskatoon's residents, create positive social and economic impact and contribute to downtown revitalization.



Project Context & Overview

Introduction

Saskatoon Public Library (SPL) is seeking borrowing approval for a new central library to provide enhanced service delivery, create positive economic and social impact, and contribute to the City of Saskatoon's (the City) downtown revitalization plans.

KPMG was engaged by SPL to undertake a Central Library Feasibility Study; the business case outlines the results. Development of this business case aims to meet the following objectives:

1**Articulate the Need for a New Central Library**

Present the case for change in a clear, evidence-based business case.

2**Determine Required Investment**

Working with SPL technical advisors, develop models to estimate future capital and operating investments, and inform a funding plan.

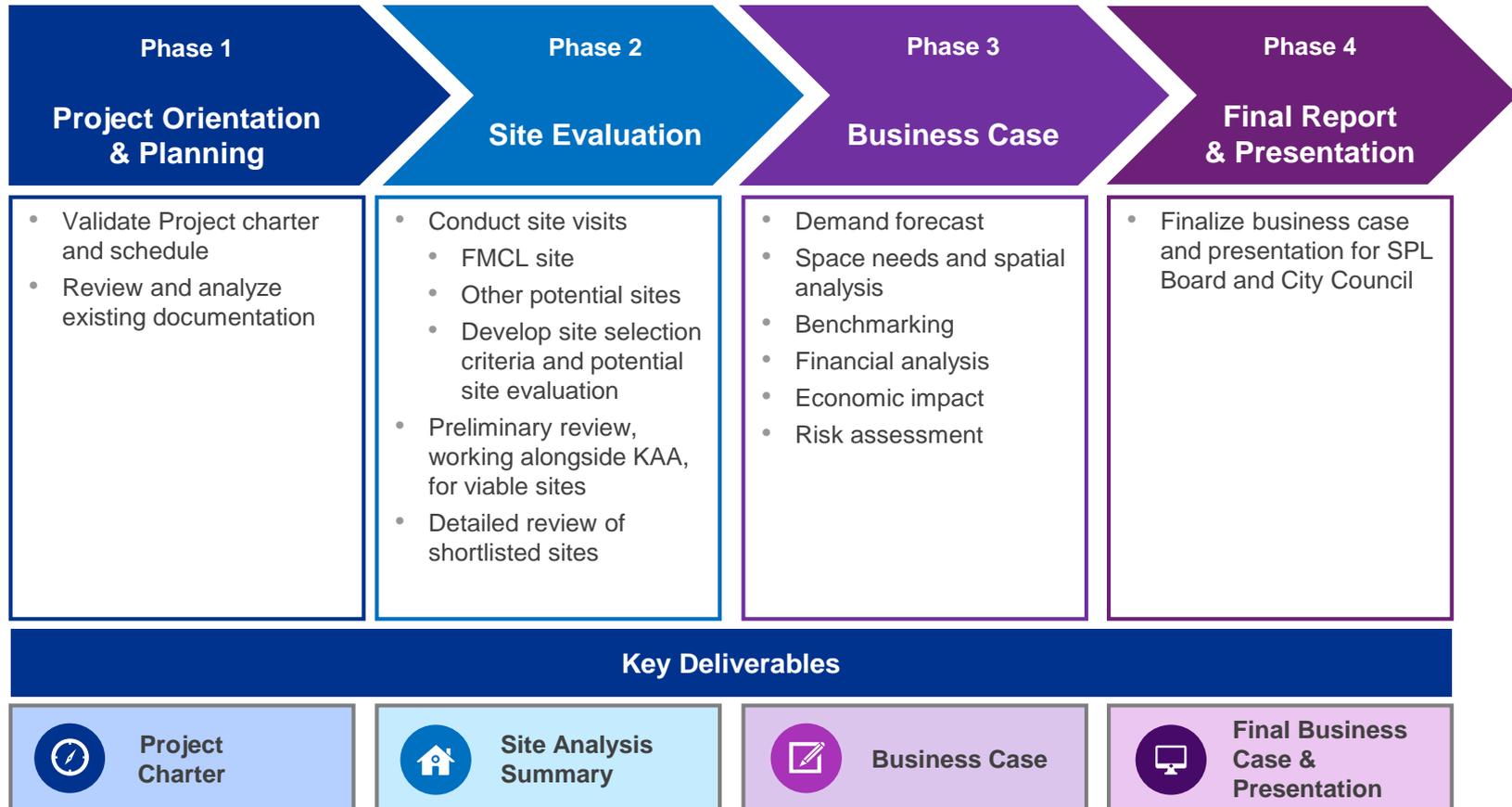
3**Identify Community Impacts**

Determine the quantitative and qualitative impacts of the new central library.

Kindrachuk Agrey Architecture (KAA) was engaged by SPL to provide technical input into this business case.

Project Scope and Deliverables

The Project has followed a four-phase approach to deliver the business case.





Public Library Trends

Global Impact of Public Libraries

Public libraries serve as a critical component in enhancing the quality of life for all and helping to address global needs at a community level.

A key contributor to strong communities, public libraries contribute to at least ten of the 17 United Nations Sustainable Development Goals.¹ These goals establish core activities to achieve a better and more sustainable future to address global challenges, including those relating to poverty, inequality, climate, environmental degradation, prosperity, and peace and justice.²

Public libraries have a significant role to play in responding to the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and the Truth & Reconciliation's Calls to Action (TRC), and the Missing and Murdered Indigenous Women and Girls (MMIWG) Calls for Justice.³ SPL is a member of the Canadian Federation of Library Associations, which has released a response to the TRC on behalf of Canadian libraries.



1 Australian Public Library Alliance. About APLA Website. 2019.

2 United Nations. Sustainable Development Goals Website. 2019.

3 Canadian Federation of Library Associations Truth & Reconciliation Committee Report & Recommendations, 2017.

The Evolution of Public Libraries

“

Today, as cities and suburbs reinvent themselves, and as cynics claim that government has nothing good to contribute to that process, it's important that institutions like libraries get the recognition they deserve. After all, the root of the word “library,” liber; means both “book” and “free.” Libraries stand for and exemplify something that needs defending: the public institutions that – even in an age of atomization and inequality – serve as bedrocks of civil society. Libraries are the kinds of places where ordinary people with different backgrounds, passions, and interests can take part in a living democratic culture. They are the kinds of places where the public, private, and philanthropic sectors can work together to reach for something higher than the bottom line.”

Klinenberg, E. (2018). *Palaces for the People: How Social Infrastructure Can Help Fight Inequality, Polarization, and the Decline of Civic Life*. Crown Publishing Group.

The Changing Role of Libraries

No longer are libraries designed solely as buildings for books. Today, library design is human-focused. Modern libraries combine the best features of traditional libraries with an array of new and innovative services.¹

Modern libraries provide a sense of community within cities and help address systemic social issues, such as affordability, literacy, social isolation, and exclusion. Libraries have become civic commons. They create neutral and safe spaces for human interaction. They are places where people come to meet, learn, share, and where people feel a sense of belonging and community.

Moreover, modern libraries are spaces for inspiring discovery, creativity, innovation, and where digital, cultural and social literacies can develop. Public libraries also offer technologies, bridging the digital divide between those who can afford access and those who cannot.

Out of all the cherished public institutions, libraries represent the most authentic democratic spaces. Programs and services are free, everyone is welcome, and freedom of expression reigns.

Libraries are not only safe places to be but also safe places to simply be who you are. Age, gender, income level, physical abilities, social status – every label shouldered in most aspects of life – are welcomed in a public library.

In the words of Robert Putnam, “People may go to the library looking mainly for information, but they find each other there.”²

New parents and toddlers meet for storytime programs, which kick-start childhood literacy and provide important social experiences for caregivers. Teens gather in high-tech spaces, providing opportunities for learning, collaboration, and connection different from a school environment. Seniors take technology classes in everything from email to smartphones, opening new and important modes of communication. Newcomers come together for English conversation circles, helping them to settle into their community a little more comfortably. And people of all ages share ideas and explore learning about each other and the world around us.

¹ Saskatoon Public Library. The Role of Modern Libraries. Saskatoon Central Library Website. 2019.

² Robert D. Putnam, Lewis Feldstein (2009). “Better Together: Restoring the American Community,” p.49, Simon and Schuster.

Changing Usage and Trends

Public library systems continue to play a critical role in society, as demonstrated by library usage and trends. Trends across Canada show circulation of physical materials has declined; however, visits, program attendance, and the circulation of electronic materials are increasing.¹



Demand for physical materials is decreasing

Physical circulation across Canada has seen a slight decline¹, however, the use of SPL physical resources is still active, and has slightly increased with over 3.3 million items circulated in 2018.²

Demand for electronic resources is increasing

Libraries are responding to the trend towards user demands of e-resources and streaming services.

Collections are diversifying beyond traditional materials

Libraries continue to grow and diversify their collection offerings with new services, formats, and options such as Book Clubs in a Bag kits, WiFi hotspots, and STEAM (science, technology, engineering, art, and math) kits.

Demand for multilingual collections is growing

As newcomer populations in Canada settle in communities, libraries have responded to their needs by expanding their multilingual collections and adding programming.

¹ Public Library Association. The 2017 Public Library Data Service Report: Characteristics and Trends. 2017.

² Saskatoon Public Library. Report to Our Community. 2018.

Changing Usage and Trends



Reconciliation is changing how libraries curate collections and spaces

Libraries across Canada are participating in the national call for reconciliation and honouring Indigenous perspectives and diversifying their collections, and honouring indigenous perspectives into space designs.

Local content is a priority

Libraries are working to increase access to local content, self-publishers, and digitizing local history materials to make them more accessible.

Increased demand for programming

Over the past five years across Canada, library programs per capita have grown at a rate of 6.3% due to increased demand and attendance.¹

Library as a community partner

Libraries have become increasingly linked as strong partners for community-based organizations. Also, many libraries have added outreach workers to their staffing compliments to address the needs of patrons who frequent the library.

Library Design & Space Use¹



Intuitive layouts and overall usability

- Inviting ambience that promotes a sense of well-being with the incorporation of natural light
- Easily browsed and navigated collections
- Popular and new materials are organized and displayed using bookstore concepts
- Easily identified and navigated specialized collections
- Patrons can easily flow and move through the building
- Spaces are functionally organized, connected and integrated
- Spaces engage and inspire people of all cultures and ages, allowing cross-connection and learning between generations
- Art and culture are seamlessly integrated into the spaces for all to enjoy

¹ Saskatoon Public Library. The Role of Modern Libraries. Saskatoon Central Library Website. 2019.

Library Design & Space Use¹



Comfortable and inviting spaces

- Appropriate sound attenuation and acoustics to allow varied interactive and solitary activities to co-exist, providing for private space within a public setting
- Comfortable indoor air quality that is easily maintained
- Convenient access to gender-neutral washrooms
- Integrated universal accessibility
- Access to water, as well as food and beverage services
- Stairs and elevators integrated into the building
- Ample mixed seating areas
- Addresses personal safety and security



Community gathering spaces

- A multi-use space used for large public gatherings, programs, events, and performances

Integrated technology and creative incubator

- Innovation labs with digital video and music capabilities
- Abundant computer workstations and laptop bars
- Access to power at all touchpoints

¹ Saskatoon Public Library. The Role of Modern Libraries. Saskatoon Central Library Website. 2019.

Library Design & Space Use¹



Flexible use spaces

- Meet public needs for privacy, collaboration, or social interaction: individual study, private meeting rooms, and group work areas
- Offer both quiet and animated areas
- While public libraries have become busier and more interactive, modern libraries also now offer “silence as a service”
- Expanded opportunities for programming
- Spaces can be changed or modified by the user (movable tables, chairs, shelving, etc.)

Functional

- Employee work areas have an efficient operational flow that includes logical points of access to public service areas, materials processing, storage areas
- Radio frequency identification technology (automating return/sorting)
- Functional and accessible service points



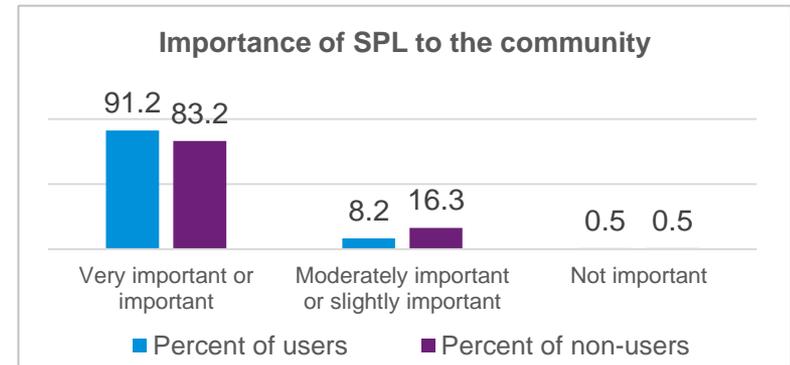
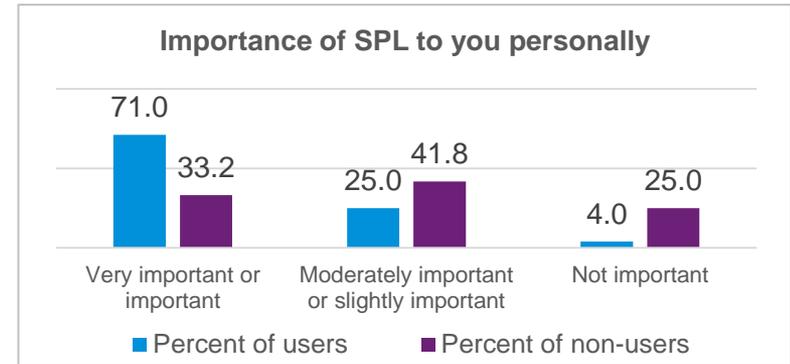
¹ Saskatoon Public Library. The Role of Modern Libraries. Saskatoon Central Library Website. 2019.

Community Support for Public Libraries

Public libraries are important to Saskatoon residents.

In a 2017 perceptions report, participants (i.e., library users and non-users) were asked to rate the importance of the SPL to themselves personally, to their families, and the overall community.¹

- Both users and non-users rated the importance of the library to their community higher than they rated the importance of the library to their person.
- Half of the respondents rated the library important or very important to themselves personally, and to their families.
- 85% rated the library as being important or very important to their community.
- Less than 10% of participants rated the library as not being important to themselves personally or their families.
- Only 1% rated the library as not important to their community.
- There was a significant difference between users and non-users when it came to the average perceived importance of the SPL to the respondents personally.
- There were no observable differences between users and non-users on the perceived level of importance of the SPL to their families and the community.



¹ University of Saskatchewan Social Sciences Research Laboratories (SSRL). Perceptions of SPL Survey. 2017.

Role of the Central Library

Located downtown, the central library is the heart of a library system.

A central library provides a supportive role to the branch libraries, providing specialized services, technologies and expertise; as well as being the central administrative office. A central library contains the largest collection of materials, including many specialized collections and resources.

Central libraries serve as the largest and most prominent branch and most often is a building that serves as a municipal icon. A central library is a symbolic building, representing the intellectual character and aspirations of a community.

The central library also serves as the library branch for the downtown area.



Reinvestment in Central Libraries

Within the past 15 years, there has been a resurgence of central library revitalization, as a key contributor to successful, livable cities and improving the quality of life for residents.

Around the world, cities are investing in central libraries to serve as municipal landmarks, a welcoming place where all residents, regardless of age, gender, income level, physical ability, or social status can gather to learn, share, and create. These facilities serve as pivotal components of community innovation and downtown revitalization strategies.¹ Some recent central library projects are:

Halifax, NS (CA)
2014



Kitchener, ON (CA)
2014



Vancouver, BC (CA)
2017 (Expansion)



Calgary, AB (CA)
2018



Edmonton, AB (CA)
2020



Seattle, WA (US)
2004



Minneapolis, MN (US)
2006



Billings, MT (US)
2014



Austin, TX (US)
2017



In the Planning Stages

Ottawa, ON (CA)²
Opening 2024

Guelph, ON (CA)³
Approved 2018

¹ Saskatoon Public Library. A Vision for a New Central Library in Saskatoon. January 2017.

² Ottawa Central Library. City Council approves the Implementation Plan for the Ottawa Central Library Project.

³ Global News. Guelph City Council approve plans for new library.

Image Sources: Available in *Appendix B – Image Sources*

Key Findings: Usage and Trends

1. Public libraries serve as a critical component in enhancing the quality of life for all and helps to address global needs at a community level.
2. No longer are libraries designed solely as buildings for books. Today, library design is human-focused. Modern libraries combine the best features of traditional libraries with an array of new and innovative services.
3. Modern libraries provide a sense of community within cities and help combat social issues, such as affordability, literacy, social isolation, and exclusion.
4. A central library provides a supportive role to the branch libraries, providing specialized services, technologies and expertise; and serving as the central administrative office. A central library contains the largest collection of materials, including many specialized collections and resources.
5. Within the past 15 years, there has been a resurgence of central library revitalization, as a key contributor to successful, livable cities and improving the quality of life for residents.
6. Data confirms that the public library is important to Saskatoon residents.

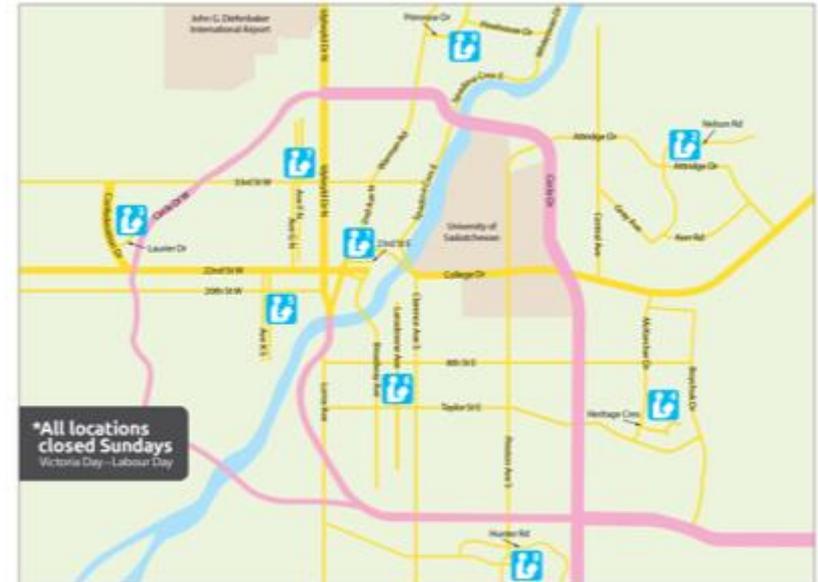


Introduction to Saskatoon Public Library

About Saskatoon Public Library

For more than a century, SPL has been an essential part of the Saskatoon community.

- SPL has a central library and eight branch locations.
- In 2018, SPL:¹
 - Had over 1.6 million visits
 - Had over 132,000 members (48% of the population of Saskatoon)
 - Hosted over 2,700 free programs
 - Held nearly 600,000 items in its physical collection
 - Patrons saved over \$43 million using the library
- SPL is a member of the Canadian Urban Libraries Council (CULC), connecting SPL to a vibrant network of large urban libraries to share information, best practices, and build the capacity of each member organization.
- SPL is the largest member of the Saskatchewan Integrated Library System (SILS). SILS facilitates materials sharing across the Province.



¹ Saskatoon Public Library. Report to Our Community. 2018.

About Saskatoon Public Library



Governance

SPL is a charitable organization, governed by a volunteer board, appointed by City Council, under the *Public Libraries Act, 1996*.



Strategy

SPL's 2016-2021 Strategic Plan (the Strategic Plan), charts a course toward modernization and cultural progress.



Organization

SPL has a flexible and modern organizational structure designed to strategically and deliberately create a positive community impact.



Services

SPL provides programs and services to enhance the educational and recreational needs of the community.



Financial

SPL is primarily funded through its own defined levy as part of municipal taxes and maintains reserve funds to support future infrastructure requirements.

Current State Analysis



Governance

SPL is a charitable organization, governed by a volunteer board under the *Public Libraries Act, 1996*.¹

- SPL operates as a statutory board, under the provisions of *The Public Libraries Act, 1996*, which describes the roles and responsibilities of municipal public library boards in the province.
- A Board of Trustees (Board) governs SPL.
- The Board follows the Board Bylaws and the City of Saskatoon's Code of Conduct for Civic Boards.
- Saskatoon City Council appoints members to the SPL Board.
- Board membership includes one City Councillor and the City of Saskatoon Mayor, as an ex-officio member.
- The responsibilities of the Board include governance, leadership, and stewardship. It is their role to ensure SPL has the policies required to support operations, provide vision and direction, and ensure SPL has the resources to achieve its vision. The Director of Libraries and CEO manages day-to-day operations of SPL.
- The Act requires the Board to prepare and submit an annual budget and estimate to City Council. City Council approves changes to the library mill rate.
- Borrowing requires approval by City Council, with *The Public Libraries Act, 1996* stating that Council may take the necessary steps to obtain and provide the sum or any portion of that sum requested by SPL that Council considers reasonable and necessary.

¹ Saskatoon Public Library. Board Bylaw. 2018.

Current State Analysis



Strategy

SPL's Strategic Plan charts a course toward modernization and cultural progress.¹

SPL aspires to be a vibrant library system, capable of meeting and anticipating the needs of the residents of Saskatoon. Achievement of SPL's vision and goals is reliant on expanding capacity and adapting spaces and service delivery to meet the needs of patrons and residents.

SPL Vision

We change lives through community connections, engagement, and inclusivity.

SPL Values

Intellectual Freedom

We support open and unrestricted access to information and protect individual rights to privacy and choice without fear of censorship or discrimination.

Free and Equitable Access

Everyone has equal access to library services, regardless of age, gender, ethnicity, income, abilities, or other barriers.

Innovation

We embrace change and view challenges as opportunities to encourage creativity, experimentation, and the generation of new ideas.

Diversity and Inclusion

We strive to be a safe place to be different and reflect the diversity of Saskatoon's communities.

¹ Saskatoon Public Library. Strategic Plan (2016-2021).

Current State Analysis



SPL Strategic Goals¹

#1 - Inspiring Learning, Discovery & Creation

Inspiring learning, discovery, and creation for all Saskatonians through access to information, tools, technology, and support services designed to help people develop literacies.

Desired Outcomes:

- More people in Saskatoon have access to a wide variety of technology to help bridge the digital divide.
- Patrons have a high degree of satisfaction with SPL's collection, programs and services.
- SPL is a leader in creating digital media and creation labs in Saskatoon.
- SPL's programs, services, collections and digital resources are widely used.

¹ Saskatoon Public Library. Strategic Plan (2016-2021).

Current State Analysis



SPL Strategic Goals¹

#2 - Honouring Indigenous perspectives

Honouring Indigenous perspectives and advocating for Reconciliation with sustained, strategic, and deliberate actions to promote healing and understanding in the community.

Desired Outcomes:

- Indigenous organizations and leaders view SPL as a partner committed to Reconciliation.
- SPL actively consults with community leaders and Elders.
- SPL is working towards Indigenizing our organization.

¹ Saskatoon Public Library. Strategic Plan (2016-2021).

Current State Analysis



SPL Strategic Goals¹

#3 - Connecting Communities

Connecting with our community by engaging in conversations and collaborative initiatives that create opportunities for growth, learning, and enjoyment.

Desired Outcomes:

- Public consultation drives service development.
- SPL is considered a key partner by community organizations.
- Residents view SPL as an essential service that contributes to a high quality of life in Saskatoon.
- SPL is regarded as a respectful, inclusive and accessible place.
- More Saskatonians are active SPL members.

¹ Saskatoon Public Library. Strategic Plan (2016-2021).

Current State Analysis



SPL Strategic Goals¹

#4 - Preparing for the future

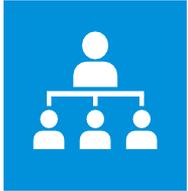
Modernizing to become a more dynamic, agile, and responsive organization, where our future directions are informed by community consultations.

Desired Outcomes:

- SPL's workforce is confident in a technology-rich environment.
- SPL is ready and able to assist patrons with a high level of service.
- SPL's business processes represent industry best practices.
- There is growing community support for a new central library.

¹ Saskatoon Public Library. Strategic Plan (2016-2021).

Current State Analysis



Organization

SPL has a flexible and modern organizational structure designed to strategically and deliberately create a positive community impact.¹

- SPL transitioned into a new organizational structure in 2018.
- The new structure supports SPL's new service philosophy, moving from a passive to an active community member (SPL will begin operating in the new service model in 2020).
- The new structure will support SPL in operating in a new central library.
- The flexible structure enables employees to assist patrons and make a community impact, whether from a service point, anywhere in the library, or within the community.
- The structure reflects modern library best practices.
- System priorities are accomplished using collaborative vertical teams, comprised of all different levels and roles.
- The reporting structure creates enhanced coordination between the central library and branches.

¹ Saskatoon Public Library. Understanding Change @ SPL. Saskatoon Public Library Website. 2018.

Current State Analysis



Services

SPL provides programs and services to enhance the educational and recreational needs of the community.¹

- In 2020, SPL will begin operating guided by new service philosophy.
- SPL aspires to create inclusive spaces and transformative life experiences, through listening to and immersing itself in the communities it serves.
- SPL's service philosophy commits to provide collections, programs, and services informed by community-identified wants and needs.
- SPL will strive to ensure that what it does and offers its communities have the maximum possible impact.
- Central to all SPL decision-making processes will be identifying and removing barriers to library services, particularly for those who face marginalization and discrimination in society as a whole.

¹ Saskatoon Public Library Correspondence. 2019.

Current State Analysis



Services

Demand for SPL library services hit record levels in 2018, with more than 3.3 million items circulated and 1.6 million visits.¹

- 97,756 program attendees (+8%)
- 48% of Saskatonians are members (+4%)
- 425,090 computer sessions (+56%)
- 528,470 WiFi sessions (+4%)
- SPL signed a strategic alliance between the Saskatchewan Libraries and the Office of the Treaty Commissioner
- 23,584 kids attended 845 storytime programs (+43%)
- 4,268 kids got their boogie on at 131 dance parties (+317%)
- 1,555 new Canadians practiced English skills in our conversation circles (+37%)
- 5,128 attended science, technology, engineering, arts, and math (STEAM) programs (+16%)
- 23,920 Indigenous materials circulated
- 43,680 video games checked out
- 6,086 kids hosted during 214 school field trips
- SPL began lending educational technology
- 11,463 SPL patrons said Good Readance to \$59,100 in fines by using the library during a fines forgiveness program
- 58,240 items loaned to correctional, senior, and youth facilities
- 40 WiFi hotspots were made available to patrons who do not have internet access at home

¹ Saskatoon Public Library. Report to Our Community. 2018.

Current State Analysis



Financial

SPL is primarily funded through its own defined levy as part of municipal taxes and maintains reserve funds to support future infrastructure requirements.

- SPL is primarily funded by its municipal levy (96% in 2019) and also receives funding from the Provincial Government.
- SPL generates revenue from grants, donations, fines, and room rentals.
- SPL maintains reserve funds for infrastructure projects. As of December 31, 2018, the new central library reserve was \$10 million, and the capital expansion reserve was \$13 million.

Saskatoon Public Library Board (\$'000)	Actual	Actual	Actual
For fiscal years ended December 31	2017 ¹	2016 ¹	2015 ²
Revenues			
Taxation	\$ 22,800	\$ 20,931	\$ 19,426
Provincial Funding for Library Construction	45	56	56
Provincial Grants	714	698	696
Fines	126	118	122
Interest	408	302	244
Other Revenue	369	347	336
TOTAL REVENUES	24,462	22,452	20,880
Expenses			
Administration	3,290	3,155	2,399
Direct Library Services	6,092	6,495	6,195
Local Branch Services	6,992	6,113	5,861
Services to Branches	1,117	1,193	1,317
TOTAL EXPENSES	17,491	16,956	15,772
Excess of Revenues over Expenses before Amortization Expense	6,971	5,496	5,108
Amortization Expense	2,105	2,028	2,040
Surplus of Revenues over Expenses	4,866	3,468	3,068
Accumulated Surplus, Beginning of Year	45,808	42,340	39,272
Accumulated Surplus, End of Year	50,674	45,808	42,340

¹ Saskatoon Public Library. Consolidated Financial Statements. December 31, 2017.

² Saskatoon Public Library. Consolidated Financial Statements. December 31, 2016.

Key Findings: About SPL

1. SPL has a central library and eight branch locations.
2. Demand for SPL library services hit record levels in 2018, with more than 3.3 million items circulated and 1.6 million visits.
3. SPL is a charitable organization, governed by a volunteer board, appointed by City Council, under the *Public Libraries Act, 1996*.
4. SPL's Strategic Plan charts a course toward modernization and cultural progress.
5. SPL has an organizational structure designed to strategically and deliberately create a positive community impact.
6. SPL provides programs and services to enhance the educational and recreational needs of the community.
7. SPL is primarily funded through its own defined levy as part of municipal taxes and maintains reserve funds to support future infrastructure requirements.



Frances Morrison Central Library At a Glance

Demand and Use

FMCL has provided essential library services to the Saskatoon community for over 50 years.



- FMCL building serves as SPL's central library, supporting eight branch locations, as well as the branch for downtown residents.
- As the highest utilized facility in SPL's network, FMCL experienced the following usage in 2018:¹
 - 490,880 patron visits
 - 134,062 reference questions
 - 26,048 program attendees
 - 160,444 computer sessions
 - 528,470 wireless sessions
 - 562,382 circulation of physical items

¹ Saskatoon Public Library Correspondence. 2019.

Specialized Services

FMCL features specialized services and areas not available at other SPL locations.

- Outreach workers who connect people to community services and supports
- The largest collection of materials
- Reconciliation reading area
- Local History
- Gallery (showcasing local artists)
- Home reader service
- Assistive technology
- Reference services
- Book Club in a Bag
- Group and block loans (to care homes and correctional facilities)
- Theatre
- Computer training lab
- Newcomer supports
- Serving as the central processing hub for SPL's participation in SILS resource sharing activities
- In addition to housing FMCL's service employees, SPL's Programming and Creative Spaces, Welcoming Initiatives, and Community Education and Partnerships teams, FMCL is also the home to SPL's administration and support services (with the exception of Planning and Evaluation, Collections Services and Marketing and Communications work units, due to lack of space).

Current Functional Use

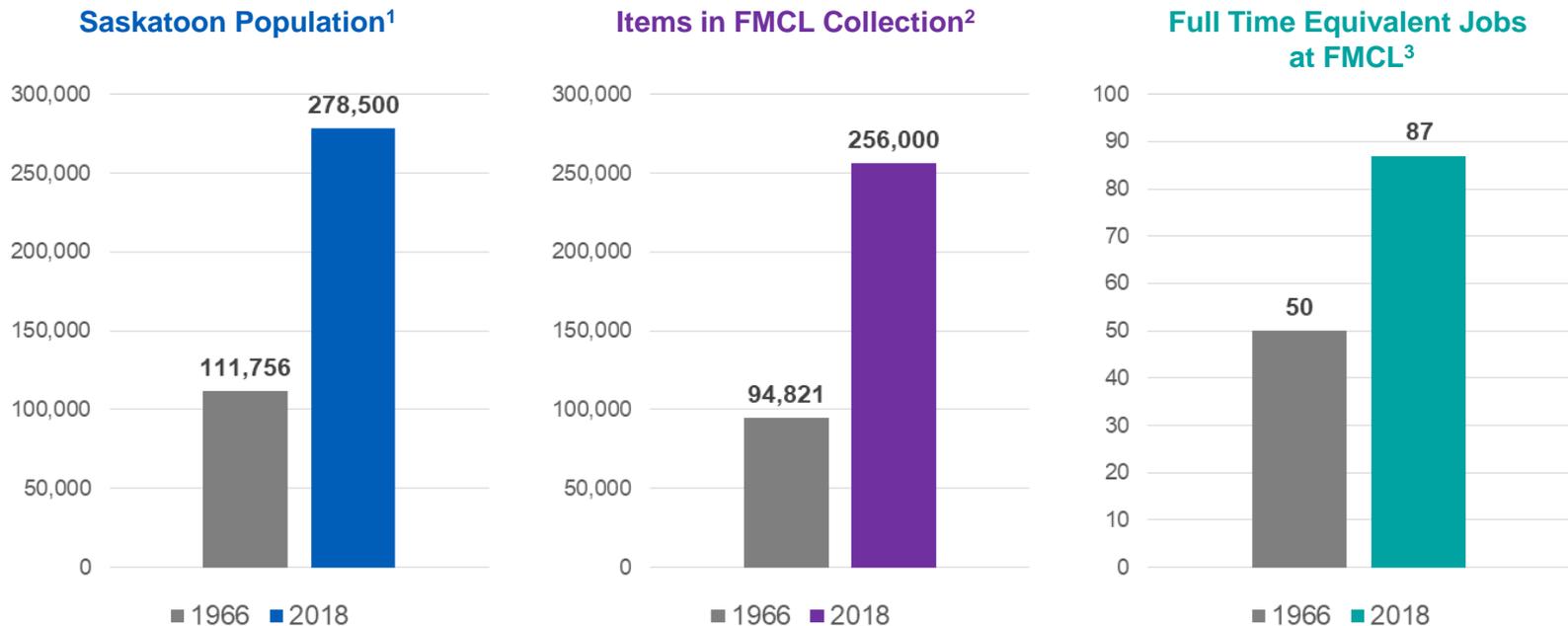
FMCL has reached the end of its functional life. At present, there are demands on the facility which SPL cannot address due to space limitations, age and condition of the building. The current FMCL space features:

Space Type	Frances Morrison Central Library
Collection	Approximately 250,000 items
Programming and innovation spaces	4
Public seating	240
Public computers	48
Public washrooms	4 universal and 4 stalls
Total Size	78,000 square feet

FMCL Usage

Over the last 50 years, population growth and demand for library services in Saskatoon has exceeded SPL's growth and has strained SPL's ability to provide quality library services. The negative impact is most felt at FMCL (the oldest of all SPL's facilities).

FMCL, as a core part of the SPL system, serves a significantly increased population and membership (+249%) since its construction in 1966. Both total members and its proportion of membership as a percentage of Saskatoon's population have increased. The capacity of the FMCL building at construction was for 50 employees and about 100,000 items. As of 2018, the FMCL collection size increased by 170%, and the number of employees based at FMCL has grown by 74%.



1 City of Saskatoon. Population Growth and Rate of Change. 2018.

2 Saskatoon Public Library. Saskatoon Central Library Website. 2018. Data is for FMCL only.

3 Saskatoon Public Library Correspondence. 2019. Data is for FMCL only.

Building Condition

FMCL is non-compliant with modern building codes, including fire, mechanical, electrical, and accessibility requirements, with known violations for nearly 20 years. The City of Saskatoon Building Standards Branch determined that architectural improvements will not be permitted without the non-compliance subjects being addressed in May 2000.¹



◀ The design and layout of the building requires 5 service points.

National Building and Fire Code Identified Deficiencies¹

Assessed Building Combustible Load Very High

(a measurement of the combustible material per square foot of floor space.) Reassigning to meet the code would mean adding approximately 18,000 square feet of space.

Exit Means Non-Compliant

Three fire exits/stairwells are required from each level; only two existing exits conform to code. A third exit is required to comply with distance to exit, exit width, and integrity of exit requirements. The lower level has insufficient public exit provisions from the Theatre and Meeting Room, which possess a significant life safety liability. The occupancy capacity of these rooms requires two means to egress to an exit, which is not provided nor easily accommodated.

Sprinkler System Required

A public building, like the library, is required to be sprinklered by current code. FMCL does not have a sprinkler system in the case of fire.

¹ Saskatoon Public Library. Frances Morrison Central Library Deficiencies Overview. January, 2017.

Building Condition



▲ Only 8 public washrooms

National Building and Fire Code Identified Deficiencies¹

Insufficient Quantity of Washrooms

Additional units are required to satisfy code and occupational health and safety requirements.

Existing Storage Mezzanine Non-Compliant

The storage capacity and egress requirements for access to exit are not compliant.

Interior Fire Separations Non-Compliant

Existing separations do not provide a barrier-free travel path.

Building Envelope Upgrading

Upgrading to glazing, insulation, and air/vapour barrier is required for adequate environmental control and energy performance to today's standards. Roof leaks prove difficult to troubleshoot and repair and damage the collection when they occur.

Hazardous Materials Abatement

Asbestos is present throughout the building.



▶ SPL's accessible washroom is small and cramped



▲ Cramped materials check-in workspace



▲ Make-shift shipping and receiving area in basement due to lack of space on main floor

¹ Saskatoon Public Library. Frances Morrison Central Library Deficiencies Overview. January, 2017.

Building Condition

Mechanical Deficiencies¹

The mechanical systems in the building are original, dating back to 1966, except the chiller, which was replaced in 1990 and nearing the end of its anticipated service life as of 2005. For the building to operate successfully through another life cycle, a complete retrofit of the mechanical system is necessary.

Heating Plant

The plant consists of two original fire-tube, low-pressure boilers near the end of their expected service life.

Environmental (Temperature and Humidity)

Existing heating, ventilation, and air conditioning (HVAC) systems, along with the associated temperature and humidity controls, do not provide a stable operating environment for the facility. A new direct digital control system is required.

Automatic Fire Protection

A sprinkler system is required by current codes and installing one requires expanded water service.

▼ Water damage in windows from recurring humidity



▶ Water damaged crumbling foundation in the basement where library materials are housed

¹ Saskatoon Public Library. Frances Morrison Central Library Deficiencies Overview. January, 2017.

Building Condition



▲ Materials “in storage” due to lack of space on main floor

Electrical Deficiencies¹

The electrical systems in the building are also original, dating back to 1966, and surpassed the end of their anticipated life as of 2005.

Main Distribution

Equipment and motor control centres are original and have served their useful life.

Electrical System

System is outdated and cannot accommodate the current needs for power and device charging. The electrical capacity is near its limit, despite an upgrade in 2013.

Devices and Branch Circuits

Upgrades are required for the power distribution to meet current standards.

- ▼ Public computers are tightly packed together and offer no privacy or space for users



- ▲ Compartmentalized design prohibits free movement within the building

¹ Saskatoon Public Library. Frances Morrison Central Library Deficiencies Overview. January, 2017.

Building Condition

Accessibility Deficiencies¹

The City of Saskatoon Facility Accessibility Design Standards (FADS) outlines the perspectives of the Saskatchewan Human Rights Code and the National Building Code in terms of accessibility requirements and the promotion of Universal Design.

- Shelving does not adhere to the principles of Universal Design or FADS.
- Miscellaneous furniture (including service points) create accessibility obstacles.
- Public and employee elevators suffer from ongoing age-related problems and need to be upgraded or replaced.
- The stairs in the children's story room are hazardous.
- The washrooms are below the building code size for accessible washrooms.



Shelving is not FADS compliant



Story room is original to the building, lacks accessibility and the design of the stairs are a tripping hazard

¹ Saskatoon Public Library. Frances Morrison Central Library Deficiencies Overview. January, 2017.

Building Condition



▲ Cracked and crumbling entrance. Repairs addressed safety issues.



▲ Overcrowding in the Local History Room.

Functional Deficiencies¹

Insufficient Collection Space

FADS requires lower shelving heights, so more physical space is required to house the same number of materials in the collection. Also, the central library collection needs to support the branches, because while their collections have decreased due to FADS restrictions, the demand has not.

Congestion and High Traffic Areas

There is congestion at the main entry and checkout desks; no capacity for growth of public space, technology, or collections; and insufficient space for materials handling and deliveries due to the volume of materials from around the system and the province that are processed at FMCL.

Functional Zoning

The quadrant building configuration does not allow people to move freely throughout the building and requires additional staffing for security and multiple service points. The crowding of public and staff areas results in functional and operational inefficiencies. The book return cannot be left open during the day due to the inability to provide secure returns, so patrons must come into the library to return items, which is not convenient with limited parking.

¹ Saskatoon Public Library. Frances Morrison Central Library Deficiencies Overview. January, 2017.

Building Condition

Functional Deficiencies¹



◀ Irreplaceable items are stored in basement due to lack of space

Inflexible Spaces

The meeting room cannot be used by the public for events as it is not secure from the workspace due to safety requirements. The design of the building cannot accommodate both quiet and animated spaces within FMCL. Limited revenue generation opportunities exist due to the absence of public meeting rooms, and limited opportunities for programming and partnerships are available without available programming rooms.

Technology

The use of new technologies and the creation of spaces, such as innovation labs or studios, is very limited due to the capacity of the electrical system.

Special Collections (Local History and Art) at Risk

There are recurring problems with water seepage, humidity, and environmental controls for storage of library materials in the lower level; there is a lack of environmental control for the local history collection and storage areas; and there is no fire protection for these irreplaceable materials.

Safety and Security

The sightlines are poor, and the design of the building results in the need for additional security personnel to maintain patron safety.

Maintenance

Five year average utility and maintenance costs of FMCL were 12% greater than comparable Canadian libraries, with costs tending to be higher for older libraries.²



▶ Local History materials are degrading due to lack of proper storage

¹ Saskatoon Public Library. Frances Morrison Central Library Deficiencies Overview. January, 2017

² David Hewko Planning and Program Management, Saskatoon Public Library New Central Library Operating Cost Analysis, 2019.

Building Condition



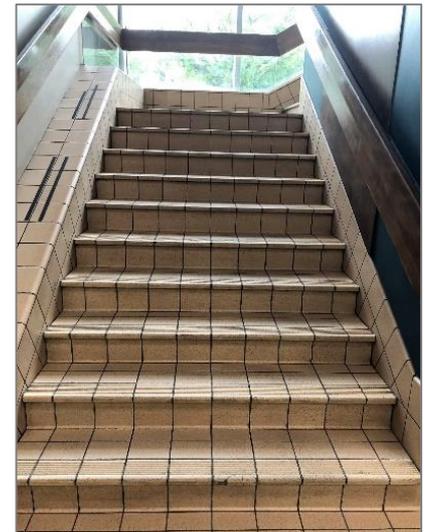
◀ Worn and technologically out of date theatre

▶ Book drop has to be locked during the day so people have to park and come into the library to return items



◀ No privacy at baby change station in children's play area

▶ Worn and chipped stairwells are difficult to care for and clean



Key Findings: About FMCL

1. FMCL is non-compliant with modern building codes, including fire, mechanical, electrical, and accessibility, and has identified life-safety deficiencies dating back nearly 20 years.
2. The City of Saskatoon Building Standards Branch determined in May 2000 that no architectural improvements will be permitted without the non-compliance subjects being addressed.
3. SPL serves a significantly increased population and membership (+249%) since its construction in 1966. Both total members and its proportion of membership as a percentage of Saskatoon's population have increased.
4. When FMCL was constructed, it was designed for 50 employees, and about 100,000 items in its collection. As of 2018, the collection size increased by 170%, and the employees have grown by 74%.
5. SPL has sought to adapt FMCL to meet community needs. However, SPL faces many barriers due to:
 - Space limitations
 - Meeting user expectations that did not exist when the building was designed
 - Required building code changes



Service Gap Analysis

Service Gap Analysis

Personas represent patterns of use that focus on the questions, “How do patrons use the library?” and “What do patrons need from the library?”

SPL has identified usage-based personas describing ways in which patrons use the library to identify service gaps. These personas are fluid, meaning that a specific person could use the library in several ways. Personas represent types of use only and are not intended to have demographic or any other data related to them. Personas identified by SPL, as described in the following pages, include¹:



SOCIAL

Patrons use the library as a civic commons.



TOOL

Patrons use the library’s tools and technology to leverage their skills and abilities.



TASK

Patrons use the library with a specific purpose or are there to “get something done.”



COLLABORATION

Patrons come to the library in groups to work on projects together.



SANCTUARY

For these users, library resources are a life-line and a way of maintaining connection to society.



DISTANCE

These patrons either cannot or choose not to, use the physical library but use library services supported by central library operations support.

¹ Saskatoon Public Library Correspondence. 2019.

Service Gap Analysis – Social Personas

Persona	Needs	Service Gaps
<p>Socializers</p> <p>They use the library to meet and connect with friends.</p>	<ul style="list-style-type: none"> • Café • Soft seating • Series programming (regular) • Book Club in a Bag • Browsing collections • Small group rooms and collaborative spaces • Large inviting children's area (nursing area, play area, spaces for reading) for caregivers 	<ul style="list-style-type: none"> • Limited area for browsing collections and displays • Limited soft seating • Friends of the Library are not well integrated into the facility and there is low visibility of their shop • No café • No collaborative group spaces • The environment is not inviting
<p>Explorers</p> <p>They come to the library to browse and explore what the library has to offer.</p>	<ul style="list-style-type: none"> • Browsing collections • Materials on display • Gallery • Soft seating • Inviting environment • Roving reference employees • Wide variety of programs for all ages 	<ul style="list-style-type: none"> • Limited area for browsing collections and displays • Limited soft seating • Friends of the Library are not well integrated into the facility and there is low visibility of their shop • Lack of programming spaces • The environment is not inviting

1 Saskatoon Public Library Correspondence. 2019.

Service Gap Analysis – Social Personas

Persona	Needs	Service Gaps
<p>Chillaxers</p> <p>They have no specific purpose for coming to the library beyond hanging out.</p>	<ul style="list-style-type: none"> • Innovation lab • Video game stations • Group and collaborative seating • Board games • Access to power for patrons who bring their device • Café • Large inviting children’s area (nursing area, play area, spaces for reading) for caregivers 	<ul style="list-style-type: none"> • No lounge space • No video games • No technology-centric innovation spaces • Limited access to power • No private / collaborative group spaces • No café • The environment is not inviting

1 Saskatoon Public Library Correspondence. 2019.

Service Gap Analysis – Tool Personas

Persona	Needs	Service Gaps
<p>Creators</p> <p>They use the library to create podcasts, music, video, art or writing.</p>	<ul style="list-style-type: none"> • Audio recording and editing space and equipment • Video recording and editing space and equipment • Digital tools • Writer in Residence program 	<ul style="list-style-type: none"> • No technology-centric innovation spaces • No audio or video editing or digital tools
<p>Builders</p> <p>They use the library for co-working, using tools and resources to build their businesses.</p>	<ul style="list-style-type: none"> • Access to power for patrons who bring their device • Private meeting rooms • WiFi, accessible printing, technology for collaborating. 	<ul style="list-style-type: none"> • Limited access to power • No meeting rooms or collaborative spaces • Little to no access to modern tools and technology
<p>Assistive Techors</p> <p>These patrons require assistive technology to access library services.</p>	<ul style="list-style-type: none"> • Assistive devices needed to access library services • Devices adjacent to a service point • Universal accessibility 	<ul style="list-style-type: none"> • Limited ability to access collection from shelving without employee assistance • No accessible washrooms • Service points are not accessible • No designated parking • Barriers exist throughout the facility

1 Saskatoon Public Library Correspondence. 2019.

Service Gap Analysis – Task Personas

Persona	Needs	Service Gaps
<p>In and Outers</p> <p>They use the library to pick up holds, use the self-check machines and are out the door again.</p>	<ul style="list-style-type: none"> • 24-hour book returns • Self-service checkout machines • Quick print and copy stations • Free temporary parking 	<ul style="list-style-type: none"> • During business hours returns can only be made inside the branch (patrons have to park to return items) • Limited print and copy stations • There is only one self-service checkout on the main floor • Only one free temporary parking space
<p>Focusers</p> <p>They come to the library for quiet reading and study.</p>	<ul style="list-style-type: none"> • Quiet study space • Access to power for patrons who bring their device • Comfortable reading areas • Inviting environment • Café 	<ul style="list-style-type: none"> • Lack of designated quiet areas in the branch due to space limitations • Limited ability to provide power • Lack of casual seating • The environment is not inviting • No café

1 Saskatoon Public Library Correspondence. 2019.

Service Gap Analysis – Task Personas

Persona	Needs	Service Gaps
<p>Questers</p> <p>They use the library to develop literacies and skills.</p>	<ul style="list-style-type: none"> • Programs • Collections • Digital media • Innovation labs 	<ul style="list-style-type: none"> • Collection size is too small • Lack of programming areas • No technology-centric innovation spaces
<p>Enjoyers</p> <p>They use the library as a source of free entertainment.</p>	<ul style="list-style-type: none"> • Wide variety of programs for all ages • Collections • Digital media • Access to new movies and films • Concerts and performances • Inviting environment 	<ul style="list-style-type: none"> • Collection size is too small • Theatre is not sufficient for showing films • Lack of programming areas • The environment is not inviting
<p>Researchers</p> <p>They use the library to research and need access to reference.</p>	<ul style="list-style-type: none"> • Digital equipment • Reference services • Local History 	<ul style="list-style-type: none"> • Valuable materials are degrading as they are not stored properly • Minimal digital equipment is available • Local History is too small and there is not enough work space

1 Saskatoon Public Library Correspondence. 2019.

Service Gap Analysis – Collaboration Personas

Persona	Needs	Service Gaps
<p>Study Buddies</p> <p>They come to the library to work or study in groups.</p>	<ul style="list-style-type: none"> • Group and collaborative spaces • Sufficient power outlets for users who bring their own device • Collaborative technology • Café 	<ul style="list-style-type: none"> • Lack of collaborative group spaces • Lack of access to power • No café
<p>Newcomers</p> <p>They come to the library to help them adjust to their new life in Saskatoon.</p>	<ul style="list-style-type: none"> • English as an Additional Language materials • Programming • Materials in other languages • Tours • Career supports • Social activities 	<ul style="list-style-type: none"> • Lack of programming rooms • Lack of space to grow the multilingual collection • Lack of group and collaboration spaces
<p>Educators</p> <p>They come to the library with classes and groups.</p>	<ul style="list-style-type: none"> • Programming spaces for classes (30 people) • Innovation labs and creative spaces • Storytime programs 	<ul style="list-style-type: none"> • Lack of programming space beyond storytime room • No inside area to marshall for bus pick-up and drop-off • Lack of creative and technology spaces

1 Saskatoon Public Library Correspondence. 2019.

Service Gap Analysis – Sanctuary Personas

Persona	Needs	Service Gaps
<p>Reliers</p> <p>They use the library to stay connected with changing technology because they cannot otherwise afford access.</p>	<ul style="list-style-type: none"> • WiFi • Public computers • Public printers • Innovation labs 	<ul style="list-style-type: none"> • Shortage of public computers • Lack of access to power • No technology-centric innovation spaces
<p>Safe Spacers</p> <p>They use the library because they have nowhere else to go.</p>	<ul style="list-style-type: none"> • Outreach workers • Courtesy phones • Public computers • Water • Washrooms • Access to power for patrons who bring their device 	<ul style="list-style-type: none"> • Shortage of washrooms • Lack of access to power

1 Saskatoon Public Library Correspondence. 2019.

Service Gap Analysis – Distance Personas

Persona	Needs	Service Gaps
<p>Offsiders</p> <p>They are unable to come to the library, so the library goes to them.</p>	<ul style="list-style-type: none"> • Group loans • Block loans • Home delivery service 	<ul style="list-style-type: none"> • Challenges in materials handling due to space for marshalling outgoing and incoming loans • Lack of capacity meet demand (i.e. waitlist for services)
<p>Onliners</p> <p>Use digital materials and resources.</p>	<ul style="list-style-type: none"> • eBooks • eMovies • Audiobooks • Databases • Digital music • Digital newspapers • Digital magazines • Library mobile app 	<ul style="list-style-type: none"> • Additional funds are needed to meet online demand for pay-per-use digital resources • Technology training through programming is required to assist patrons with learning to use digital resources

1 Saskatoon Public Library Correspondence. 2019.

Key Findings: Service Gap Analysis

1. Space limitations at FMCL constrain SPL's ability to meet patron needs across all SPL identified personas:
 - The ability to add power sources for patrons who bring their devices is limited.
 - The size of the collection is too small.
 - There is not enough comfortable seating.
 - There is a lack of programming spaces.
 - As the building becomes busier and busier, it is increasingly difficult to provide patrons with both animated and quiet spaces due to space limitations.
 - There are significant accessibility issues.
 - Valuable and irreplaceable items are degrading due to lack of proper storage facilities.
 - There are no group or collaborating spaces.
 - There is limited access to computers and other modern technology, including technology-centric spaces.
 - There is a shortage of public washrooms.
 - There is no café.
 - The environment is not inviting.



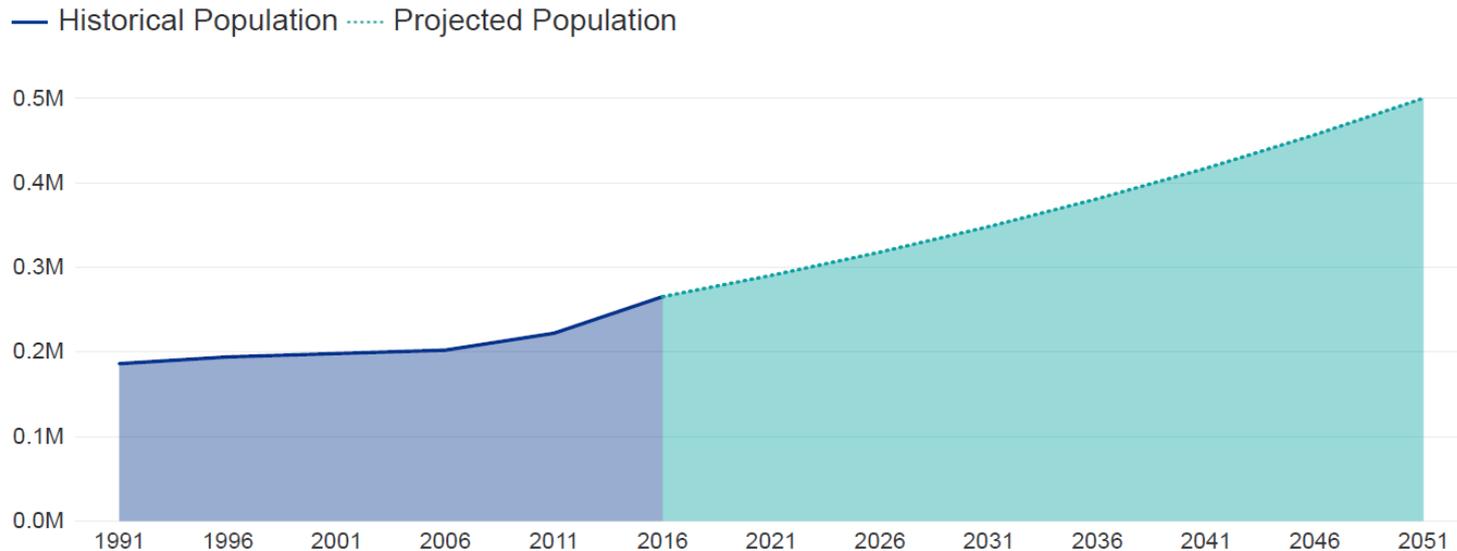
Demand and Use Projections

Saskatoon Population Growth

Population growth in Saskatoon has strained library services at SPL, and specifically at FMCL. The City is projecting the population to grow to 500,000 in the next 30 to 40 years.

SPL serves a significantly increased population and membership (+249% since its construction in 1966). Both its total members and its proportion of membership as a percentage of Saskatoon’s population has increased. SPL must be prepared for increased demand to continue to achieve its vision and meet patron needs.

Saskatoon Population by Year and Projected Growth

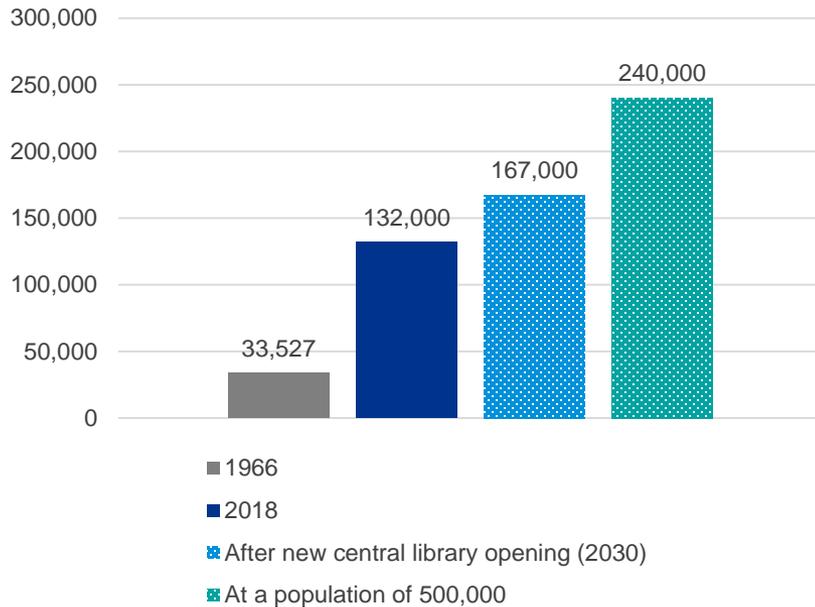


1 City of Saskatoon. Growth Plan Technical Report. 2016.

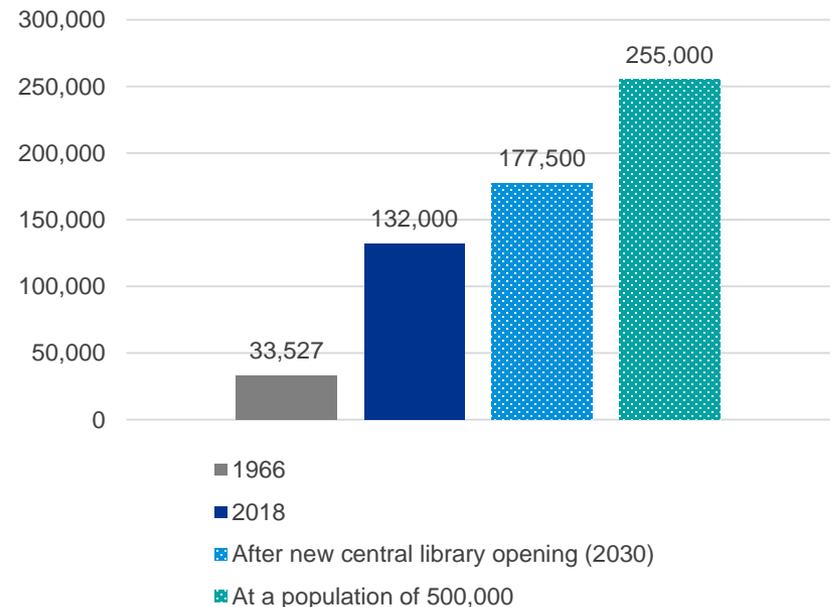
Membership Growth Projection

To date, SPL has experienced growth in membership in alignment with population growth. Based on the experiences of other cities, membership growth could outpace population growth with enhanced services offered in a new central library.

Total Members at Current Membership Rate^{1,2}



Total Members at Forecasted Membership Rate^{1,2}



If membership levels remain consistent with 2018 membership levels (48% of the population), SPL will have an additional 108,000 members at a population of 500,000.

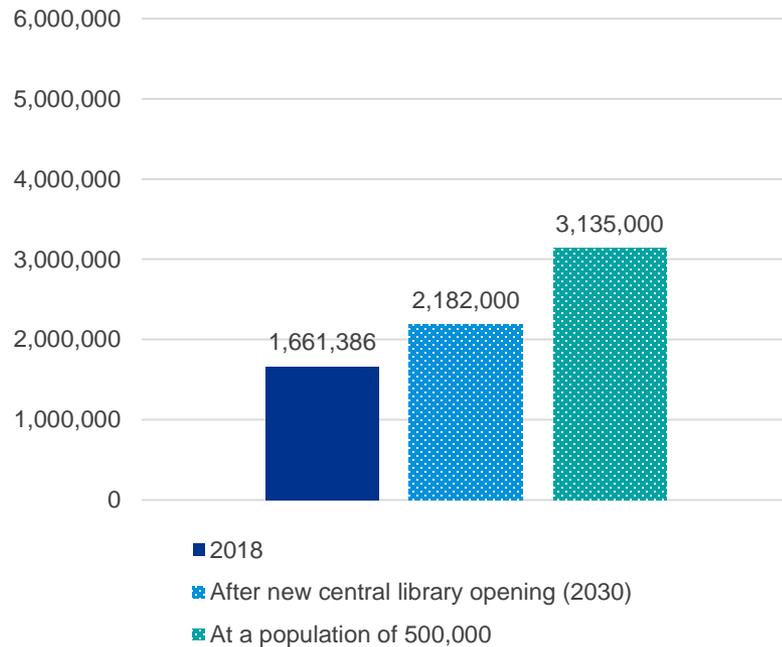
If membership levels increase when a new central library opens (at a similar annual rate) experienced by other Canadian cities), SPL will have 255,000 members at a population of 500,000.

1 Saskatoon Public Library. New Central Library Website and Correspondence. 2019.
2 City of Saskatoon. Plan for Growth. 2016.

Visitor Growth Projection

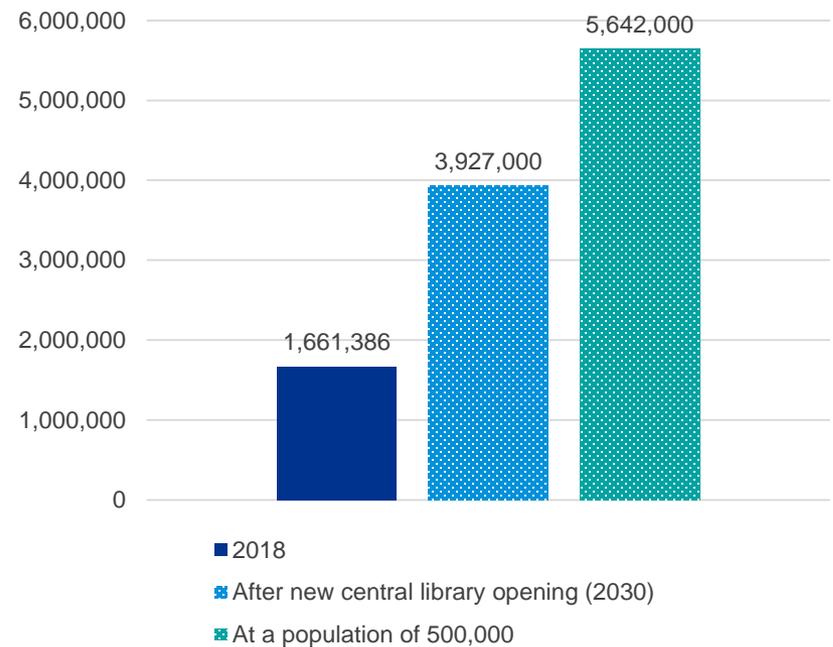
To date, SPL has experienced growth in visits at an even greater rate than population growth.

Total Visits at Current Rate^{1,2}



If the number of visits in 2030 and 2050 remains consistent with 2018 levels (average of 6.3 visits per person), SPL will experience nearly 2.2 million visits in 2030 – an increase of 31%.

Total Visits at Forecasted Rate^{1,2}



If visits increase at the accelerated rate as experienced by other Canadian cities following the introduction of a new central library, SPL will experience over 3.9 million visits in 2030 – an increase of 136%.

1 Saskatoon Public Library. New Central Library Website and Correspondence. 2019.

2 City of Saskatoon. Plan for Growth. 2016.

Shifting Demographics

The fastest-growing demographics in Saskatoon are typically frequent users of library services, amplifying the capacity pressure experienced at current facilities.

Aboriginal Identity

+ 31%

The number of Saskatoon residents with Aboriginal Identity increased 31% from 23,895 to 31,345 from 2011 to 2016.¹ In Saskatchewan, the Indigenous population has a much younger average age, with the proportion of the population under 20 nearly double that of the non-Indigenous population.²

Immigrant Status

+ 65%

The number of Saskatoon residents with Immigrant Status increased 65% from 27,355 to 45,155 from 2011 to 2016.¹

Visible Minority

+ 72%

The number of Saskatoon residents who identify as a Visible Minority increased 72% from 28,640 to 49,290 from 2011 to 2016.¹

Low Income

- 1.5%

The prevalence of Low Income among 18 to 64-year-olds, based on the after-tax low-income measure, decreased only 1.5% from 11.6% to 10.1%, while median total income increased by 30% in the same period (from \$31,167 to \$40,641) from 2011 to 2016.¹

Homelessness

+ 6%

In 2018, 475 people were experiencing homelessness, including 38 children. The library was accessed 5,483 times, making it the most accessed service by this group, above the Food Bank and Shelters.³

¹ Statistics Canada Census Profile, Saskatoon CMA, 2016 Census and Conference Board of Canada Metropolitan Outlook Spring 2018.

² University of Saskatchewan. Indigenous Saskatchewan Encyclopedia, Indigenous Population Trends. Accessed 2019.

³ Community-University Institute for Social Research, University of Saskatchewan. 2018 Saskatoon Point-in-Time Homelessness Count: Community Report Out. June 2018.

Key Findings: Demand and Use Projections

1. SPL serves a significantly increased population and membership (+249% since its construction in 1966). Both its total members have increased and its proportion of membership as a percentage of Saskatoon's population. As Saskatoon increases in population, SPL needs to prepare for increased demand.
2. To date, SPL has experienced growth in membership in alignment with population growth, and this is expected to continue in the future.
3. To date, SPL has experienced growth in visits at an even greater rate than population growth.
4. The fastest growing demographics in Saskatoon are typically frequent users of library services, amplifying the capacity pressure experienced at current facilities.
5. Cities that have opened new central libraries have experienced accelerated increases in membership and visits.



Business Need

Statement of Business Need

All residents of Saskatoon have an opportunity for an enhanced quality of life with the introduction of a new central library.

Rationale for a New Central Library

1. The existing facility is under significant pressure, due to various factors including population growth, shifting user needs requirements, and building code standards.
2. SPL is positioned for growth, having transitioned into a new organizational structure that will enable SPL to efficiently operate in a new central library and is in a solid financial position.
3. A modern, expanded facility is needed to meet SPL's strategic goals and growing demand for library services.
4. Community engagement indicates support for modern library services, including a new central library.
5. A new central library is critical to achieving City of Saskatoon ambitions, including driving economic growth, revitalizing downtown and enhancing the quality of life for residents.

Factors Driving the Need

All residents of Saskatoon have an opportunity for an enhanced quality of life with the introduction of a new central library (the Project).

Role of Libraries in Communities	The role of libraries has evolved. Today, designs are human-focused. Modern libraries combine the best features of traditional libraries with an array of new and innovative services to create transformational impact in their communities. The public library is positioned to notice when there is a need in the community, and steps in to fill gaps in opportunity and access. ¹
FMCL Facility Condition	The current building is over 50 years old and has significant life-safety and accessibility deficiencies. Upgrades are not permitted unless the building code deficiencies are addressed. ¹
Changing Demographics	Since 1966, Saskatoon's population has more than doubled and is anticipated to reach 500,000, ² resulting in further capacity constraints. Additionally, demographics are changing and creating new service needs.
User Expectations	The rapid rate of innovation has resulted in high, yet still realistic, expectations from residents. FMCL cannot meet the infrastructure, technological, and programming expectations, in its current condition. ¹
Central Library as a Foundation for Branches	The central library is the heart of a library system. The branches cannot reach their potential without a central library's diverse collection, distribution, programming, and administrative support. ¹
Leader in Sustainability & Accessibility	The current FMCL physical space is not aligned with SPL's mission and vision to serve as an accessible community hub, with limitations in access and movement as well as inefficient building operations. The Project would serve as an opportunity to be a community leader, modeling sustainability and accessibility for decades into the future.
City Plans for Downtown Rejuvenation	Based on the experiences of other cities, a new central library will advance the City of Saskatoon's plans for downtown rejuvenation. It will add animation to the downtown core, and be a key place-making component of making Saskatoon a great community to live. ³

¹ Saskatoon Public Library. Saskatoon New Central Library Website. 2019.

² City of Saskatoon. Plan for Growth. 2016.

³ Globe & Mail, Central Libraries Turn the Page, May 22, 2018. D. Lawrence.

Desired Outcomes

Opening a new central library aims to achieve a range of outcomes for SPL and the Saskatoon community it serves. Desired outcomes include the following:¹



Enhancing Library Services

A new central library will enhance SPL's ability to meet the current and evolving needs of Saskatoon's residents. SPL anticipates that a new central library will rejuvenate SPL's library system and add much-needed capacity to the library. The positive impact of a new central library will be felt through all branches and impact all neighbourhoods city-wide.

SPL envisions a flexible facility, allowing spaces and services to be more agile and responsive to changing demands in the years to come. The new central library will be a space that blends traditional core library services with new programs and services to keep the library relevant and responsive to community needs.

¹ Saskatoon Public Library. Saskatoon Central Library Website. 2019.
Image Sources: Available in *Appendix B – Image Sources*

Desired Outcomes



1 Saskatoon Public Library. Saskatoon Central Library Website. 2019.
Image Sources: Available in *Appendix B – Image Sources*

Contributing to Social Inclusion and Building Social Infrastructure¹

SPL anticipates that a new central library in Saskatoon will have many positive social impacts, providing safe, accessible and inclusive spaces. By supporting residents in various educational and social pursuits, a new central library will help build community and enhance the overall quality of life for residents.

SPL envisions a facility that helps reduce inequality in Saskatoon though providing access to important library programs, services and collections. Providing free and welcoming spaces for people to gather will also help address issues of social isolation and encourage collective creativity.

Desired Outcomes



Creating Positive Economic Impact¹

SPL anticipates that a new central library will create positive economic impacts through the jobs created via the construction of the facility itself, and through ongoing operations. New jobs will also be created at SPL by increasing the size and capacity at the central library.



¹ Saskatoon Public Library. Saskatoon Central Library Website. 2019.
Image Sources: Available in *Appendix B – Image Sources*

Desired Outcomes

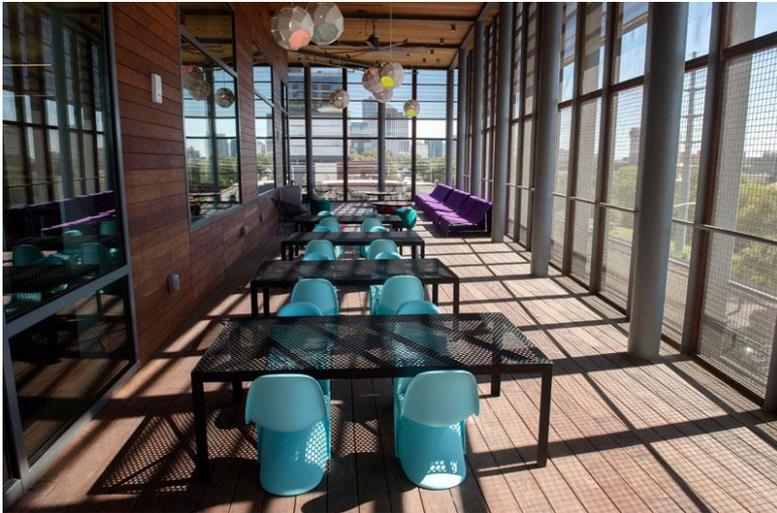


Stimulating Downtown Revitalization¹

A new central library will contribute to the work the City is doing to make Saskatoon's downtown a more inviting place to visit, work and live.

As described in the examples on the following pages, many studies and experiences have shown that when new downtown libraries are built, new stores, living spaces and mixed-use facilities follow suit. In particular, a new library adds to the vibrancy and culture in the city's downtown and the immediate vicinity around the new facility. Central libraries around the world are being used as magnets for development and are often a primary project in a revitalization strategy.¹

In these ways, SPL anticipates that a new central library would contribute to Saskatoon's overall prosperity and align with municipal goals for downtown rejuvenation.²



¹ Globe & Mail, Central Libraries Turn the Page, May 22, 2018. D. Lawrence.

² Saskatoon Public Library. Saskatoon Central Library Website. 2019.

Image Sources: Available in *Appendix B – Image Sources*

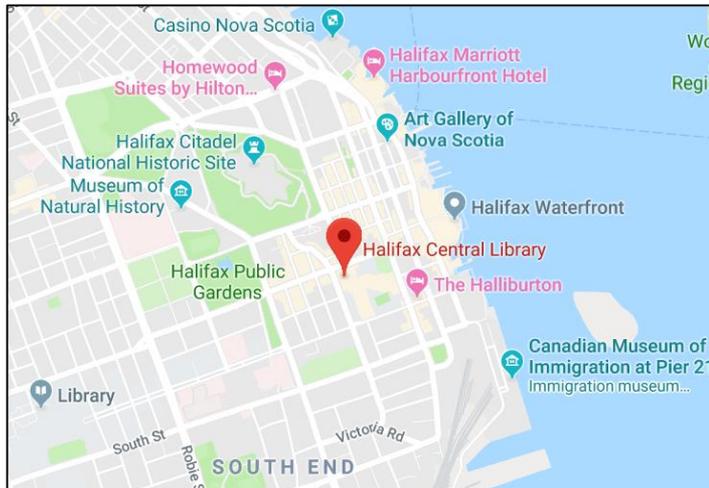
Examples of New Central Library Impact



Halifax, NS

Halifax constructed a library that opened in 2014, which has been a pillar for city revival. Jeffry Hagget, an urban planner and designer noted, “the new energy and enthusiasm for city building has taken decades of work, but for many, the opening of the new central library was the pivotal point when the new Halifax announced itself. It was the catalyst that put Halifax on the map as a leader in community building and design” (Maritime Edit, 2018).

Halifax Public Libraries CEO said, “The \$57.6-million-dollar facility has brought new life to its surrounding area, which is undergoing several revitalization projects and condo builds, “so what’s really inspiring is that it’s within reach of where more and more people are choosing to live.” (Globe & Mail, 2018).



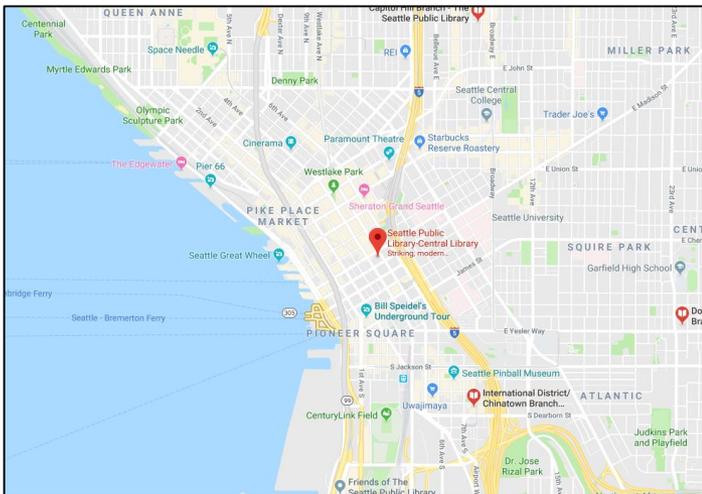
Examples of New Central Library Impact



Seattle, WA

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. Finally, the Seattle experience showed that the increase in library visitors contributed to Seattle’s downtown vitality and vibrancy, making the downtown a more attractive 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 (Berk and Associates, Inc. 2005).



Examples of New Central Library Impact



Calgary, AB

The Calgary New Central Library saw over 500,000 visitors in its first three months alone. Calgary's Central Library is intended to serve as a critical piece of revitalizing the East Village. Lyle Edwards, Chair of the Calgary Municipal Land Corporation in 2015, stated, "The location of the new central library... will strengthen the fabric of community life by weaving the East Village, the original heart of Calgary, back into the city [...] I think the East Village will become part of the downtown" (Calgary Herald, 2015).

"It's amazing for me, being involved with libraries for all these years," says the CEO of Calgary Public Library, "to see the transformation, from an institution that was often an afterthought, into something that is now, in many ways, at the forefront of the development of great urban places." (Globe & Mail, 2018)



New Central Library Benefits to the Library System

A new central library is the heart of the SPL library system, and is required to support the growing population and the changing demographics of the Saskatoon community. A new central library will support the neighbourhood branches and contribute to a vibrant public library system.¹

The New Central Library Provides Specialty Services and Expertise to Branches

Specialized services and expertise are available at the central library and are available to supplement services and expertise at the branches as needed.

The Impact of Applying City of Saskatoon Facility Accessible Design Standards (FADS) at the Branches is Lessened by Increasing the Capacity of a New Central Library

According to SPL, most of SPL's branches are already undersized to meet the needs of the neighbourhoods they serve. As SPL applies FADS to the branches, the branch collections will experience a reduction, because FADS requires the height of the shelving to be lower than SPL's existing shelving. The impact is that the existing space cannot hold the same number of items. A new central library will enable SPL to house a larger collection to circulate to branch libraries to offset the required branch reductions.

The Consolidation of Support Services and Administration Increases Organizational Efficiencies

Multiple support services work-units are based at branch libraries due to space limitations at FMCL. In a new central library, SPL plans to integrate the new work-units. Following a work-unit integration, SPL intends to convert approximately 4,000 square feet of space at Alice Turner Branch to public space.

¹ Saskatoon Public Library. Saskatoon Central Library Website. 2019.

Key Findings: Business Need

1. A new central library will enhance SPL's ability to meet the current and evolving needs of Saskatoon's citizens and strengthen the collective community.
2. A new central library in Saskatoon will have a positive social impact, and support making Saskatoon an inclusive, equal community.
3. A new central library will contribute to work the city is doing to make Saskatoon's downtown a more inviting place to visit, work and live, and promote a sense of civic identity and pride.
4. Public libraries contribute to a community's overall prosperity, including municipal goals for economic growth and prosperity.
5. A new central library will support the neighbourhood branches and contribute to a vibrant public library system.



Functional Program

Functional Program

A functional program is a technical scope of work document. Community input, library best-practices, benchmarking, building code, accessibility standards, the City's Plan for Growth, and SPL's Strategic Plan informed SPL's new central library functional program.

A functional program describes the requirements which a building must satisfy to support and enhance human activities.¹

The programming process seeks to answer the following questions:

- What is the purpose of the building, and how will it be used?
- How much and what type of space is needed?
- What space will be needed in the future to continue to operate efficiently?
- What is the estimated budget for the project?

A functional program is a design brief that outlines the parameters of the Project for an architect to design. At this stage, the functional program represents a conceptual stage of planning.

¹ Canadian Handbook of Practice for Architects, 2009.

Community Engagement

Community engagement indicates strong support for enhanced public library services.



The full report is available at saskatooncentrallibrary.ca.

SPL has conducted community engagement activities through pop-ups, an online survey, stakeholder sessions, employee consultation and a community workshop.

Over 2,000 people provided their input and vision for a new central library.

Data from community engagement activities informed the functional program. In November 2018, a summary of engagement to date was published.

Support for a new central library provided by Saskatoon residents included¹:

“We need a building we can be proud of.”

“Citizens can gather in a shared public space that enriches the mind and soul through ALL forms of learning. This library should go beyond books and truly enter our technological age.”

“People can feel safe, comfortable and inspired. Where people want to spend time.”

“Public libraries are essential for vibrant cities – we should make a major investment in ours. Otherwise, we squander the potential of our community.”

“The old building is just that. Old. Not enough space, doesn’t meet safety standards, not accessible enough, and just plain ugly. We need a modern library for modern times, a place where everyone is welcome and everyone can be proud of because it belongs to all of us.”

¹ Saskatoon Public Library. What We Heard. November 2018.

Community Engagement

From tech-infused rooms and greenery to comfy chairs and books galore, the community told SPL which spaces should be included in a new central library.¹



Collections

A large collection.

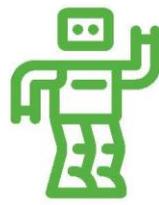
You suggested that both the physical and digital collections be expanded, well organized and easily searchable by patrons and employees. And you want knowledgeable employees to help you find materials.



Group spaces

A variety of group and collaborative spaces that can be noisier without disturbing others.

You were supportive of flexible spaces, which could be used for learning, collaboration and socializing.



New technology

Public access to self-directed STEAM (science, technology, engineering, arts and math) learning opportunities.

You would like maker spaces that inspire learning and execution of various creative projects, such as video and audio recording, robotics, crafts, 3D printing and more.



Public events & performances

Spaces to come together for events and to showcase the arts.

You like the idea of having spaces that can be used for community gathering, public events and performances.



Children's Theatre

Don't lose the magical quality of the storytime room.

You want the Pooh Corner experience recreated in a new central library.



Local History

Don't move forward without the past.

You want Local History to be an important part of a new facility. You also want to ensure that archives are preserved and stored safely.



Computers, laptops & WiFi

Access to many options for public computers, in-branch laptops and WiFi.

You noted that the provision of free computer access and free WiFi were important library services.



Individual spaces

A variety of individual and private spaces for quiet use.

You want quiet spaces to read, study or work. You suggested a mix of spaces, including long tables, desks and private study areas with comfortable seating.



Local art installations

Space dedicated to showcasing local artists.

You indicated that having art from local and emerging artists at the library is important.



Private meetings & events

Bookable spaces that are affordable and accommodate various group sizes.

You feel having spaces for private meetings and events are important, given the limited availability of affordable space in the city.



Green spaces

Green spaces that inspire and inject life into the library's environment.

You recommended including indoor native plants to make the library a relaxing and peaceful environment.



Reconciliation

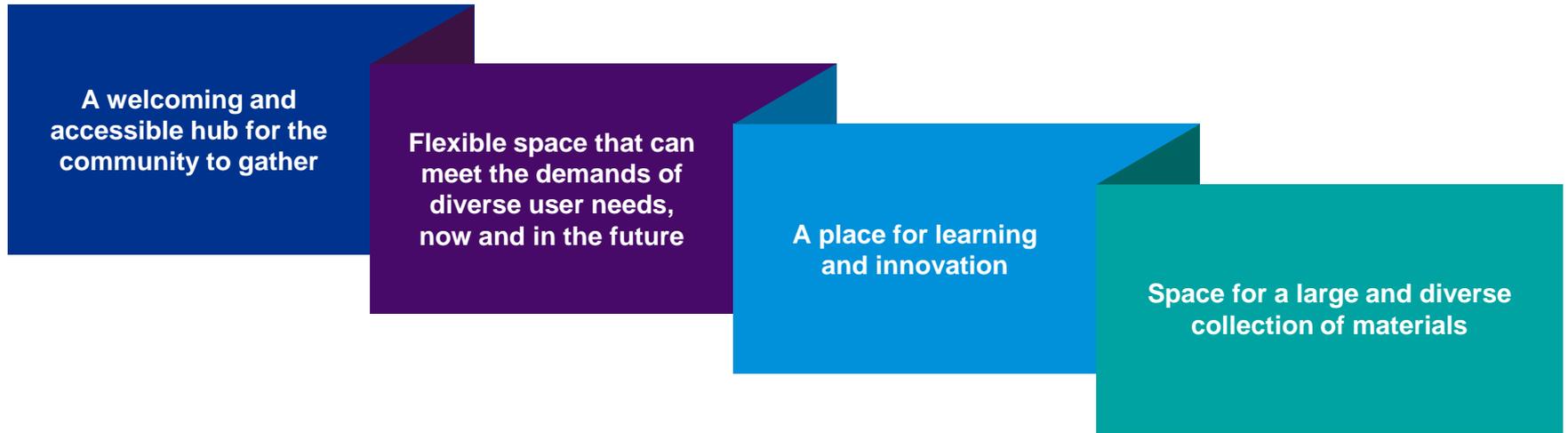
Incorporating Indigenous perspectives.

You told us Indigenous culture should be meaningfully integrated throughout the building.

¹ Saskatoon Public Library. What We Heard. November 2018.

Guiding Principles

A vision from the community informed the development of the business case and functional program. The ideal future state for a new central library is as follows:¹



¹ Saskatoon Public Library. What We Heard. November 2018.

Functional Requirements

A preliminary set of functional program requirements, including types and sizes of spaces, have been developed by KAA and the new central library project team.

Library Service Delivery	Collections Programming & Discovery Spaces Public Computing & Assistive Technologies Service & Checkout
Public Space & Amenities	Public Seating, Collaboration Spaces & Bookable Spaces Open & Gathering Spaces Public Washrooms & Water Fountains Retail
Facility	Building Operations Employee Work Areas & Storage

1 KAA. SPL New Central Library Functional Program. 2019.

New Central Library Features

The new central library is estimated to be 149,000 square feet. This size aligns with comparative facilities, design and building standards, and industry benchmarking.

The functional plan for a new central library at the conceptual stage includes¹:

- Space to improve access, searchability, functionality, and growth in physical material holdings
- Enhanced browsing collection of new and popular materials
- Indoor and outdoor green spaces
- An indoor play space for children
- Indigenous perspectives integrated throughout the building, and a dedicated ceremony space
- Public access to computers and access to power for patrons who bring their device(s)
- Learning spaces for users to explore and use for creative pursuits
- A mix of quiet and animated spaces for individual and group spaces
- A mix of table and casual seating
- An expanded Local History space with fire-protected storage for irreplaceable materials
- Creation of a new Oral Stories collection
- Flexible programming spaces
- Technology-centred learning and innovation spaces
- Public meeting and gathering spaces
- Bookable rooms for patrons to use
- A tenant operated café
- A gallery (new and emerging local artists)
- Universal accessibility
- Public art
- Environmental design leadership

The next section outlines the features of each type of functional space. Note that proportions do not total 100% due to rounding.

¹ KAA. SPL New Central Library Functional Program. 2019.

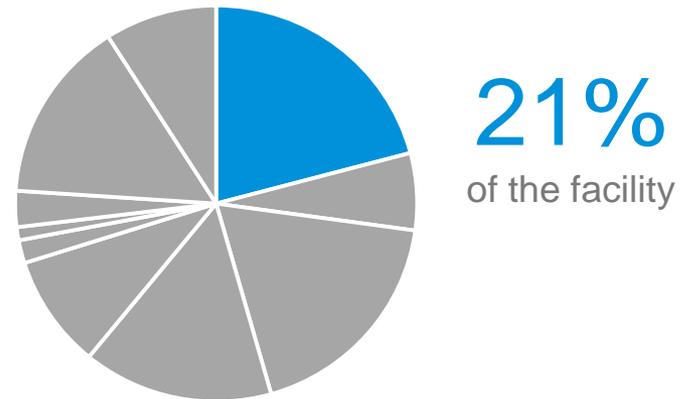
Functional Inventory

									
<h2>Collections</h2> <p>Space to improve access, searchability, functionality, and growth in physical materials, and valuable materials</p>									

Features

- Increased collection of physical materials (100,000 new items) and capacity for growth
- Enhanced browsing collection of new and popular materials
- Fire-protected storage for valuable materials
- Expanded Local History space
- A new Oral Stories collection

Proportion of New Central Library¹



¹ KAA. SPL New Central Library Functional Program. 2019. Figures are rounded.

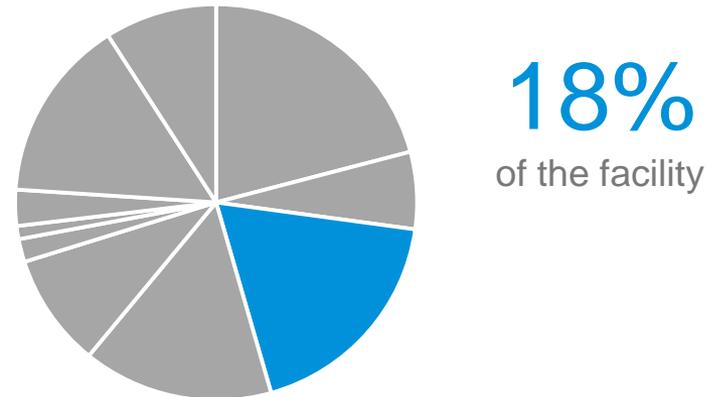
Functional Inventory

<h2>Programming & Discovery Spaces</h2> <p>Learning spaces for users to explore and use for creative pursuits</p>									

Features

- Visual production studio
- Audio recording studio and recording booths
- Post-production studio
- Digital tools studio
- Gallery (new and emerging local artists)
- In-residence spaces for writers, artists and Elder
- Group video gaming stations
- Indigenous ceremony space ventilated for smudging
- Children’s story room
- Demonstration kitchen
- Multi-purpose for STEAM (science, technology, engineering, arts, math) programs
- Theatre
- Flexible programming rooms
- Technology training room

Proportion of New Central Library¹



¹ KAA. SPL New Central Library Functional Program. 2019. Figures are rounded.

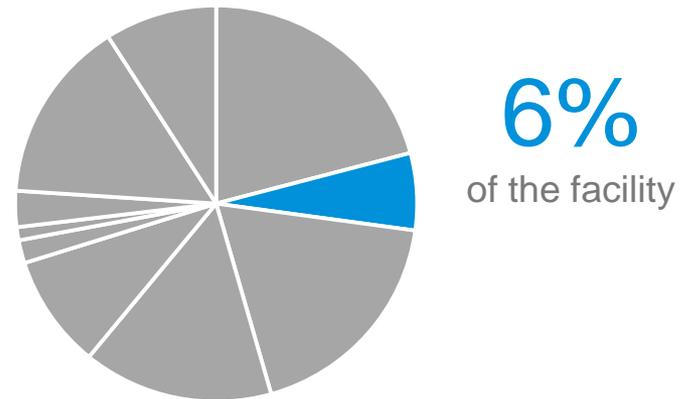
Functional Inventory

<h2>Public Computing & Assistive Technologies</h2> <p>Public access to computers, assistive technologies, and access to power for patrons who bring their own device</p>									

Features

- Increased number of public computers
- Public stations for printing, scanning, and email throughout the building
- Specialized accessible equipment for people with differing abilities
- Free WiFi for patron use
- Ample access to power and device charging for patrons who bring their device

Proportion of New Central Library¹



¹ KAA. SPL New Central Library Functional Program. 2019. Figures are rounded.

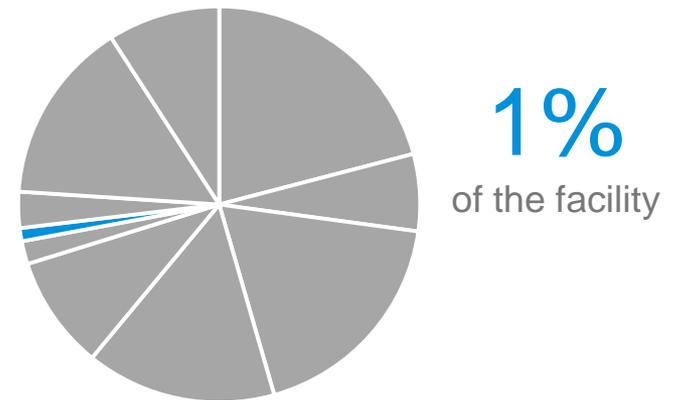
Functional Inventory

<h2>Service & Checkout</h2> <p>Convenient and easy access to employee assistance and checkouts (including self-checkouts)</p>									

Features

- Service points on every floor
- Self-checkouts for patrons who prefer autonomy
- 24-hour exterior materials return, enabling patrons to return materials without having to enter the building

Proportion of New Central Library¹



¹ KAA. SPL New Central Library Functional Program. 2019. Figures are rounded.

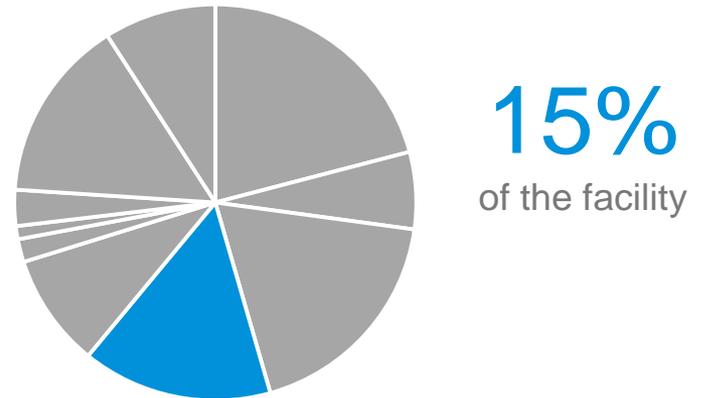
Functional Inventory

									
<h2>Public Seating, Collaboration Spaces & Bookable Spaces</h2> <p>A mix of quiet and animated spaces, individual and group spaces, and table/chair and casual seating</p>									

Features

- Quiet reading space
- Civic commons space with casual seating
- Private bookable rooms for small groups
- Table seating integrated throughout
- Group study booths
- Individual study carrels

Proportion of New Central Library¹



¹ KAA. SPL New Central Library Functional Program. 2019. Figures are rounded.

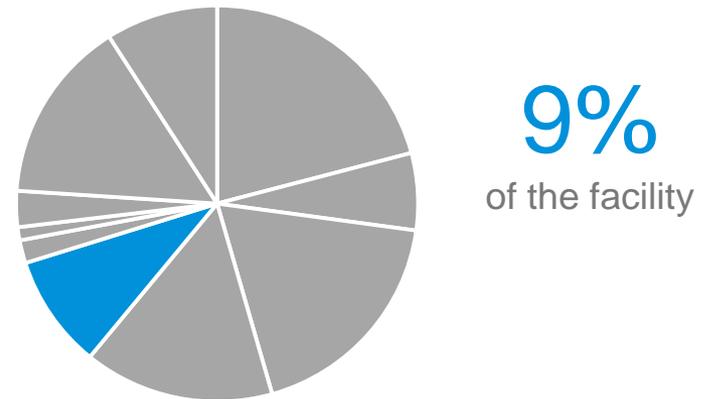
Functional Inventory

									
<h2>Open & Gathering Spaces</h2> <p>Indoor and outdoor green spaces, and a play structure for children</p>									

Features

- Large indoor children’s play area
- Plants and greenery incorporated into the design to provide a natural atmosphere year-round
- Outdoor plaza green space
- Open and spacious layout
- Gathering area for bus drop-off and pick-up
- Consultation room for outreach workers to assist patrons

Proportion of New Central Library¹



¹ KAA. SPL New Central Library Functional Program. 2019. Figures are rounded.

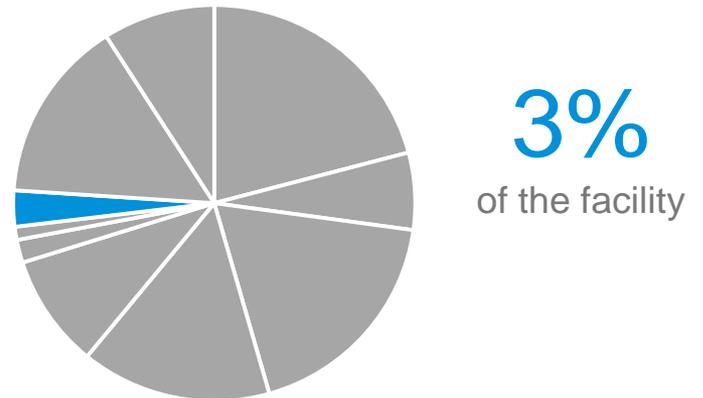
Functional Inventory

									
<h2>Public Washrooms & Water Fountains</h2> <p>Enough washrooms and water to meet the needs of users</p>									

Features

- Sufficient washrooms and water fountains to meet users' needs
- The number of washrooms exceeds minimum standards, given the nature and use of the central library
- Ample access to water fountains and bottle filling stations

Proportion of New Central Library¹



¹ KAA. SPL New Central Library Functional Program. 2019. Figures are rounded.

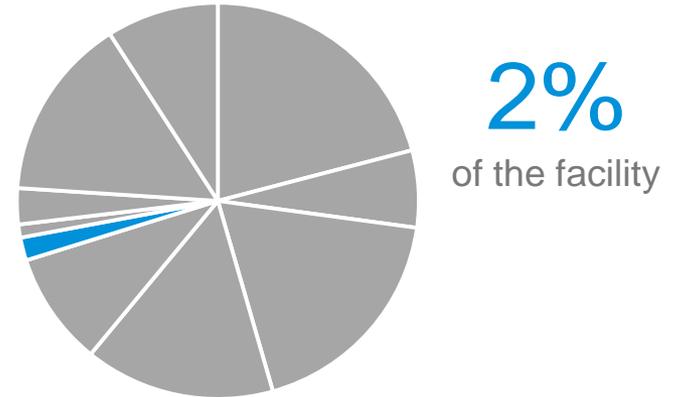
Functional Inventory

									
<h2 style="margin: 0;">Retail</h2> <p style="margin: 0;">Café & Friends of the Library Shop</p>									

Features

- Friends of the Library shop, with proceeds from the shop donated back to the library
- Café (operated by a tenant) to animate building exterior and serve patrons

Proportion of New Central Library¹



¹ KAA. SPL New Central Library Functional Program. 2019. Figures are rounded.

Functional Inventory

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Building Operations

Sufficient area for materials processing, including automated materials handling and paging, and modern and energy efficient systems.

Features

- Automated materials handling system to enhance capacity and accelerate material turnaround
- Adequate space for shipping and receiving (i.e. moving materials between SPL locations and the rest of the Province)
- Additional materials handling capacity as the main hub for movement of materials between Saskatoon and the rest of the province
- New materials ordering, processing and distribution functions located centrally
- Modern and energy-efficient building mechanical, electrical, and maintenance operations
- Improved safety and comfort for users

Proportion of New Central Library¹



¹ KAA. SPL New Central Library Functional Program. 2019. Figures are rounded.

Functional Inventory

									
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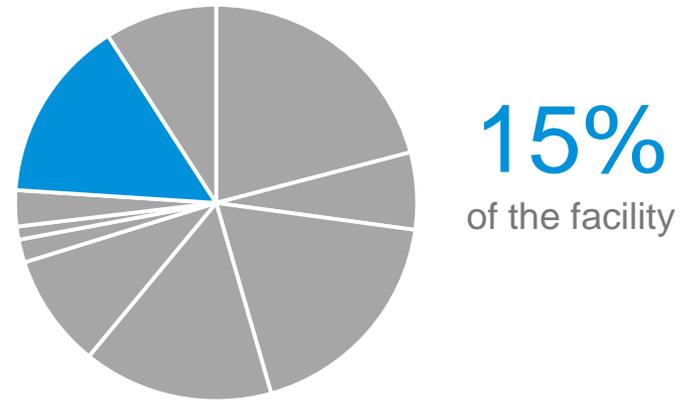
Employee Work Areas & Storage

Centralized administration, support services and work areas for program and service delivery planning

Features

- Efficient design for process and workflow
- All support services located within the central library facility
- Houses 93 full-time equivalent employees

Proportion of New Central Library¹



¹ KAA. SPL New Central Library Functional Program. 2019. Figures are rounded.

Side by Side Comparison

A new central library will enable SPL to achieve the vision of library services by the community, meet its strategic goals, and strengthen the overall City of Saskatoon.

Space	Current Central Library	New Central Library
Collection	Approximately 250,000 items	Approximately 350,000 items
Programming and innovation spaces	4	15
Public seating and collaboration spaces	240	550
Public computers	48	135
Video gaming stations	0	4
Bookable rooms	0	18
Café	0	1
Public washrooms	4 universal & 4 stalls	8 universal & 37 stalls
Total Size	78,000 square feet	Approximately 149,000 square feet

1 KAA. SPL New Central Library Functional Program. 2019.

Key Findings: Functional Inventory

1. The new central library is estimated to be 149,000 square feet. This size aligns with comparative facilities, design and building standards and industry benchmarking.
2. The functional program addresses the desires expressed by the community.
3. The functional program enables SPL to address identified service gaps.
4. Additional input and engagement will occur as the planning and design of a new central library progresses.
5. Spaces in the new central library will be flexible, meaning that they will be easy to adapt and change as the community needs evolve.



Benchmarking

Quantitative Benchmarking Facility Design

The Wisconsin model is a widely recognized library benchmarking tool. Benchmarks consider desired service level and population in determining facility design standards. Below is an overview of the Wisconsin model.

- The model enables analysis of space needs for libraries based upon the municipal population.
- There are benchmarks and guidelines for collection size, seating, employees, work areas, and meeting rooms.
- The Wisconsin model has tiers of library service: Tier 1, Tier 2 and Tier 3 based on municipal population. Tier 1 is considered the minimum level of library service that should be available to all residents, and Tier 3 is the highest level of library service available.
- Benchmarks are:

Per Capita (1,000)	Benchmark ¹		
	Tier 1	Tier 2	Tier 3
Library FTE Employees	0.4	0.5	0.6
Collection Size	2.7	3.0	3.6
Public Use Internet Computers	0.75	0.86	0.92

¹ Wisconsin Public Library Standards. Sixth edition. March 2018.

System Benchmarking (Current)

SPL is currently below the minimum basic service level on the size of the physical collection and the number of public computers.

Per Capita (1,000)	Benchmark ¹			SPL	Assessment
	Tier 1	Tier 2	Tier 3	Current	Current Population (278,500)
Library FTE Employees	0.4	0.5	0.6	0.5	Average level of service
Collection Size	2.3	2.8	3.2	2.2	Below minimum basic service level
Public Use Internet Computers	0.73	0.74	0.84	0.58	Below minimum basic service level

¹ Wisconsin Public Library Standards. Sixth edition. March 2018.

System Benchmarking – New Central Library (at Opening)

At the time of opening the 149,000 square foot new central library, with an estimated population of nearly 350,000, SPL will be reasonably aligned with the minimum, or Tier 1, benchmarks. This benchmark affirms the size of the planned facility is required.

Per Capita (1,000)	Benchmark ¹			SPL	Assessment
	Tier 1	Tier 2	Tier 3	With New Central Library	Assumed population of 350,000
Library FTE Employees	0.4	0.5	0.6	0.4	Minimum basic service level
Collection Size	2.3	2.8	3.2	2.0	Minimum basic service level
Public Use Internet Computers	0.73	0.74	0.84	0.70	Minimum basic service level

¹ Wisconsin Public Library Standards. Sixth edition. March 2018.

System Benchmarking – New Central Library (at 500,000 population)

Significant resources, space and capacity, will need to be added to the library system, in addition to a new central library, to ensure SPL can provide a minimum basic library service level as the population grows to 500,000. Capacity can be achieved through branch expansions or adding additional branches.

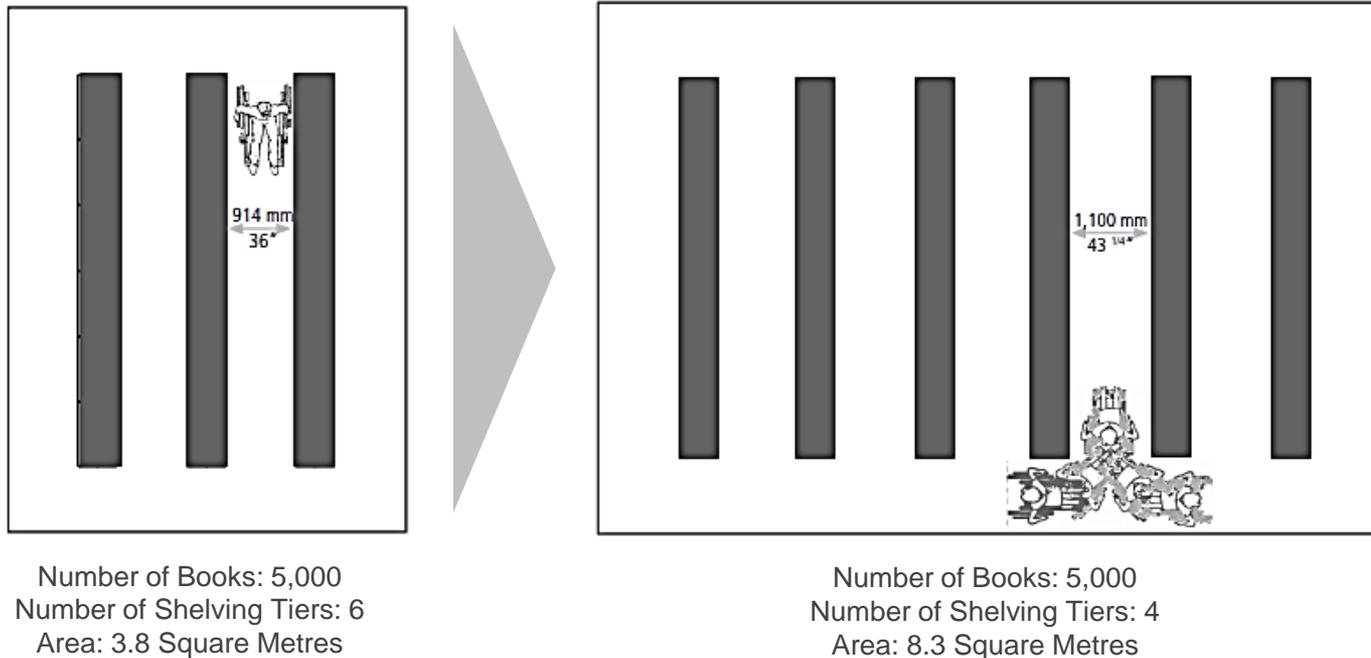
Per Capita (1,000)	Benchmark ¹			SPL	Assessment
	Tier 1	Tier 2	Tier 3		
				With New Central Library	Assumed population of 500,000
Library FTE Employees	0.4	0.5	0.6	0.3	Below minimum basic service level
Collection Size	2.3	2.8	3.2	1.4	Below minimum basic service level
Public Use Internet Computers	0.73	0.74	0.84	0.50	Below minimum basic service level

¹ Wisconsin Public Library Standards. Sixth edition. March 2018.

Applying Accessibility

In 2012, the City of Saskatoon introduced the Facility Accessibility Design Standards (FADS). These standards apply to public buildings, including SPL.

- Applying FADS requires an increase in collection space of nearly 80% from the current FMCL space to accommodate the existing collection.
- Applying FADS to the building increases the size by nearly 11,000 square feet and Project cost by approximately \$8.6 million (above what is required by building code).¹
- Current FMCL shelving is both higher, and the aisles are more narrow than FADS allows. As shown in the diagram below, FADS requires a maximum of four shelving tiers to accommodate reach heights, and the required floor area between shelves is wider.



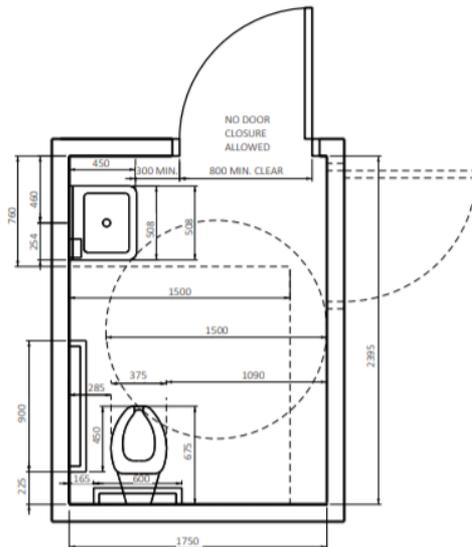
¹ KAA. SPL New Central Library Functional Program. 2019.

Other Impacts on Space Needs

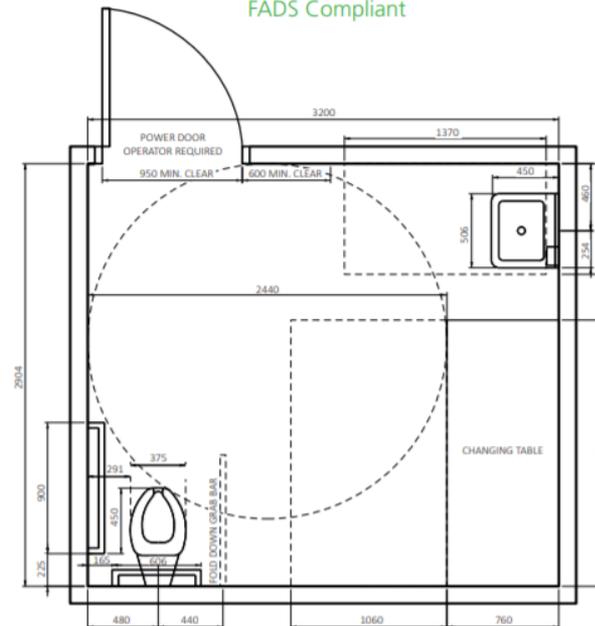
FMCL does not have sufficient washroom physical space to meet building code or FADS standards.¹

- FMCL washroom space is already under pressure as patrons frequently indicate a desire for additional washrooms.
- The new central library will enhance accessibility for users offering eight accessible washrooms and 27 total stalls.
- This increase in washroom space aligns with occupancy requirements as well as FADS requirements.

Universal Washroom
National Building Code (2015) Requirement
Turning Radius: 1.5 metres
Change Table Required: no
Area: 4.2 square metres
Not FADS Compliant



Universal Washroom
Facility Accessibility Design Standard (2012) Requirement
Turning Radius: 2.44 metres
Change Table Required: yes
Area: 9.3 square metres
FADS Compliant



¹ Saskatoon Public Library. Frances Morrison Central Library Deficiencies Overview. January, 2017.

Size and Cost Benchmarking

The functional program size is generally within the range of industry benchmarks and reflects the conceptual stage of planning that has occurred to date.

	Benchmark ¹		Benchmark Required Space	SPL Functional Program	New Central Library Functional Program Alignment with Benchmark
	Wisconsin	FADS			
Collection Space	10 items / ft ²	8 items / ft ²	32,500 ft ²	31,200 ft ²	Consistent with benchmark
Computer Space	45 ft ² / station	45 ft ² / station	6,300 ft ²	9,400 ft ²	More space allocated than benchmark, with SPL including assistive and video gaming stations that may require additional space
Public Seating Space (1.5 seats per capita)	30 ft ²	30 ft ²	22,500 ft ²	22,900 ft ²	Consistent with benchmarking, assuming 500,000 population size
Employee Space	140 ft ² / station	140 ft ² / station	16,200 ft ²	22,300 ft ²	More space allocated than benchmark
Special Use space	17% of gross building area	N/A	17,900 ft ²	35,700 ft ²	Less space allocated than benchmark
Non-assignable space	27% of gross building area	25% of gross building area	28,400 ft ²		
Meeting Room Space	N/A	N/A	N/A	27,500 ft ²	Benchmark not available
Total			151,300 ft²	149,000 ft²	Functional program overall is in alignment with benchmark

Size and Cost Benchmarking

Comparison of cost assumptions to select industry benchmarks indicates a conservative estimate of construction costs, reflecting the conceptual stage of the Project.

A number of organizations publish real estate and construction cost guides. Altus Group, in particular, includes civic libraries, as a sub-category in their an annual view of construction hard costs based on a database of historical project costs.¹

In comparing the benchmarked hard construction cost per square foot to Altus estimates for a civic library in Saskatchewan, the new central library preliminary estimate is relatively higher than the Altus Group Canadian cost index, with the average cost per square foot exceeding the top range of the Altus estimated cost.

As planning and design progress, and additional details become available about the Project, costs are anticipated to be refined. Estimates will remain subject to market factors and therefore are estimated conservatively at this point in the Project by SPL and its technical advisors.

KAA capital cost order of magnitude estimates are derived from similar building type experience, local development knowledge, research and discussion with project members of recent new central library projects across Canada.² The building is costed assuming qualities of construction, durability, expression and finishes appropriate for a public building which is to be operated ad maintained to serve a growing population.²

	Cost (\$)/ ft ²	Assumptions
SPL assumed construction cost per square foot	\$275 to \$600	<ul style="list-style-type: none"> • 2019 dollars • Cost per square foot estimated by technical advisors based on spatial type • Average cost \$470 per square foot
Altus Group civic library construction cost per square foot ¹	\$316 to \$408	<ul style="list-style-type: none"> • Reflects 2018 construction costs • As per cost guide direction, indexes Calgary prices to Saskatoon

¹ Altus Group. 2019 Canadian Cost Guide. January 2019.

² KAA Functional Program and KAA Correspondence. 2019.

Key Findings: Benchmarking

1. A new central library will be a critical component to the delivery of library services in Saskatoon. For SPL to maintain basic library services additional growth, beyond just the new central library, would be required.
2. SPL currently does not align with minimum basic benchmarks for library service delivery.
3. Adding branches to increase SPL capacity alone will not be as effective as building a new central library as the existing branches cannot reach their potential without a central library's diverse collection, distribution, programming, and administrative space.
4. FADS has a significant impact on the space required for the library compared to other buildings across Canada with similarly sized populations. FADS exceeds minimum standards for accessibility, ensuring people with differing abilities have barrier-free access to the library. The physical space required for the collection will increase significantly beyond the benchmarks based on the required shelf space determined by FADS.
5. Applying FADS to the building increases the size by nearly 11,000 square feet and Project cost by approximately \$8.6 million.
6. As the population advances to 500,000, even with a new central library, SPL will need to add additional system capacity (either through branch additions or expansions) to meet the demand. At a population of 500,000, SPL would need to add approximately 50 FTEs, 550,000 materials to the collection, and 200 computers to remain above minimum library service standards.
7. The estimated size of the new central library aligns with identified benchmarks.
8. Construction cost estimates reflect the preliminary stage of the Project and will be refined as it progresses. At the conceptual stage of the Project, technical advisors have assumed qualities of construction, durability, expression and finish appropriate for a public building which is to be operated and maintained to serve a growing population to inform cost estimates.



Project Options Analysis

Option Identification

The business case analysis compared the range of potential implementation options against the needs identified in the functional program. A new, standalone building was identified as the option that would best meet SPL and broader community requirements.

The project delivery options considered are listed below:

Status Quo	No change to FMCL.
Renovate Existing	Renewal of existing FMCL space to address health and safety deficiencies and applying FADS (no additional space added).
Build New, Standalone	Construction of a standalone central library (adding space and applying FADS).
Build New, Joint-Use Facility	Construction of a shared facility with defined primary partners who would contribute funding and a long-term commitment for the use of the space.

Options Analysis

Status Quo – No Investment Into FMCL

- Ongoing decline and deterioration of library service in Saskatoon as the population grows
- Exacerbates the inability of SPL to meet current and future needs of residents
- Maintenance costs will continue to increase as the building ages and core systems, which have already exceeded their expected life-cycle, begin to fail
- Valuable Local History materials will continue to degrade
- Building code safety issues present a significant risk and liability for the SPL Board and the City of Saskatoon

Options Analysis

Renovate Existing Facility – No additional space added

- A renovation would address the life-safety / building code deficiencies and apply FADS
- FADS application would result in a reduced collection, and negatively impact other areas, due to existing space limitations
- Fails to address the limitations of the compartmentalized building configuration
- Continued inability to add required services, such as technology-centric spaces, programming rooms, and amenities
- Fails to address growth needs, as population growth places increased pressure on the library system
- Results in SPL falling below the minimum basic library service benchmarks as Saskatoon continues to grow
- This option will require SPL to relocate the central library during construction
- The estimated cost to renovate (adding no additional space): \$57 million¹

¹ KAA Correspondence. High Level Order of Magnitude Cost Estimate of FMCL Upgrade. 2019.

Options Analysis

Build New, Standalone

- Enables SPL to address life-safety and building code deficiencies
- Provides SPL with maximum flexibility and capability for expansion in the future, and potential collaborations and partnerships with the community
- Ensures that SPL can meet the modern demands and expectations of library users
- Enables SPL to provide enhanced library services, operating above minimum basic library service benchmarks
- Fully FADS compliant and environmentally sustainable

Options Analysis

Build New, Joint-Use Facility

- No suitable sites that could accommodate a central library and another partner were identified
- A joint-use site for a central library significantly limits SPL's ability and flexibility for future expansion
- The library partners with a large number of organizations in a multitude of ways, and looks forward to continuing and expanding those partnerships with the new spaces they will have in a new central library
- Joint-use facilities make excellent community partners for neighbourhood branches, but not for the central library due to the nature of central library operations and usage

Options Analysis

The options were further analyzed against the defined guiding principles, and a new, standalone building was identified as the preferred option to meet SPL and broader community requirements.

	Status Quo	Renovate Existing	Build New, Standalone	Build New, Joint-Use Facility
A welcoming and accessible hub for the community to gather	Low	Medium	High	Medium
Flexible space that can meet the demands of diverse user needs, now and in the future	Low	Low	High	Medium
A place for learning and innovation	Low	Low	High	High
Space for a large and diverse collection of materials	Low	Low	High	High
Overall Assessment	Low	Low	High	Med

Assessment Legend	
High	Aligns with principle
Medium	Moderately or may align with principle
Low	Poorly or does not align with principle

Key Findings: Project Options

1. The new central library functional program aligns with the community vision for a new central library.
2. A new, standalone building was identified as the option that best meets SPL's and the broader community's requirements.



Site Analysis

Site Selection

SPL worked collaboratively with the City of Saskatoon to determine potential downtown locations for a new central library.

Due to the commercial sensitivity of site selection and its potential impact on neighbouring businesses and organizations, identification and any associated purchase or sale of the property, will be publicly communicated following decision making and commercial negotiations.

In alignment with leading practice, highlighted criteria in considering the optimal location included:

- Site size and configuration
- Site accessibility (community engagement indicated the need for access through various modes of transportation, including public transit, pedestrian access, cycling, and personal vehicle)
- Site compatible use
- Cost
- Potential economic and social benefit
- “Downtown” location, located within Idylwyld, 25th Street and the South Saskatchewan River

Costs associated with land and site servicing have been conservatively estimated based on the shortlisted site with the highest estimated cost in the business case.

Through the analysis and test fit process, the existing FMCL site was eliminated as a viable option for a new central library site. The business case assumes the sale of the building and land, and purchase of land in financial assumptions.

Key Findings: Site Analysis

1. SPL worked collaboratively with the City to determine potential locations for a new central library.
2. The site for a new central library will be in the downtown core.
3. The site analysis was conducted using a multi-staged filtering and analysis approach.
4. Due to the commercial sensitivity of site selection and its potential impact on neighbouring businesses and organizations, the location of shortlisted sites is confidential.

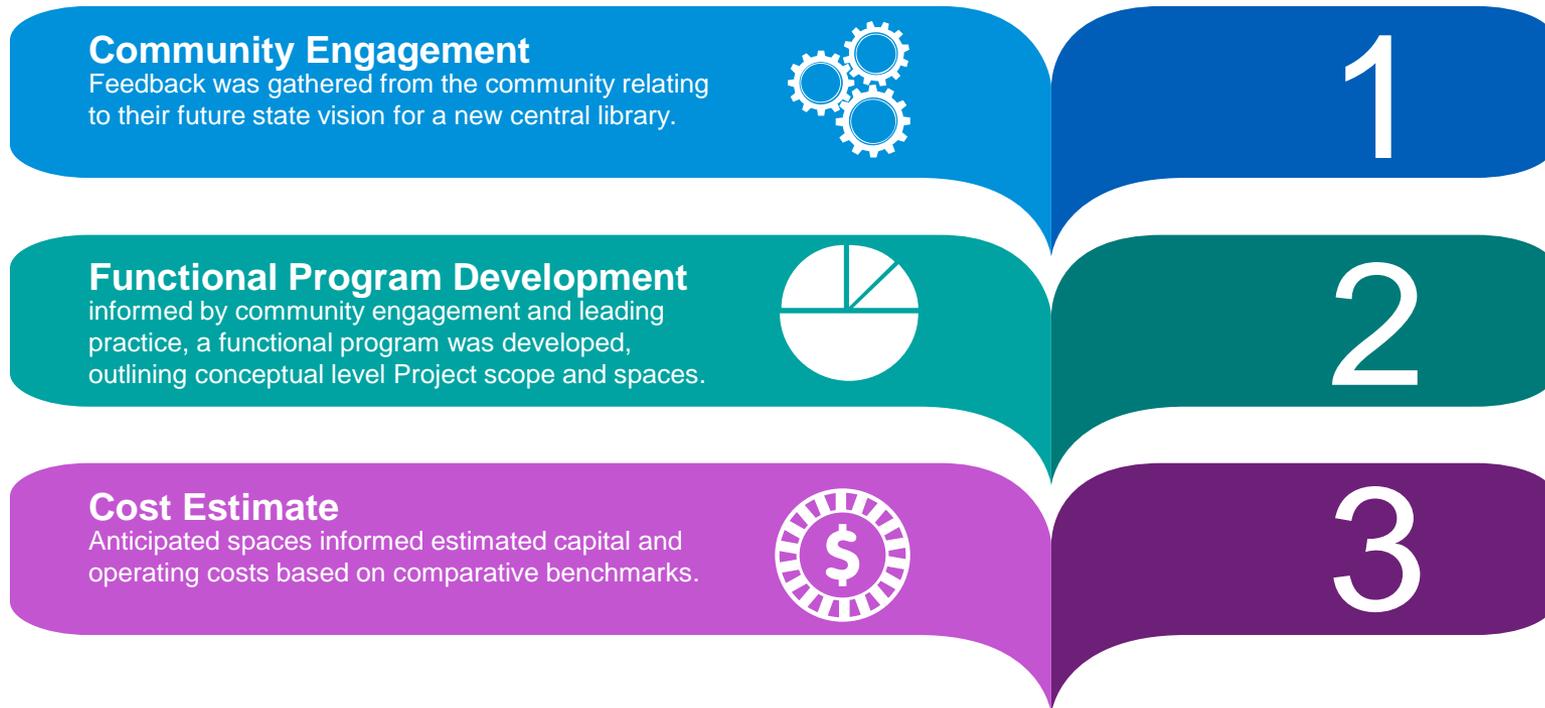


Financial Analysis

Options Analysis

Technical advisors prepared an order of magnitude capital and operating cost estimate for the preferred site. As the Project progresses, more detailed cost information will become available.

KAA prepared conceptual level capital and cost estimates through a multi-step process. Estimates were determined using the following approach:



Project Cost

The Project capital cost estimate is approximately \$154 million (2026 dollars). The functional program, industry benchmarks, and City analysis and assumptions informed the estimate. ¹

This estimated cost is inclusive of¹:

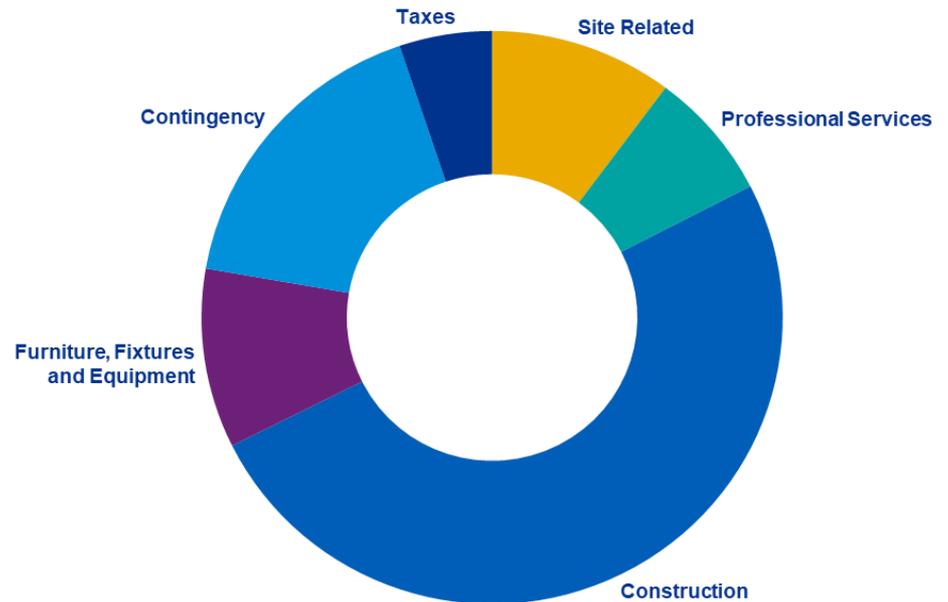
- land purchase
- site development
- professional services
- construction
- furniture, fixtures and equipment
- contingency
- taxes
- sustainability premium
- accessibility premium
- public art
- inflationary impacts

The building is costed assuming qualities of construction, durability, expression and finishes appropriate for a public building which is to be operated and maintained to serve a growing population².

It is anticipated that costs will occur over the period of 2019 through 2026 including procurement, design, construction and transition to operations, as described on the following page.

A summary of the proportion of total costs by type is shown on the right.

New Central Library Project Capital Costs by Type¹



¹ KAA. SPL New Central Library Functional Program. 2019.

² KAA Correspondence, June 2019.

Project Assumed Timeline

Preliminary Project timelines assumed by SPL and City for the business case are below.¹

Changes to the Project as planned will require adjustments to the timeline. Following borrowing approval, SPL will refine the timeline to align with future decision making related to Project procurement.

BORROWING APPROVAL AND PLANNING



SITE RELATED ACTIVITIES



DESIGN



CONSTRUCTION



OPENING



¹ SPL and City of Saskatoon. New Central Library Funding Plan. 2019.

Operating Costs

The increase in SPL's operating cost of a new central library is expected to be \$2.3 million. An independent consultant assessed the operating costs of a new central library.¹

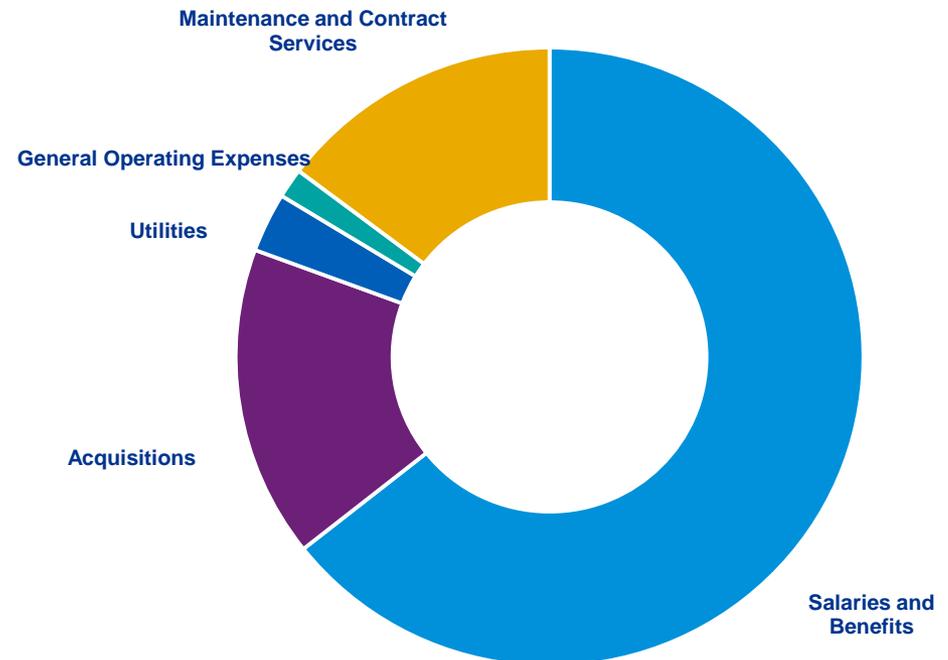
Six full-time equivalent (FTE) positions are required to operate the new central library.

Partial automation of materials handling will enable SPL to check-in a higher volume of materials.

Efficiencies are anticipated to be realized due to the condition and efficiency of the new building, as well as service delivery efficiency.

A summary of operating costs by type is shown on the right. Operating costs as illustrated exclude financing costs.

Annual Operating Costs by Type Post-New Central Library Opening¹



¹ David Hewko Planning and Program Management, Saskatoon Public Library New Central Library Operating Cost Analysis, 2019.

Funding Analysis

In preparation for an investment into a new central library, the City and SPL prepared a funding plan. As per the plan, there have been scheduled levy increases in effect since 2009.

- The funding plan incrementally increases the library levy on an annual basis in preparation for investment into a new central library.
- As per the funding plan, levy increases have been transferred to the new central library reserve since 2009.
- The funding plan projects the levy increases related to new central library project to end in 2026 based on current assumptions.
- The funding plan incorporates the project's capital cost.
- The funding sources for a new central library include SPL reserve funds, donations, and borrowing.
- The actual amount SPL will seek to raise through donations will be assessed following project approval.
- Borrowing for a new central library requires the approval of City Council.
- Once construction has finished, SPL will direct the reserve contributions to fund operating increases resulting from the project and debt repayment.

1 SPL and City of Saskatoon. New Central Library Funding Plan. 2019.

Key Findings: Financial Analysis

1. The Project capital cost is estimated at approximately \$154 million (2026 dollars).
2. The capital cost estimates are driven by the functional program, industry benchmarks, and City-informed analysis and assumptions.
3. The operating cost estimate is driven by historical trends and information, functional program, industry benchmarks, and library leading practices.
4. The increase in SPL's operating cost of a new central library is expected to be \$2.3 million.
5. A funding plan has been prepared collaboratively between SPL and the City with a goal to minimize increases to the library levy.
6. As per the funding plan, scheduled increases to the new central library reserve fund have been ongoing since 2009.
7. Borrowing for a new central library requires the approval of City Council.



Economic and Community Impact

Notice

As part of the business case, Saskatoon Public Library (SPL) engaged KPMG LLP (KPMG) to undertake an analysis of the economic impact on the Saskatchewan economy of the projected preliminary capital plan (Capital) and the projected operational expenditures (Operations) post-construction of a new expanded central library.

The economic impact assessment is intended for internal use by SPL and the City of Saskatoon pursuant to terms of an engagement agreement with KPMG dated July 19, 2018. KPMG does not accept any liability or responsibility to any third party who may use or place reliance on this study.

SPL provided KPMG with data for the value of both capital and operating expenditures, including a breakdown in categories, based on data and information from a third party contracted by SPL. Projected capital data was based on current (2019) Canadian dollars, and projected operating expenditure data was provided for 2023-2026.

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 that is widely accepted and common for this type of analysis. Our KPMG analysis used the 2014 Statistics Canada Interprovincial Input-Output Model to measure the impact of the projected Capital Plan, which are one-time impacts incurred over the estimated planning, design and construction period (2020-2026) and the projected Operations (ongoing annual impacts) on the Saskatchewan and Canadian economy. The Input-Output Model reflects the structure of the Canadian economy in 2014. It is likely that the structure of the economy will change over time, which may affect the estimates. Output data is reported in 2019 Canadian dollars.

The estimated economic impact of the projected Capital Plan and Operations is composed of the employment and value-added impacts that are generated in the provincial economy directly from the Capital Plan and 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 purchased supplies, goods and services, labour/payroll and revenue and taxes paid to government provided by SPL. The analysis and estimated economic impacts presented in this report therefore are dependant on data, information and estimates provided to KPMG by SPL. KPMG cannot warrant the completeness or accuracy of the information and input data provided by SPL.

Input/Output Modelling

In this section, we describe the methodology used to quantify the economic impacts of the projected capital and operating expenditures of the new central library. KPMG used Input-Output (I/O) modelling to estimate Gross Domestic Product (GDP), labour income, and employment impacts. Expenditures used in the analysis were adjusted to 2019 dollars; thus impacts are presented in 2019 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, 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). 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 and each provincial economy in 2014. This means that economic impacts are based on the commodity structure of industries in 2014. The Statistics Canada I/O Model is managed and calibrated solely by Statistics Canada, including the assumptions that are built into the model. The Statistics Canada model is independent of KPMG and SPL.

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. As a result of input values being expressed in 2019 values and because multiplier effects are linear, the economic impacts shown in dollar terms can be interpreted as 2019 values. Adjustments, however, need to be made when interpreting employment impacts. 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. This results in an estimated employment impact in FTE positions. Since the I/O model is calibrated to the 2014 economy, average compensation per worker assumed in the model is less than what it will be in 2019. Without adjustments, this could result in overestimating the employment impacts of a new central library. To address this issue, we deflate the employment impacts from the I/O model by inflation between 2014 and 2019. This approach is recommended by Statistics Canada to avoid overestimating employment impacts.

Types of Economic Benefits Assessed

Through the construction of a new facility and its ongoing operations, the central library in Saskatoon brings a range of economic impacts to Saskatchewan. Four specific dimensions of quantitative economic impact have been analyzed:

GDP or value added

GDP or value added is the “total unduplicated value of goods and services produced in the economic territory of a country or region during a given period.” Value-added includes household income from current productive activities (wages, salaries and unincorporated business income), as well as profits and other income earned by corporations. In the context of our study, GDP serves as a measure of the total economic value added or wealth generated in Saskatchewan (and elsewhere in Canada) resulting from the one-time capital project and annually from ongoing operations post-construction.

Labour income

Labour income represents the total earnings of employees (including employees of suppliers) consisting of wages and salaries as well as supplementary labour income (such as employer’s contributions to pension funds, employment insurance, payroll tax, workers compensations, etc.). Labour income is a component of the GDP impact. The majority of SPL’s Operating expenditures are on salaries, wages and benefits.

Employment impact

Employment impact is measured in terms of FTE positions for ongoing employment (i.e., employment impact associated with annual expenditures). FTE positions are counted according to their duration and not according to whether they were employed on a full-time or part-time basis. That is, two part-time employees would be counted as one FTE if the total time they spent on the job adds up to one year. This approach is consistent with standard statistical terminology.

Government revenues

Government revenues represent the government revenues in Canada including product and production taxes such as sales taxes and capital taxes; property taxes and fees; personal and corporate income tax, etc. This assessment quantifies government revenues from those sources and for the three levels of government (municipal, provincial and federal). Note that government revenue and taxes include government income described above, plus estimated income taxes on labour income based on effective tax rates on average labour income.

Types of Economic Impacts Assessed

Activities impact the economy via three main economic mechanisms, commonly referred to as direct impact, indirect impact and induced impact.

Direct

Direct economic impacts represent the economic value added directly associated with the organizations' capital and operating expenditures (i.e., they include the employment and income of all direct employees).

Indirect

Indirect economic impacts represent the economic value added resulting from the demand for goods and services that operating expenditures and spending generate for suppliers in Saskatchewan. They represent, for example, economic activity generated in the manufacturing, wholesale trade, transportation and professional services sector as a result of demand for materials and services generated.

Induced

Induced economic impacts are an estimation of the economic activity stimulated by the spending of salaries and wages earned as a result of the Capital and Operations activities. An example of an induced economic impact is household purchases made by the organization's employees or its suppliers' employees with their earnings.

Induced economic impacts, while having a significant effect on the economy, are sometimes not considered when evaluating the economic impact of a specific organization or its activities. This is due to the difficulties with establishing how much of the spending would have occurred in the absence of the activities in question. Appropriately attributing the induced impact is further complicated by the possibility that earnings are spent in a different jurisdiction or on imported products and services.

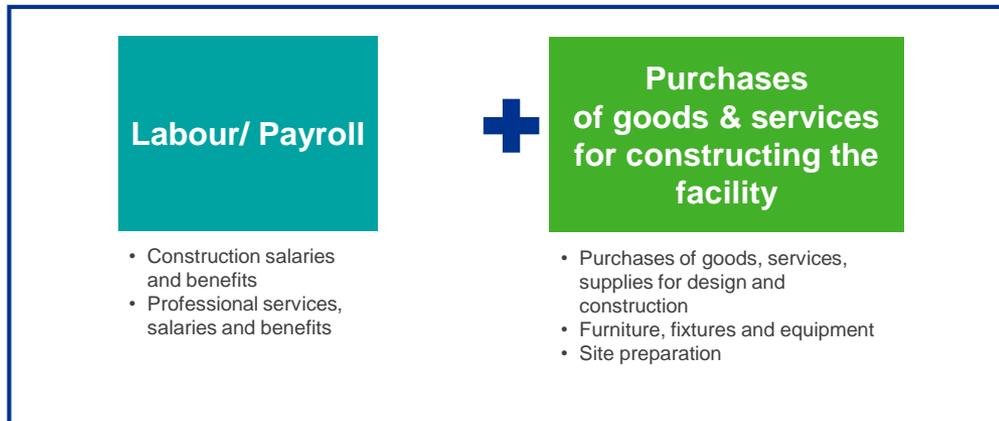
Analyzing only the direct and indirect impacts from an input/output model underestimates the economic impacts as the induced household spend activity is absent. Including induced impacts ensures the economic activity created through the expenditures of salaries and wages is included. Therefore, including both parts of analysis gives a range for the potential economic impact.

Approach and Methodology to Capture Economic Impacts

Operating Impacts (annual, ongoing)



Capital Impacts (one-time over the Project period)



The impacts are described in terms of:

- **Value added in terms of GDP** is the economic wealth generated in a region.
- **Employment** measures the impacts in terms of full-time equivalent jobs.
- **Government revenues** includes taxes incurred on income, profits, and purchases of goods and services for the federal, provincial and municipal levels.

The model estimates impacts on three levels:

- **Direct Impacts:** Economic impacts resulting from expenditures by the first-line economic agents of the operations.
- **Indirect Impacts:** Economic impacts generated by the demand for goods and services supplied to the first line agents of the operations.
- **Induced Impacts:** Economic impacts generated by the spending of labour income generated via direct and indirect impacts.

Input/Output Model

Our analysis utilized the 2014 Statistics Canada Input/Output Model to measure the impact of the Capital Project and Operations on the Saskatchewan economy.

Sensitivities:

- Both the employment and the value-added impacts from the Input/Output Model are linear so that any percentage increase/decrease in the value to Canadian firms will result in an equal percentage increase/decrease to the employment and value-added results.
- With respect to the assessment of the economic impacts of Capital and Operations in Saskatchewan, we have analyzed the economic impacts that accrue in Saskatchewan. Through supply chain linkages, indirect impacts also occur in other provinces. For clarity, we have excluded all impacts that accrue outside of Canada (i.e., imports are leakage from the Canadian economy and excluded).

The process for running the 2014 Statistics Canada Input/Output Model was as follows:

1. Define the expenditure data: The expenditure data to be analyzed are the projected Capital expenditures during the planning, design and construction phases, and projected annual Operations expenditures in Saskatchewan based on projected data for post-construction. For Capital, current dollars (2019) was used, and for Operations, the projected operating costs for the first post-construction year was converted to current dollars (2019).
2. Define the jurisdictional level at which to disaggregate the expenditure data: To increase the accuracy with which interprovincial trade flows and regional distributions of operations are reported, the analysis requires the expenditure data to be disaggregated to the provincial level; results are reported at a provincial level.
3. Define the level of commodity disaggregation: The analysis uses expenditure data to be disaggregated to what Statistics Canada defines as the “W” (worksheet) level where over 200 commodity items are defined.
4. Collect the data in accordance with these definitions.
5. Adjust the data as required based on available data and information: Two separate data sets are required (Capital and Operations). Submit adjusted data as inputs to Statistics Canada.
6. Review the input matrix from Statistics Canada before Statistics Canada runs the model for each of the two data sets.
7. Receive outputs from the Statistics Canada Input/Output Model and interpret results.

Key Sources of Information for Data Inputs

Impacts for Projected Capital Expenditures

- Projections developed by KAA, in consultation with SPL, based on functional program and plan for a new central library.
- A high-level breakdown of projected capital expenditures for the period in scope (2019/20 through 2025/26).

Impacts for the Operating Expenditures

- Projected operating expenditures post-construction for SPL central library employees and operations, developed by SPL and a third-party to SPL, based on information provided by SPL and other information.
- Projected operational costs were provided annually for the post-construction period.
- Built from pro-forma estimates of current operational expenditures for the central library only, based on financial statements and budget information from SPL.
- Breakdown of operating expenditures includes main categories such as:
 - Salaries and benefits,
 - Library acquisitions, and
 - Expenditure on other goods and services, such as general administrative, office supplies, contracted services, etc.

Data Model Inputs

- The economic impacts from capital expenditures presented in this business case are based on construction cost estimates developed by KAA.
- The costs reflect projections for three potential new sites in the downtown (no material cost differences between these sites). Estimated capital costs were based on a number of assumptions.
- For the purposes of economic impact analysis, total Capital costs were estimated to be \$144 million to reflect inclusions/exclusions in alignment with leading practice. The following items were specifically excluded: land purchase (for the purposes of economic impact assessments of capital projects, land purchase is not included).

Source: SPL provided by KAA Projections. Projected capital costs for potential shortlisted sites in the downtown.

Data Model Inputs

Annual Operating Expenditures of SPL's New Central Library Facility (\$ millions)		
	Current	Post-construction in 2019\$
Salaries and Benefits	\$6.5	\$8.3
Acquisitions	1.2	2.1
Utilities	0.2	0.4
General Operating Expenses	0.2	0.2
Maintenance and Contract Services	1.1	1.9
Total	\$10.9	\$13.2

Source: SPL projections provided by SPL and a third party based on SPL data.

- Economic impacts from operating expenditures come from spending on salaries and benefits, acquisitions, expenses, and the purchase of other goods and services. In 2018, SPL's operating expenditures of the central library are estimated at nearly \$10.9 million.
- A new central library will result in higher annual operating expenditures from increased staffing levels and increased capacity. The economic impacts from operating expenditures presented are based on estimates of annual operating costs once a new central library becomes operational. Financing costs are excluded for economic impact analysis purposes.
- Estimates are that a new library will result in operating expenditure of approximately \$13 million annually during the initial post-construction years. This value is in 2019 dollars. These operating cost estimates were based the following assumptions:
 - Once a new central library becomes operational, growth to 93 FTEs is projected at the central library, including central library staff and SPL administration and centralization of support services.
 - Purchased goods and services were assumed to also increase accordingly.
- The table above compares the current operating expenditures of the central library to the expected annual operating costs when a new central library is operational. For input to the model, the average of three years was used and deflated to current 2019 dollars.

Economic Impacts – Capital Expenditures

This section presents the impact in Saskatchewan and Canada on GDP, labour income and employment as a result of the projected capital expenditures from the construction of the new central library.

It is important to note that these are one-time economic impacts that would occur over the course of the three-year construction period. This projected capital expenditure is estimated to generate one-time impacts over the course of the construction period of:

- \$132 million in value added to the Canadian economy;
- \$88 million of the \$132 in value-added (or GDP) for Saskatchewan's economy;
- \$44 million in value added (or GDP) in other Canadian provinces from materials, goods and services through the inter-provincial supply chain, mostly from Ontario and Alberta.
- Over 1,040 FTE jobs, mostly in Saskatchewan (over 725 or 70%) throughout the construction phase (these are not jobs at SPL). It is important to note that one FTE is measured as one full-time position that is held for one year. Thus, one full-time person employed by the capital project over the course of a three-year construction period would count as three FTEs for the purpose of reporting employment impacts.

Total Economic Impact in Canada Related to the Projected Capital Expenditures in Saskatoon 2019, in millions of dollars and in full-time equivalent jobs (FTEs)

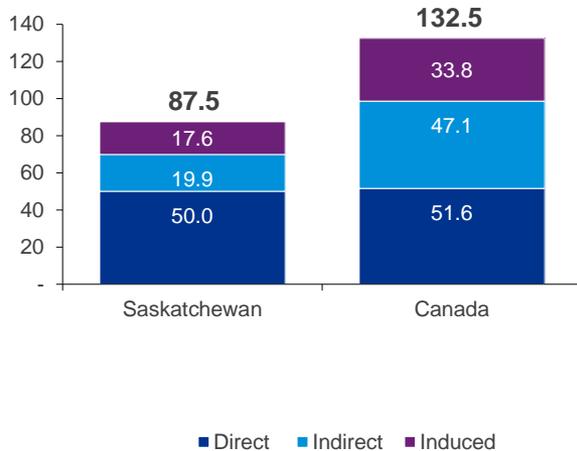
	Direct Impact	Indirect Impact	Induced Impact	Total Impact
Total GDP impacts (in \$M)	\$51.6	\$47.1	\$33.8	\$132.5
Employment impacts (jobs in FTEs)	465	357	221	1,043

Source: Statistics Canada simulation based on information and projections provided by Saskatoon Public Library.

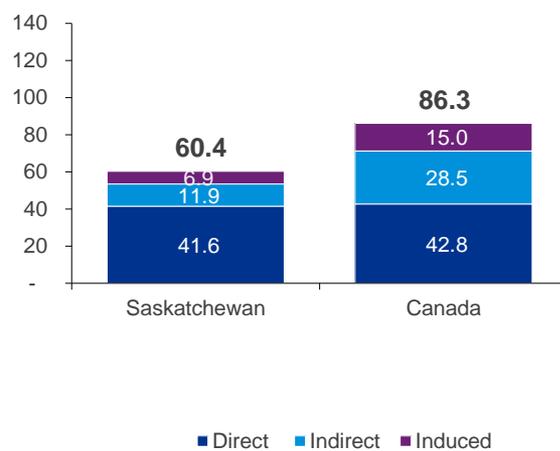
Economic Impacts – Capital Expenditures

The estimated economic impacts from capital expenditure projections for new central library for Saskatchewan and for Canada as a whole are outlined in the graphs below:

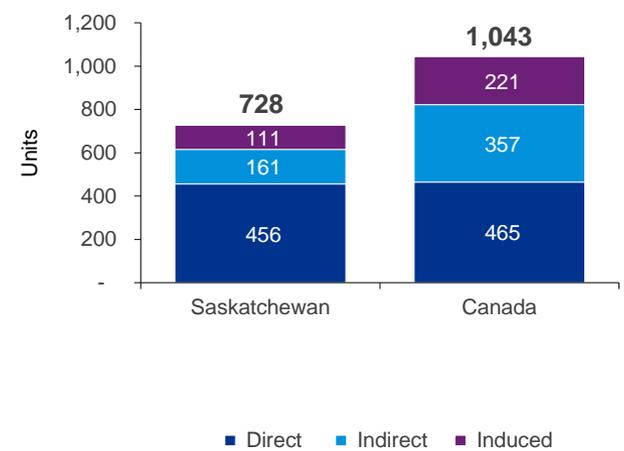
GDP Impacts from Capital Expenditures (\$ millions)



Labour Income Impact from Capital Expenditures (\$ millions)



Employment Impact from Capital Expenditures (FTEs)



Source: Statistics Canada simulation based on information and projections provided by SPL. Labour income impact is a component of GDP impact.

Economic Impacts – Operating Expenditures

A new central library will generate significant annual economic impacts to the City and the Province of Saskatchewan, primarily through SPL's expenditures on goods, services and labour which injects new dollars into the provincial economy.

On an annual basis, these expenditures in the economy generate a recurring annual impact in the Canadian economy of approximately:

- \$15.3 million in value added or GDP.
- The large majority of GDP impacts, \$12.8 million or approximately 84%, accrues to Saskatchewan as the majority of operating expenditures relates to local labour.
- 144 full-time equivalent (FTE) jobs created or sustained, of which nearly 90% would be in Saskatchewan (primarily in Saskatoon).

The expenditures of Operations first generates direct impacts (in terms of value added and employment) as well as creating further economic impacts through the wider supply chain (indirect impacts) and the spending of the wages earned by individuals for direct and indirect employment linked to Operations generates induced impacts.

Direct employment impacts reflect jobs at SPL, while indirect and induced employment reflect jobs external to SPL.

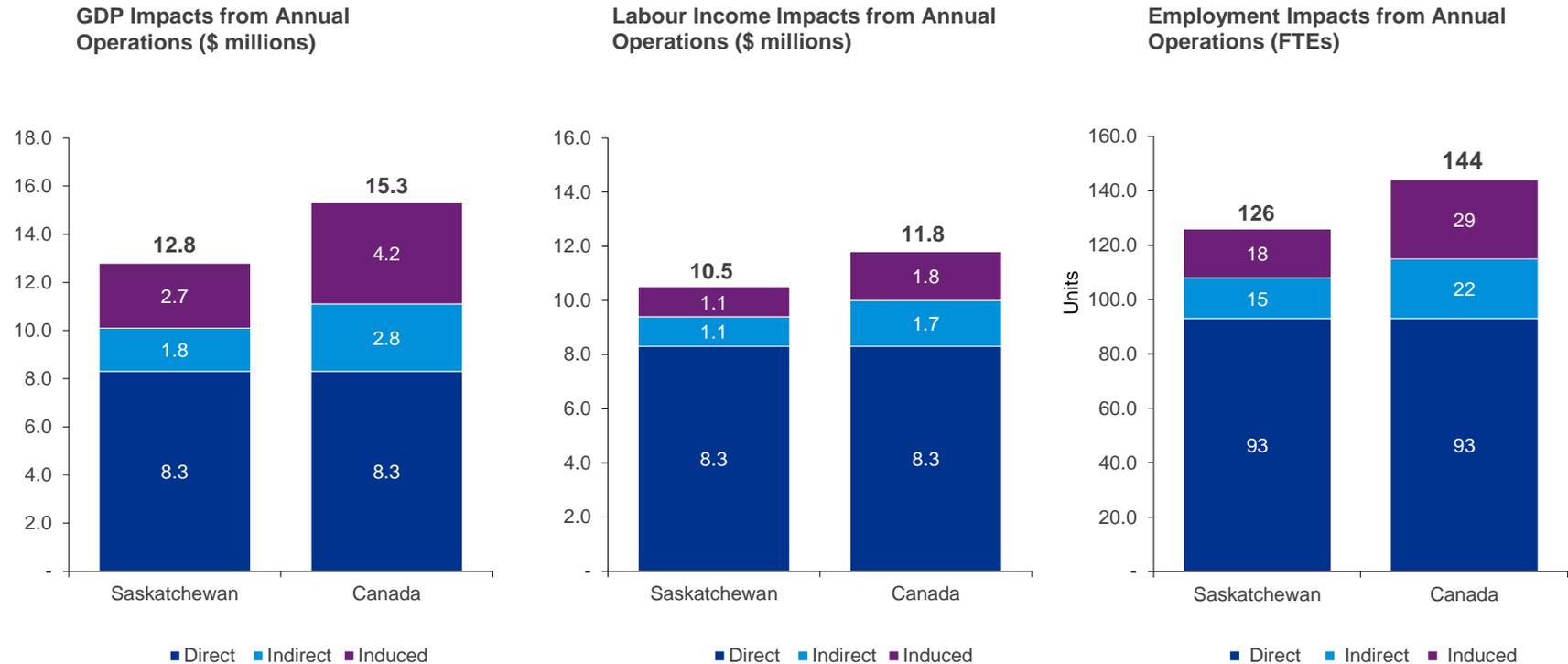
Total Economic Impact in Canada Related to Projected Annual Operational Expenditures in Saskatoon 2019, in millions of dollars and in full-time equivalent jobs (FTEs)

	Direct Impact	Indirect Impact	Induced Impact	Total Impact
Total GDP impacts (in \$millions)	8.3	2.8	4.2	15.3
Employment impacts (jobs in FTEs)	93	22	29	144

Source: Statistics Canada simulation based on information projections provided by Saskatoon Public Library.

Economic Impacts – Operating Expenditures

Estimated Economic Impacts from annual operations of new central library in Saskatoon:



Source: Statistics Canada simulation based on information and projections provided by SPL. Labour income impact is a component of GDP impact.

Estimated Government Revenues – Capital Expenditures

The construction of the new central library is projected to generate direct and indirect government revenues for multiple levels of governments of an estimated \$30 million during the planning, design and construction phases.

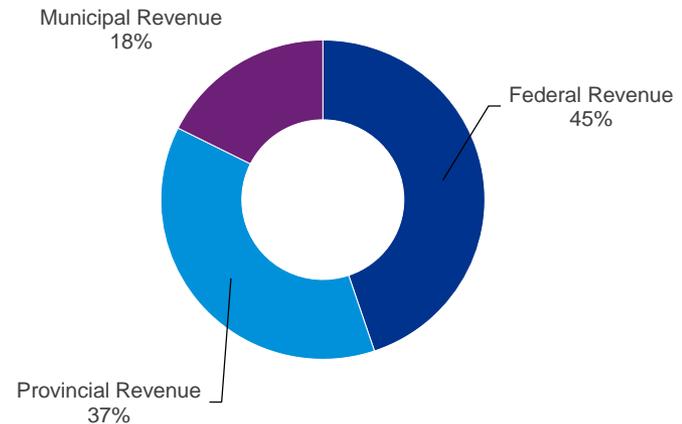
This includes:

- \$4.7 million in municipal tax revenues collected by municipalities in Saskatchewan.
- \$11.2 million in provincial tax revenues collected by the Government of Saskatchewan.
- \$13.2 million in federal tax revenues collected by the Government of Canada.

An additional \$1 million in government revenues are generated indirectly outside Saskatchewan; thus increasing the total government revenues generated, as a result of new capital expenditures in Saskatoon to \$30 million.

The approximate share, by the level of government, of estimated revenues generated is shown to the right.

Estimated Government Revenues from Capital Expenditure Projections – Breakdown of Recipients



* Examples of taxes on product include sales tax (GST, provincial sales tax), gas tax and other taxes.

Examples of federal taxes on production include capital taxes levied against corporate entities, provincial taxes on production include (personal and commercial) motor vehicle license fees, land transfer taxes, and capital taxes. Local taxes include real property taxes, frontage fees and other levies.

** Income tax estimates are on salaries and wages based on effective tax rates.

Source: Statistics Canada simulation based on information and projections provided by SPL; KPMG analysis; total dollars are rounded.

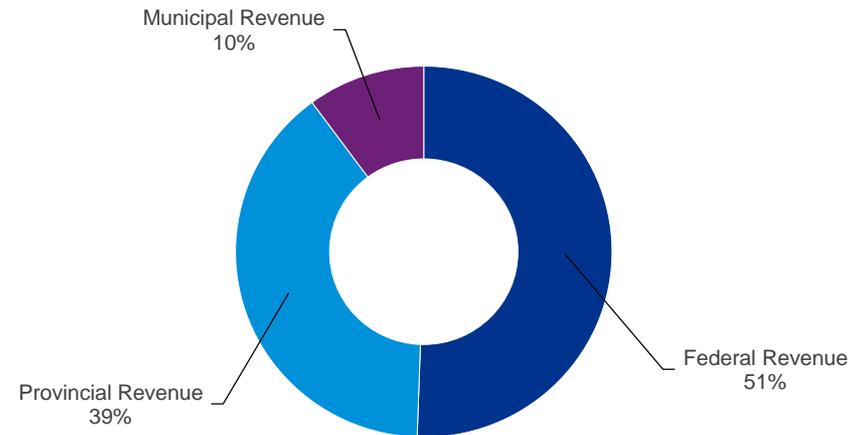
Estimated Government Revenues – Ongoing Operations

The Operations of the new central library is projected to generate direct and indirect recurring government revenues for multiple levels of governments of an estimated \$1.8 million on an annual basis.

This includes:

- The operations of the new central library is projected to generate direct and indirect recurring government revenues for multiple levels of governments of an estimated \$1.8 million on an annual basis. This includes:
 - \$0.2 million in municipal tax revenues collected by municipalities in Saskatchewan.
 - \$0.7 million in provincial tax revenues collected by the Government of Saskatchewan.
 - \$0.9 million in federal tax revenues collected by the Government of Canada.
- The approximate share by level of government of estimated revenues generated as a result of the annual operations of the new central library is shown to the right.

**Estimated Government Revenues from Annual Operations
Breakdown of Recipients**



Source: Statistics Canada simulation based on information provided by SPL; KPMG analysis; total dollars are rounded. Income tax estimates are on salaries and wages based on effective tax rates.

Social & Community Benefits

In addition to significant economic impacts, libraries contribute many positive social benefits for the communities they serve, including¹:

Investing in Social Infrastructure

- Libraries provide community leadership in the areas of reconciliation, anti-racism, social inclusion, anti-poverty, and harm reduction initiatives.
- Libraries provide a welcoming, safe and accessible spaces supporting various educational and social pursuits and enhance the collective quality of life for residents.
- Through helping residents improve things such as literacy rates and employability factors, along with providing safe and welcoming places to gather, libraries directly address social determinants of health.
- Through community partnerships, libraries help strengthen community collaborations and connections.
- Libraries reduce inequality by providing free and equal access to collections, services, programs, technology, and spaces.



¹ Berk & Associates, The Seattle Public Library Central Library; Bureau of Business and Economic Research, University of Minnesota Duluth, Minnesota Public Libraries' Return on Investment; Kerslake, E. and Kinnell., M, Public Libraries, public interest and information society; Mclure, C., Fraser, B., Nelson, T. and Robbins, J., Economic Benefits and Impacts from Public Libraries in the State of Florida.

Social & Community Benefits

Investing in People and Ideas¹

- Libraries support a wide range of literacy objectives and help support the growth of its users in many critical areas, including reading, technology, writing and civic engagement. Literacy rates are directly correlated to the overall health and prosperity of communities.
- Libraries provide free programs and services supporting the educational growth and helping to advance job/career prospects. This is particularly important for a community's most vulnerable individuals, including youth and those living in poverty.
- The wide range of library programming helps support the varied needs of different demographics.
- Libraries are amongst the most important public institutions for new Canadians, providing welcoming spaces, programs and services, including settlement and language support.
- Innovation labs and other technological innovation spaces can greatly enhance a community's creativity and commercialization efforts.
- Libraries can significantly strengthen the cultural fabric of a community and increase the attractiveness of downtown cores, resulting in improved labour attraction and retention rates.
- By providing equal access to WiFi, public computers, software programs and other forms of modern technology, libraries help bridge the digital divide in communities.
- Through providing diverse collections, spaces and forms of access, libraries directly respond to and reflect the diversity inherent within their communities as a whole.

¹ Berk & Associates, The Seattle Public Library Central Library; Bureau of Business and Economic Research, University of Minnesota Duluth, Minnesota Public Libraries' Return on Investment; Kerlake, E. and Kinnell., M, Public Libraries, public interest and information society; Mclure, C., Fraser, B., Nelson, T. and Robbins, J., Economic Benefits and Impacts from Public Libraries in the State of Florida.

Social & Community Benefits



Investing in Downtown Rejuvenation¹

- Libraries help showcase a city and add to the brand and marketing efforts of a city.
- New central libraries have been shown to have significant impacts on downtown revitalization efforts, boosting real estate values and contributing to other significant economic benefits.
- Libraries often attract other progressive businesses, cultural organizations and residential ventures, leading to economic diversification.
- By boosting the overall health and prosperity of a city, libraries can also help their communities attract more high profile events and conferences, and drive tourism.
- Increased visitor traffic to libraries results in increased spending at nearby shops and restaurants.

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Social & Community Benefits

Investing in Community-Building¹

- As one of the only spaces where everyone is treated equally and can gather freely, libraries play a significant role in helping residents make connections and build community.
- By increasing the overall health and prosperity of a city and its residents, libraries contribute to increased civic satisfaction, engagement and pride.
- For people who do not have personal access to modern modes of communication; libraries help people remain connected to others through courtesy phones, WiFi and public computers.



¹ Berk & Associates, The Seattle Public Library Central Library; Bureau of Business and Economic Research, University of Minnesota Duluth, Minnesota Public Libraries' Return on Investment; Kerslake, E. and Kinnell., M, Public Libraries, public interest and information society; Mclure, C., Fraser, B., Nelson, T. and Robbins, J., Economic Benefits and Impacts from Public Libraries in the State of Florida.

Key Findings: Economic Impact Analysis

1. The investment in a new central 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 in building the new facility, as well as the annual Operating expenditures of a new central library.
2. A new central library provides an opportunity for further enhancing downtown revitalization in Saskatoon and generating commercial and social opportunities in the City.
3. The construction of a new central library is estimated to contribute approximately \$132 million to Canada's GDP and 1,043 full-time equivalent jobs in Canada over three years. The large majority, nearly 70%, of these impacts occur in Saskatchewan.
4. Once constructed, ongoing operations of a new central library have an annual impact of \$15.3 million (year after year) to Canada's GDP and 144 full-time equivalent jobs in Canada, with nearly 90% of the employment impacts in Saskatchewan.
5. While the Statistics Canada Input/Output Model generates economic impacts at the provincial level, the dominant share of economic impacts will occur in the local/regional economy of Saskatoon.
6. The City is well positioned to capture most of the significant economic impacts associated with the construction and operations of the new central library.



Post-Approval Risk Assessment

Risk Assessment – Introduction

The following section outlines the key risks identified with the development of a new central library in Saskatoon (following borrowing approval by City Council). Following approval, SPL intends to continue to work with the City and its advisors to mitigate identified risks through the Project.

Risks are identified and assessed based on KPMG's understanding of the proposed Project (as informed by SPL, its technical advisors, and the City), experience on similar projects, KPMG methodologies and leading practice.

At this preliminary stage, risks are not allocated to parties. There is potential to negotiate risk transfer as part of future procurement, financial and commercial decision making. The risks identified assume the Project has received approval to progress to more detailed planning and design stages. As the Project progresses, the risk analysis should be updated as decisions are made and additional information becomes available. For each identified risk, the leading practice would direct SPL to identify management strategies based on its identified risk tolerance.

Risks have been categorized into four types:

- 1. General:** Timing, environmental and social factors, approvals and decisions, authority, and stakeholders, policy, relationship management, and capabilities.
- 2. Construction:** Labour, performance, responsiveness, costs, errors, communications, and project team capacity and stability.
- 3. Financial:** Project duration, continuity, funding, and accuracy of the estimates and schedules.
- 4. Operational:** Commissioning, change management, health and safety, operations, and delivery.

Risk Assessment – Introduction

The risks were then assessed based on their probability of occurrence, the severity of impact, and velocity, using a rating scale. The definition for each of these assessment criteria is as follows:

Criteria	1 (Low)	2 (Medium)	3 (High)
Severity	The risk would be minimally consequential to the success of the Project	The risk has the potential to adversely affect the success of the Project	The risk could potentially jeopardize the success of the Project
Probability	Although possible, the risk is unlikely to materialize	The risk has moderate potential to materialize	It is likely that the risk will materialize at some point
Velocity	The period between indications of the risk occurring and the point at which it could affect the Project is estimated to be greater than 12 months	The period between indications of the risk occurring and the point at which it could affect the Project is estimated to be between 6-12 months	The period between indications of the risk occurring and the point at which it could affect the Project is estimated to be less than 6 months

Risk Assessment – Legend

Following the assessment, the ratings are multiplied to produce a final risk score (the **Significance**) within a risk matrix.

The risk assessment matrix shows the assessed severity, probability, and velocity of each of the risks described in the table below. The significance calculation is:

- **High Significance** – Combined score of 9+
- **Medium Significance** – Combined score of 5 to 8
- **Low Significance** – Combined score of >4

As the Project is still in the feasibility stage, the risks that are identified are not definitive, but rather, indicative. As the Project progresses, the ratings within the evaluation and even the risks themselves may need to be revisited.

Risk Assessment – Evaluation

 General	 Construction	 Financial	 Operational
General Risks			

Risk	Probability	Severity	Velocity	Significance
Change in Stakeholder Requirements Further involvement with user groups revealing a change in program expectations operational needs, affecting the scope	1	2	1	Low
Plan Approval Delays Issues around complexity, quality assurance, or analysis assumptions, resulting in a schedule delay or price change	2	2	2	Medium
Policy and Governance Environment Unforeseen changes in direction, input, and/or governance impacting decision making related to the Project	2	2	2	Medium
Public Scrutiny An unfavourable distortion of public perception as a result of negative media and/or public exposure	2	2	1	Low

Risk Assessment – Evaluation

 General	 Construction	 Financial	 Operational
Construction Risks			

Risk	Probability	Severity	Velocity	Significance
Labour Shortage or Disruption An unexpected influx of construction work in the region causing a reduction in capacity to focus on this Project	1	2	1	Low
Unavailability of Materials The materials determined to be necessary for the construction of the Library are unavailable or exorbitantly priced	1	3	1	Low
Errors and Omissions An error or lack of instruction in the specifications that resultantly requires replacement or correction at a cost	1	2	2	Low
Poor Communication Inadequate policies and procedures in place to ensure frequent updates and a common understanding of status and expectations between internal stakeholders and construction workers	2	2	1	Low
Project Team Instability A mid-Project change in senior management internally and/or externally, causing inadequate understanding, capability, and/or capacity to move forward	1	2	1	Low

Risk Assessment – Evaluation

 General	 Construction	 Financial	 Operational
Construction Risks			

Risk	Probability	Severity	Velocity	Significance
Health and Safety A health or safety accident, causing injury, illness, or death, due to negligence, for which SPL becomes liable	1	2	3	Medium
Change Order Unrealistic schedules, poorly designed scope, and/or inadequate coordination and project management causing numerous change orders to be necessary, increasing cost and delaying completion	2	2	2	Medium
Unknown Site Conditions Unbeknownst to the City, SPL, and construction company, the selected site’s subsurface is materially different from what is expected or indicated in the documentation	1	2	3	Medium

Risk Assessment – Evaluation

 General	 Construction	 Financial	 Operational
Financial Risks			

Risk	Probability	Severity	Velocity	Significance
<p>Longer than Expected Duration Poor project management, labour shortages, late deliveries, unforeseen site conditions, inadequate access, and/or related events, causing an increase in the duration of the Project</p>	1	2	1	Low
<p>Inaccuracy of Estimates The cost and/or revenue estimates that were presented to SPL and accepted are later deemed inaccurate, causing an unexpected increase in the cost of construction or unexpected deficiency in revenue or funding resulting in insufficient funding</p>	1	3	3	High
<p>Inaccuracy of Schedules The schedule that is set at the outlay of the Project becoming unachievable, due to evolving or circumstances or unforeseen events resulting</p>	2	2	2	Medium
<p>Price Inflation An increase in materials and/or labour pricing, over an extended period of time, presenting feasibility risk to SPL and/or the construction company</p>	2	2	1	Low

Risk Assessment – Evaluation

 General	 Construction	 Financial	 Operational
Operational Risks			

Risk	Probability	Severity	Velocity	Significance
Inadequate Commissioning Poor construction quality and/or ineffective material used to construct the building causing long-term sustainability issues, producing a need for more maintenance funding than planned	2	3	1	Medium
Ineffective Change Management The organizational structure, personnel, business processes, branches, and systems inadequately adapting to the new Library	1	2	2	Low
Client Service Interruption Project delays, miscommunications, or other related issues interrupting the services and programs that users expect from SPL	2	1	2	Low
Materials Obsolescence The materials used to construct the Library not being selected with longevity and sustainability in mind, resulting in a need for the replacement of parts and/or high long-term maintenance costs	1	3	1	Low
Marketplace Competition A competing organization, in close proximity, offering similar services and programs as SPL, reducing the positive impact that the Project would have on the community	1	2	1	Low

Key Findings: Risk Assessment

1. The Project possesses a low to moderate risk at this early feasibility stage.
2. SPL will continue to work with the City and its advisors to mitigate potential risks, including the availability of funding and project management activities (i.e., ensuring the estimates, schedules, scope, and quality of work are effectively managed and realistic).



Summary and Conclusions

Summary and Conclusions

1. A new central library will enable SPL to provide enhanced library services to meet the needs of the Saskatoon community at the central location and provide much needed support to branches.
2. Libraries are a key contributor to strong communities, serving as a valuable resource in supporting the United Nations Sustainable Development Goals, UNDRIP, TRC Calls to Action, and MMIWG Calls for Justice.
3. A new central library is critical to meeting the experienced and forecasted demand for a steadily increasing population, and contributing to downtown revitalization. Continued population growth and changing community needs are exacerbating existing constraints.
4. FMCL fails to meet capacity and programming needs that can enhance the quality of life of Saskatoon residents.
5. FMCL is non-compliant with modern building codes, including fire, mechanical, electrical, and accessibility, dating back nearly 20 years.
6. In addition to social value, experiences of other cities indicate that a new central library will directly contribute to downtown revitalization and numerous other benefits to the community.
7. The Project will enable SPL to provide enhanced service delivery, bringing together traditional library services with a host of new services.
8. The functional program addresses the desires expressed by the community.
9. The functional program enables SPL to address the identified service gaps.
10. The functional program includes space for an expanded collection, individual and collaborative spaces, technology-focused spaces, theatre, storyroom, gallery, indigenous spaces and, children's, teen, and Local History.
11. The planned space needs for a new central library are 149,000 square feet.

Summary and Conclusions

12. The new central library estimated project cost of \$154 million (adjusted for inflation). Funding sources are a combination of reserve funds, land sale proceeds, donations and \$87.5 million in borrowing (with the debt repayment via the library levy).
13. Construction is estimated to contribute \$132 million to Canada's GDP, with nearly 70% of these impacts occurring in Saskatchewan. Ongoing operations are expected to have an annual impact of \$15 million (year after year) to Canada's GDP, with nearly 90% of these impacts occurring in Saskatchewan.
14. Upon required funding approval by City Council, SPL intends to proceed with land acquisition, public engagement activities, and securing a project team.



Additional public updates will be provided and consultation opportunities will be available, as the Project progresses.

For more about the Project visit the website:

saskatooncentrallibrary.ca.



The confidential report (Report) prepared by KPMG LLP (KPMG) is provided for Saskatoon Public Library (SPL) and the City of Saskatoon (Saskatoon or the City) and pursuant to the consulting service agreement with SPL dated July 19, 2018, for an independent business case for a new central downtown library.

If this Report is received by anyone other than SPL and Saskatoon, the recipient is placed on notice that the attached Report has been prepared solely for SPL and Saskatoon for its own internal use, and this Report and its contents may not be shared with or disclosed to anyone by the recipient without the express written consent of KPMG and SPL. KPMG does not accept any liability or responsibility to any third party who may use or place reliance on the Report. The scope was limited to the preparation of an independent study. The intention of the Report is to outline a business case and identify potential opportunities and options for consideration of SPL and Saskatoon.

The analysis was primarily based on data and information developed and provided by Saskatoon, SPL and its contracted architect for the project, as well as other sources. We express no opinion or any form of assurance on potential impacts and costs that SPL and Saskatoon may realize should it decide to implement the options and considerations contained within this Report. SPL and Saskatoon is responsible for the decisions to implement any options and considering their impact.

The procedures we performed do not constitute an audit, examination or review in accordance with standards established by the Chartered Professional Accountants of Canada, and we have not otherwise verified the information we obtained or presented in this Report. We express no opinion or any form of assurance on the information presented in the Report and make no representations concerning its accuracy or completeness.

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